



Rutland County Council

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TO: ALL MEMBERS OF THE COUNCIL

6th November 2015

Dear Member

**RE: Quarter 2 Financial Management Report 2015/16
Quarter 2 Performance Management Report 2015/16**

Please find attached the above reports from the Chief Executive and the Director for Resources which will be considered at the following meetings:-

| | |
|---|---|
| Resources Scrutiny Panel | Thursday 12th November 2015 |
| Cabinet | Tuesday 17th November 2015 |
| People (Children) Scrutiny Panel | Thursday 19th November 2015 |
| Places Scrutiny Panel | Thursday 26th November 2015 |
| People (Adults) Scrutiny Panel | Thursday 3rd December 2015 |

Members are requested to ensure they bring this copy to the relevant meetings.

Yours sincerely

Kim Cross
Support Officer Corporate Support Team

Encs

Copy to: Chief Executive
Chief Officers
Corporate Support Team
CST Public Copy

CABINET

16th November 2015

Performance Management Report – Quarter 2 2015/16

Report of the Chief Executive

| | | |
|--------------------------------|--|---|
| Strategic Aim: | All | |
| Key Decision: No | Forward Plan Reference: FP/310715/02 | |
| Exempt Information | No | |
| Cabinet Member(s) Responsible: | Cllr Roger Begy, Leader of the Council | |
| Contact Officer(s): | Jason Haynes, Performance and Application Support Team Manager | Tel: 01572 720962 jhaynes@rutland.gov.uk |
| | Helen Briggs, Chief Executive | Tel: 01572 758201 hbriggs@rutland.gov.uk |

DECISION RECOMMENDATIONS

That Cabinet:

1. Notes the overall position in relation to performance for the second quarter of 2015/16 and the actions being taken to address areas of underperformance.

1. PURPOSE OF THE REPORT

- 1.1 To report to Cabinet on the Council's performance for the second quarter of 2015/16.

2. BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 This is the second quarterly Corporate Performance Management report of 2015/16, highlighting performance for the year to date. It is intended to update Cabinet in performance:

- Against our strategic aims and objectives;
- Of the Customer Services team;
- On the sickness absence targets; and
- On Safeguarding

It is also intended to provide an update on a number of projects that the Authority is involved in delivering; this information is provided in the Project Update appendix to the report (**Appendix E**)

3. INDEX OF MULTIPLE DEPRIVATION

- 3.1 Since the 1970s the Department for Communities and Local Government have calculated local measures of deprivation in England. These measures are refreshed roughly every 4 years, although there has been a delay with updating the 2010 release such that figures were only published in September 2015. The indices of deprivation are based on 37 separate indicators, organised into seven distinct domains which are then combined to calculate the Index of Multiple Deprivation.
- 3.2 The Index of Multiple Deprivation is the official measure of deprivation for Lower-layer Super Output Areas (LSOA) in England. It ranks every small area in England from 1 (most deprived area) to 32,844 (least deprived area) and also groups them into 10 equal groups, ranging from the most deprived 10 per cent of small areas to the last deprived 10 per cent.

LSOA's differ slightly in size from wards/parishes as wards/parishes were not considered ideal for national comparison because they can vary greatly in size from fewer than 100 residents to more than 30,000. The LSOA's were designed to improve reporting of small area statistics as each one is to a fairly consistent size (between 1 and 3000 people or 400 and 1200 households).

- 3.3 The seven “domains of deprivation” are as follows:
- The **Income Deprivation** domain measures the proportion of the population experiencing deprivation relating to low income. The definition of low income used includes both those people that are out of work, and those that are in work but who have low earnings.
 - The **Employment Deprivation** domain measures the proportion of the working age population in an area involuntarily excluded from the labour market. This includes people who would like to work but are unable to do so due to unemployment, sickness, disability or caring responsibilities.
 - The **Education, Skills and Training Deprivation** domain measures the lack of attainment and skills in the local population. The indicator falls into two sub-domains: one relating to children and young people and one relating to adult skills.
 - The **Health Deprivation and Disability** domain measures the risk of premature death and the impairment of quality of life through poor physical or mental health. The domain measures morbidity, disability and premature mortality but not aspects of behaviour or environment that may be predictive of future health deprivation.
 - The **Crime** domain measures the risk of personal and material victimisation at local level.
 - The **Barriers to Housing and Services** domain measures the physical and financial accessibility of housing and local services. The indicators fall into two sub domains: geographical barriers, which relate to the physical proximity of local services, and wider barriers which includes issues relating to access to housing such as affordability.

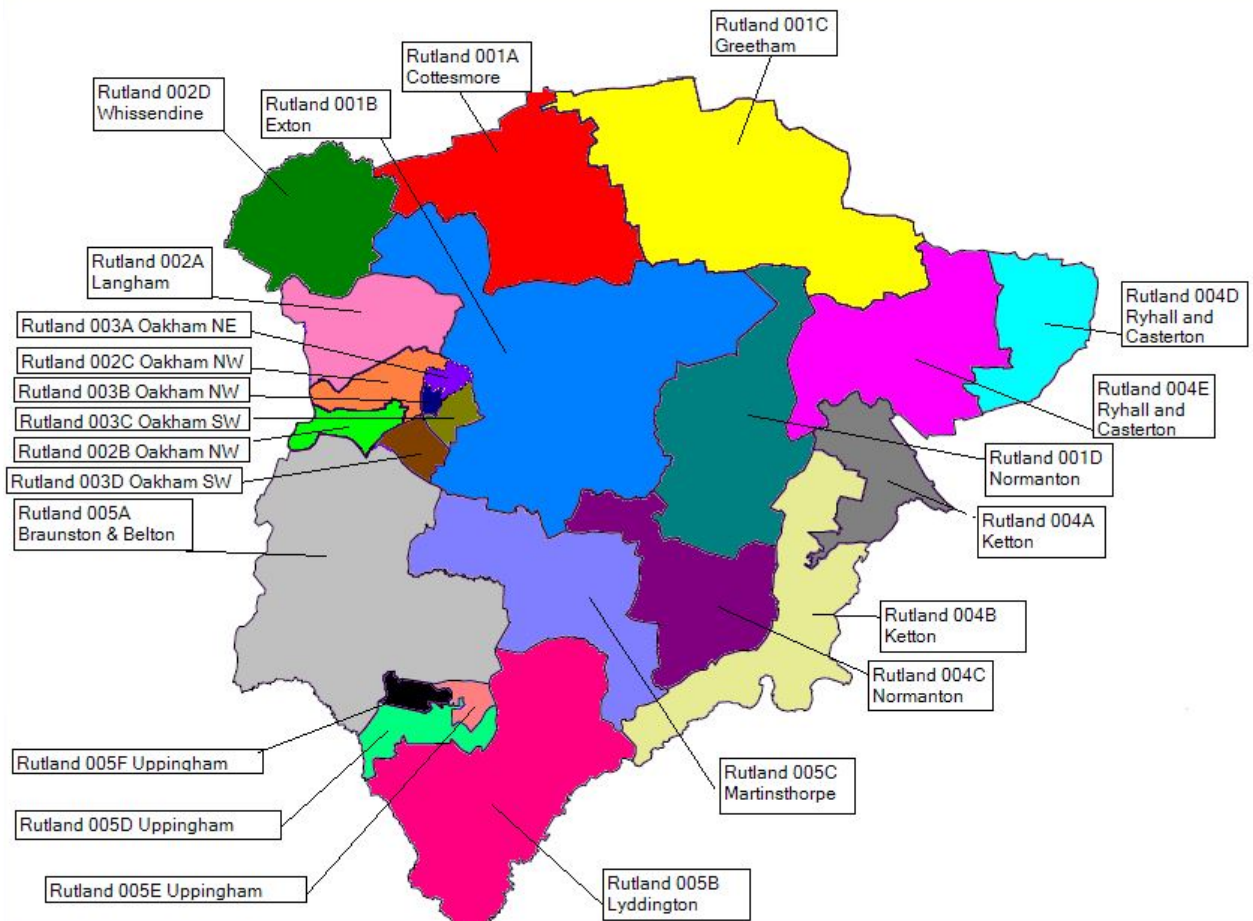
- The **Living Environment Deprivation** domain measures the quality of the local environment. The indicators fall into two sub-domains. The indoors living environment measures the quality of housing; while the outdoors living environment contains measures of air quality and road traffic accidents.

3.4 Where some of these indexes relate to existing measures being reported in this performance report (PI155 Affordable Homes delivered and the Barriers to Housing sub domain for instance) a breakdown of these particular sub domains has been included in the report to give some detail as to which areas of Rutland these mostly relate to.

Fuller analysis of the indices of multiple deprivation covering all of the published domains of deprivation will be included in the Quarter 3 report.

3.5 It is important to note that these statistics are a measure of relative deprivation, not affluence, and to recognise that not every person in a highly deprived area will themselves be deprived.

3.6 The map below shows the 23 LSOA's that Rutland is comprised of:



3.7 The table below shows the 23 Lower-layer Super Output areas that comprise Rutland, and where they are in the main 2015 index. Showing that Greetham is the most deprived area overall in Rutland, falling 14,381st and Langham is the least deprived overall, falling 31,269th out of 32,844.

| LSOA Name | | IMD Decile (where 1 is the most deprived 10% of LSOA's) | IMD Rank (where 1 is the most deprived) |
|--------------|----------------------|--|--|
| Rutland 001C | Greetham | 5 | 14,381 |
| Rutland 002C | Oakham North West | 6 | 16,812 |
| Rutland 001B | Exton | 6 | 17,381 |
| Rutland 005C | Martinsthorpe | 6 | 18,412 |
| Rutland 005A | Braunston and Belton | 7 | 20,122 |
| Rutland 005F | Uppingham | 7 | 21,927 |
| Rutland 005B | Lyddington | 7 | 22,203 |
| Rutland 004A | Ketton | 7 | 22,490 |
| Rutland 004B | Ketton | 8 | 23,962 |
| Rutland 001A | Cottesmore | 8 | 24,572 |
| Rutland 003B | Oakham North East | 8 | 25,002 |
| Rutland 005E | Uppingham | 8 | 25,092 |
| Rutland 004E | Ryhall and Casterton | 8 | 25,768 |
| Rutland 002B | Oakham North West | 9 | 26,634 |
| Rutland 005D | Uppingham | 9 | 26,881 |
| Rutland 004C | Normanton | 9 | 26,969 |
| Rutland 004D | Ryhall and Casterton | 9 | 27,233 |
| Rutland 002D | Whissendine | 9 | 27,755 |
| Rutland 003C | Oakham South East | 9 | 28,673 |
| Rutland 001D | Normanton | 9 | 29,097 |
| Rutland 003D | Oakham South West | 10 | 29,771 |
| Rutland 003A | Oakham North West | 10 | 30,761 |
| Rutland 002A | Langham | 10 | 31,269 |

4. OVERALL SUMMARY

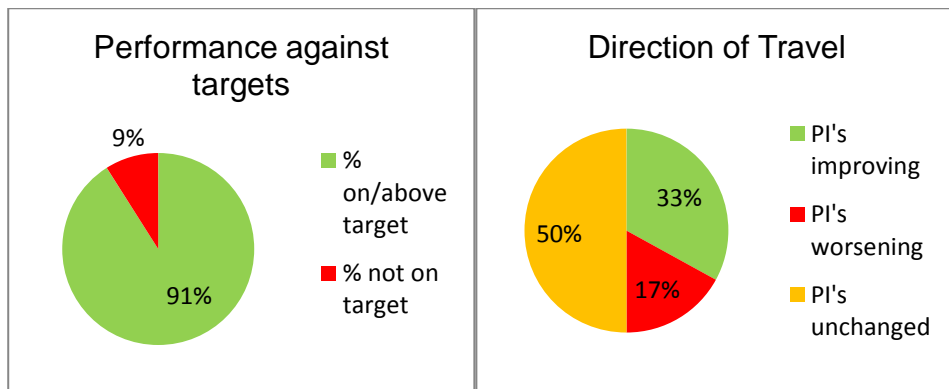
4.1 This report brings together an update on progress across a number of areas:

Performance against our Corporate Aims and Objectives

4.2 **Appendix A** contains detailed information on the Council's performance in relation to a number of local and statutory indicators covering the Council's Aims and Objectives, summarised below.

Overall Performance Summary

The performance against targets graph represents how many indicators are currently above and below target. 91% of indicators are on/above target in Quarter 2. This will be monitored throughout 2015/16 to show direction of travel through the year.



Corporate Health

4.3 345 Freedom of Information requests were received during Quarter 2, and 97.8% of them were answered within the 20 day deadline (LI004 % of FOI requests replied to within 20 days). Whilst below the target of 100%, this is a further improvement on previous quarters, with only 7 FOI's falling outside of the 20 day target.

| Quarter | No of FOI Requests | Completed on time | Quarter % | Cumulative % |
|---------|--------------------|-------------------|-----------|--------------|
| 2 14/15 | 244 | 224 | 91 | 91 |
| 3 14/15 | 240 | 224 | 93 | 92 |
| 4 14/15 | 382 | 367 | 96 | 95 |
| 1 15/16 | 392 | 373 | 95 | 95 |
| 2 15/16 | 345 | 338 | 98 | 96.5 |

The FOI's received during Quarter 2 can be broken down as follows:

| Directorate | Number of FOI's | Number/% over 20 day deadline | |
|----------------------------|-----------------|-------------------------------|-------|
| People | 66 | 0 | 0% |
| Resources | 92 | 4 | 4.35% |
| Places (Inc. Land Charges) | 184 | 3 | 2.19% |
| Senior Management Team | 3 | 0 | 0% |

Delivering Council Services within our MTFP

| | | | |
|----|---|---|---|
| Q2 | 8 | 0 | 3 |
|----|---|---|---|

4.4 There were 17 meetings held during Quarter 2, all agendas (LI031) and draft minutes (LI032) have been published on time for these meetings.

During Quarter 2 we received a total of 46 complaints, 27 (59%, LI034) of which were dealt with during the 10 day response period. Steps are being taken to improve the response rate in the future, including ensuring those dealing with complaints remember to promptly notify the Governance team which complaints are responded to, and also putting arrangements in place to make it easier for extensions to be arranged with customers where applicable. The stage 1 complaints received can be broken down as follows:

| | Places | Resources | People* |
|---|--------|-----------|---------|
| Stage 1 Total | 25 | 5 | 16* |
| Number exceeding 10 day response target | 8 | 0 | 11* |
| % within 10 day response target | 68% | 100% | 32%* |

*Peoples Directorate stage 1 complaints follow a separate social care protocol

5 of these complaints were escalated to stage 2, 3 of which were responded to outside of the response target time due to the complexity of the issue being dealt with. This course of action was agreed with the customer at the time.

| | Places | Resources | People* |
|---|--------|-----------|---------|
| Stage 2 Total | 3 | 0 | 2* |
| Number exceeding 10 day response target | 3 | n/a | 0* |
| % within 10 day response target | 100% | n/a | 0%* |

*Peoples Directorate stage 2 complaints follow separate social care protocols with a different statutory timescale.

We also received comments and compliments as set out below, these are passed onto Heads of Service within the relevant departments to discuss with staff involved.

Comments - Total 10

| | Places | Resources | People |
|-----------------------|--------|-----------|--------|
| Total for Directorate | 6 | 2 | 2 |

Compliments – Total 36

| | Places | Resources | People |
|-----------------------|--------|-----------|--------|
| Total for Directorate | 25 | 7 | 4 |

4.5 So far during 2015/16 55% of single assessments (PI060) have been completed within 40 days against a target of 80%. This is due to work within the team to clear out a number of historic cases which is now completed and performance is expected to improve throughout the rest of the year.

5.6% of the eligible population of Rutland are currently claiming benefits as of latest published figures for February 2015 (PI152, working age people in receipt of benefits). In comparison, the average for the East Midlands is 12%, and the national average is 12.5%.

79.8% of the working age population of Rutland is currently in employment (PI151). Of these 12.8% are self-employed. As at the end of September there were 132 people in Rutland eligible to claim Jobseekers Allowance, 18.9% (25) have been claiming JSA for over 12 months (information taken from NOMIS website).

The recently published (September 2015) indices of deprivation has two measures covering employment with data at LSOA (Lower Super Output Area).

The Income Deprivation index measures the proportion of people experiencing deprivation relating to low income and includes both those out of work, and those in work who have low earnings:

| LSOA name | | Income Rank (where 1 is most deprived and 32,844 is least deprived) | Decile (where 1 is the most deprived 10% of LSOAs) |
|--------------|----------------------|---|--|
| Rutland 002C | Oakham North West | 15,695 | 5 |
| Rutland 005F | Uppingham | 17,390 | 6 |
| Rutland 005E | Uppingham | 19,389 | 6 |
| Rutland 003B | Oakham North East | 21,475 | 7 |
| Rutland 003D | Oakham South West | 22,286 | 7 |
| Rutland 002B | Oakham North West | 22,346 | 7 |
| Rutland 002D | Whissendine | 23,118 | 8 |
| Rutland 004A | Ketton | 23,764 | 8 |
| Rutland 001A | Cottesmore | 25,015 | 8 |
| Rutland 005C | Martinsthorpe | 25,019 | 8 |
| Rutland 003C | Oakham South East | 25,217 | 8 |
| Rutland 004E | Ryhall and Casterton | 26,214 | 8 |
| Rutland 001C | Greetham | 26,750 | 9 |
| Rutland 002A | Langham | 27,165 | 9 |
| Rutland 001B | Exton | 27,183 | 9 |
| Rutland 004D | Ryhall and Casterton | 27,318 | 9 |
| Rutland 004C | Normanton | 27,781 | 9 |
| Rutland 005D | Uppingham | 28,482 | 9 |

| | | | |
|--------------|----------------------|--------|----|
| Rutland 004B | Ketton | 28,499 | 9 |
| Rutland 005A | Braunston and Belton | 29,507 | 9 |
| Rutland 001D | Normanton | 29,705 | 10 |
| Rutland 005B | Lyddington | 29,771 | 10 |
| Rutland 003A | Oakham North East | 30,562 | 10 |

The Employment index measures the proportion of the working age population in an area involuntarily excluded from the labour market. This includes people who would like to work but are unable to do so due to unemployment, sickness, disability or caring responsibilities:

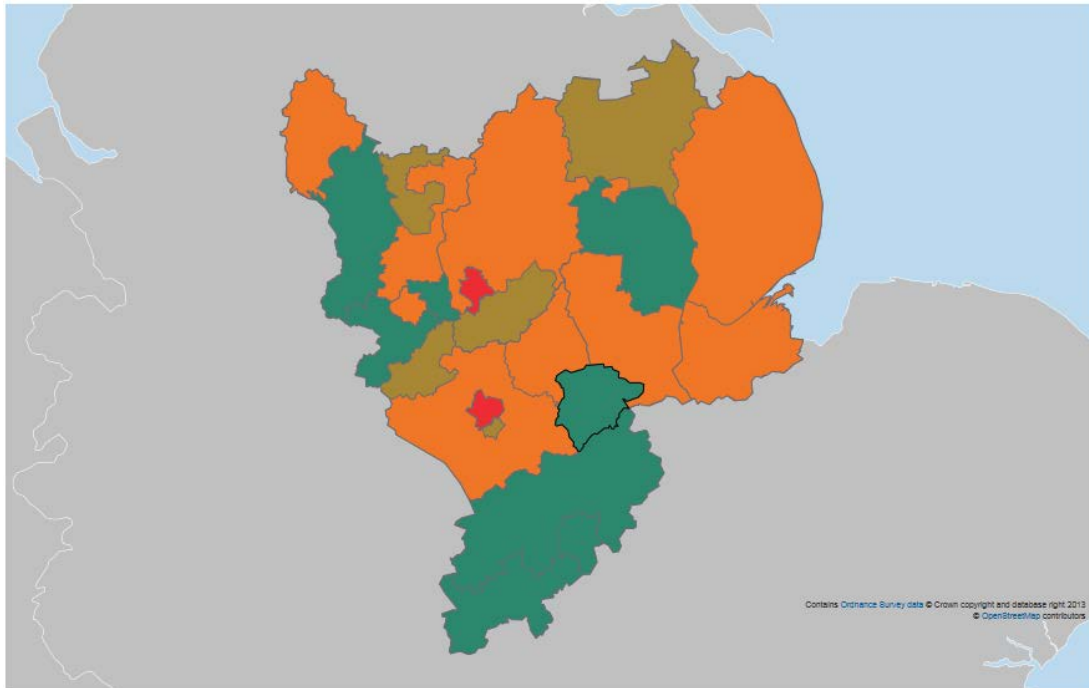
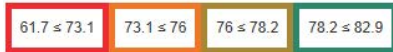
| LSOA name | | Employment Rank (where 1 is most deprived and 32,844 is least deprived) | Decile (where 1 is the most deprived 10% of LSOAs) |
|--------------|----------------------|---|--|
| Rutland 002C | Oakham North West | 13,145 | 5 |
| Rutland 005F | Uppingham | 19,610 | 6 |
| Rutland 002B | Oakham North West | 20,997 | 7 |
| Rutland 003C | Oakham South East | 23,561 | 8 |
| Rutland 003D | Oakham South West | 23,774 | 8 |
| Rutland 003B | Oakham North East | 23,849 | 8 |
| Rutland 005C | Martinsthorpe | 24,003 | 8 |
| Rutland 005E | Uppingham | 24,210 | 8 |
| Rutland 001C | Greetham | 24,856 | 8 |
| Rutland 004A | Ketton | 25,591 | 8 |
| Rutland 002D | Whissendine | 25,624 | 8 |
| Rutland 004E | Ryhall and Casterton | 25,922 | 8 |
| Rutland 001B | Exton | 26,006 | 8 |
| Rutland 001A | Cottesmore | 26,046 | 8 |
| Rutland 005D | Uppingham | 26,215 | 8 |
| Rutland 004D | Ryhall and Casterton | 27,833 | 9 |
| Rutland 005B | Lyddington | 28,960 | 9 |
| Rutland 002A | Langham | 29,070 | 9 |
| Rutland 005A | Braunston and Belton | 29,713 | 10 |
| Rutland 004C | Normanton | 30,122 | 10 |
| Rutland 003A | Oakham North East | 30,769 | 10 |
| Rutland 004B | Ketton | 31,149 | 10 |
| Rutland 001D | Normanton | 31,869 | 10 |

The table below compares the overall employment rate in Rutland with a number of our statistical neighbours and also how each has changed since last quarter.

| Local Authority | Overall Employment Rate Q1 | Change since previous quarter |
|----------------------|----------------------------|-------------------------------|
| West Berkshire | 83.5% | +0.5% |
| Rutland | 79.8% | +1.6% |
| Wiltshire | 79.7% | +0.2% |
| Central Bedfordshire | 78.2% | -0.4% |

| | | |
|----------------------|-------|-------|
| Cheshire East | 75.8% | +1.2% |
| Bath and NE Somerset | 75.3% | +0.7% |
| Cheshire West | 72.9% | -2.6% |

The map below shows the overall employment rate across the East Midlands at the end of Q2, with authorities above 78.2% shown in green, Rutland is marked with a black border.



Creating a Safer Community for All



- 4.6 There have been 4 people killed or seriously injured on our roads so far this year (PI047). Of these 1 was a fatality. There have been no children killed or seriously injured in road traffic accidents (PI048) in Rutland during 2015/16.

The Outdoor sub-domain of the Living Environment measure (part of the indices of deprivation which incorporates road traffic and air quality data) shows that all bar two of Rutland's lower super output areas are in the best 10% for this measure, the two are:

| LSOA name | | Outdoor Rank (where 1 is most deprived and 32,844 is least deprived) | Outdoor Decile (where 1 is the most deprived 10% of LSOAs) |
|--------------|-------------------|---|---|
| Rutland 004A | Ketton | 24,690 | 8 |
| Rutland 003B | Oakham North East | 27,086 | 9 |

4.7 43 affordable homes have been delivered (PI155) so far this year, against a target of 33, a further 12 are under construction and if all are completed on time we will be well above target for 15/16. At the same point last year only 15 affordable homes had been completed.

Two measures from the Indices of Deprivation relate to housing, Barriers to Housing and Services looks at physical and financial accessibility of housing and services in the area:

| LSOA Name | | Barriers rank (where 1 is the most deprived and 32,844 is the least deprived) | Barriers Decile (where 1 is the most deprived 10% of LSOAs) |
|--------------|----------------------|--|--|
| Rutland 001C | Greetham | 70 | 1 |
| Rutland 005A | Braunston and Belton | 182 | 1 |
| Rutland 005C | Martinsthorpe | 650 | 1 |
| Rutland 001B | Exton | 807 | 1 |
| Rutland 004B | Ketton | 1,116 | 1 |
| Rutland 005B | Lyddington | 1,387 | 1 |
| Rutland 004C | Normanton | 2,771 | 1 |
| Rutland 001A | Cottesmore | 5,898 | 2 |
| Rutland 004A | Ketton | 8,005 | 3 |
| Rutland 003A | Oakham North East | 8,014 | 3 |
| Rutland 005F | Uppingham | 8,782 | 3 |
| Rutland 004E | Ryhall and Casterton | 10,138 | 4 |
| Rutland 002D | Whissendine | 10,450 | 4 |
| Rutland 001D | Normanton | 10,878 | 4 |
| Rutland 004D | Ryhall and Casterton | 14,001 | 5 |
| Rutland 005E | Uppingham | 15,637 | 5 |
| Rutland 003C | Oakham South East | 20,403 | 7 |
| Rutland 005D | Uppingham | 21,425 | 7 |
| Rutland 002B | Oakham North West | 23,294 | 8 |
| Rutland 002A | Langham | 23,406 | 8 |
| Rutland 003B | Oakham North East | 24,318 | 8 |
| Rutland 002C | Oakham North West | 24,378 | 8 |
| Rutland 003D | Oakham South West | 28,001 | 9 |

The indoors sub-domain looks at the quality of housing available in the area:

| LSOA Name | | Indoors rank (where 1 is the most deprived and 32,844 is the least deprived) | Indoors Decile (where 1 is the most deprived 10% of LSOAs) |
|--------------|----------------------|---|---|
| Rutland 005A | Braunston and Belton | 3,170 | 1 |
| Rutland 005B | Lyddington | 4,084 | 2 |
| Rutland 005C | Martinsthorpe | 5,013 | 2 |
| Rutland 001B | Exton | 5,599 | 2 |
| Rutland 004A | Ketton | 5,886 | 2 |
| Rutland 005D | Uppingham | 7,997 | 3 |
| Rutland 001C | Greetham | 8,641 | 3 |
| Rutland 003B | Oakham North East | 9,187 | 3 |
| Rutland 001D | Normanton | 9,789 | 3 |
| Rutland 002C | Oakham North West | 11,307 | 4 |
| Rutland 004D | Ryhall and Casterton | 11,429 | 4 |
| Rutland 004E | Ryhall and Casterton | 13,306 | 5 |
| Rutland 002A | Langham | 14,269 | 5 |
| Rutland 004B | Ketton | 14,609 | 5 |
| Rutland 005E | Uppingham | 15,345 | 5 |
| Rutland 001A | Cottesmore | 15,984 | 5 |
| Rutland 002D | Whissendine | 16,032 | 5 |
| Rutland 005F | Uppingham | 17,971 | 6 |
| Rutland 004C | Normanton | 18,791 | 6 |
| Rutland 003C | Oakham South East | 18,942 | 6 |
| Rutland 003D | Oakham South West | 24,425 | 8 |
| Rutland 002B | Oakham North West | 28,990 | 9 |
| Rutland 003A | Oakham North East | 31,970 | 10 |

Meeting the Health and Wellbeing Needs of the Community

| | | | |
|----|---|---|---|
| Q2 | 9 | 1 | 0 |
|----|---|---|---|

- 4.8 Of the Blue Badge applications processed during Quarter 2 (LI105) 81% have been completed on time, this is a positive improvement on the previous quarter (48%) and moves this indicator back above target.

During Quarter 1, the service was affected by sickness, interim staffing arrangements and competing priorities. However, the service has now been transferred to the Corporate Support team and dedicated time has been allocated to improving performance. Targets are being reviewed to ensure they are SMART and other measures, such as a complete review of the end to end process, are underway. Hopefully the service will continue to demonstrate further improvement throughout 2015/16.

Homeless preventions are slightly up this quarter but the average number of days spent in temporary accommodation (LI130) has dropped back below target in Quarter 2 to 13 days (from 20 days in Quarter 1). There has been an increase in the homeless presentations during the quarter, but at the same time there has also been an increase in the number of vacant properties meaning that the team has been able to nominate a greater number of people from the housing register for these properties.

A dashboard, summarising performance against a number of Public Health indicators is included as **Appendix D**

For a number of indicators trend data is currently unavailable as we currently only have 1 or 2 years data. As Public Health supply us with more data, trend analysis will be added where appropriate.

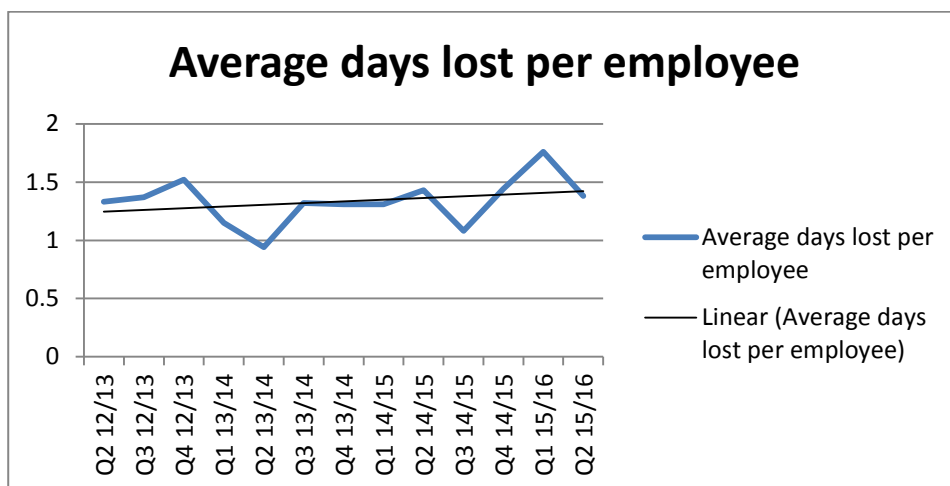
Creating a Sustained Environment

| | | | |
|----|---|---|---|
| Q2 | 3 | 0 | 0 |
|----|---|---|---|

- 4.9 Estimated recycling rates (PI192) remain above our 59% target at 65.6%. Household waste figures (PI191 representing the number of kilograms of household waste collected per household) at 109kg per household are below rates from the same period last year when it was 112kg.

Sickness Monitoring

- 4.10 The chart below shows average days lost per employee over the last three years, and following an increase over the last two quarters it has now dropped back to 1.38 days per employee (from a high of 1.76 days in Quarter 1).



More detailed information relating to sickness is contained in **Appendix A**.

Customer Services

- 4.11 Compared to the same time last year call and enquiry volumes have reduced but performance in a number of areas is still below target. This is being addressed through a full review of the service and the management of resources to meet peaks and troughs in service demand.

The daily averages for CST for Quarter 2, when compared to the same time last year were as follows:

| | Daily Average | |
|------------------|---------------|------------|
| | Q2 2015/16 | Q2 2014/15 |
| Calls | 317 | 373 |
| Enquiries | 90 | 113 |
| Emails | 58 | 62 |

Customer Services data is currently being reviewed, with the team looking at Govmetric data, coupled with local data on service usage to look at busy periods, identifying which day of the week is busiest, peak hours for abandoned calls, etc. so that the provision of the service can be changed to meet these demands.

According to Govmetric's channel satisfaction index, which looks at the total number of positive responses Local Authorities receive, at the end of August our face to face service was rated joint 3rd:

| Face To Face | | | | Aug-2015 | |
|--------------|---|----------|------------|--------------------------|------------------|
| Position | Council | Type | Population | Total Feedback Responses | Net Satisfaction |
| ↑ | London Borough of Sutton | Unitary | 190146 | 2984 | 0.85 |
| ↔ | Hambleton District Council | District | 85382 | 196 | 0.81 |
| ↑ | London Borough of Barnet | Unitary | 356386 | 2021 | 0.69 |
| ↑ | Rutland County Council | Unitary | 37369 | 201 | 0.69 |
| ↓ | Charnwood Borough Council | District | 166100 | 549 | 0.68 |
| ↑ | The Royal Borough of Kensington and Chelsea | Unitary | 158649 | 1234 | 0.68 |
| ↓ | East Hertfordshire District Council | District | 137687 | 272 | 0.67 |
| ↑ | Kent County Council | County | 1463740 | 5673 | 0.62 |
| ↓ | Southwark Council | Unitary | 288283 | 1066 | 0.60 |
| ↕ | Essex County Council | County | 1393587 | 715 | 0.59 |

Call volume figures contain those calls dealt with directly by Customer Services, calls that are forwarded through to other departments for resolution and general switchboard calls.

Detailed performance information for Customer Services is contained in **Appendix B**.

Safeguarding

- 4.12 The quarterly safeguarding report is included as an appendix to this report. This report provides an overview of safeguarding activity in Rutland and aims to highlight good practice and identify areas for development/improvement.

More detailed information is contained in **Appendix C**.

Outstanding Audit Recommendations

- 4.13 At the end of Quarter 1 there were 53 open audit recommendations (compared to 49 at the end of Quarter 1), 17 of these were overdue for implementation (3 high risk, 11 medium risk and 3 low risk).

Of the three high risk recommendations:

An action regarding the development of arrangements to involve ICT in new projects was agreed. This recommendation is being progressed as part of a wider review of policies, procedures and system management. A suite of project templates have now been produced. They require full review and will then be rolled out across the organisation.

One recommendation relates to the Agresso system to improve controls for setting up new users, amending user privileges and reviewing users' roles. The new Agresso lead is working with the Finance team to develop a process for the review of Agresso roles, starting with those that have been identified as being core business roles that have most risk associated with them. This process will encompass periodic review of roles by Finance and also by team managers where relevant. It is anticipated that this process will be implemented during Quarter 3.

Due to a BACS compatibility issue with the laptops used by other officers there is no separation of duty between the officer setting up benefit payment runs and the officer completing the BACS payments run. Internal Audit recommended that this issue be reviewed in order to resolve the segregation of duty conflict. It has been agreed with IT that systems administration will move to IT and a quote has been provided to give technical training to IT staff to configure the system. This is being pursued however there are still technical issues to overcome.

5. CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 6.1 91% of indicators measured during Quarter 2 were on or above target, with measures in place to improve performance where targets are not currently being met. Main areas of concern have been highlighted in this report and the remedial action being undertaken to improve performance has been identified. Performance will be monitored during Quarter 3 and direction of travel will be reported to show where improvements have been made.

Overall performance based on activity in the first quarter is satisfactory.

6. APPENDICES

Appendix A – Quarterly Performance Report

Appendix B – Customer Services

Appendix C – Safeguarding

Appendix D – Public Health Dashboard

Appendix E – Project Update

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

Rutland County Council
Quarterly Performance Report
Quarter 2
2015/16

Corporate Health Summary

All sickness absence information is collected and stored in the Agresso HR/Finance system including reasons for absence. Sickness information is reported, recorded and managed through the current policy and procedures, with support from Human Resources where this becomes necessary. Return to work interviews are held after each sickness absence instance and these provide a record of the management process.

The table below shows the number of days lost by each directorate in Quarter 2, expressed as total days per directorate and days lost per employee.

| Directorate | Days lost through Sickness | Headcount as at 1 st July 2015 | Headcount as at 30 th September 2015 | Average | Days lost per employee |
|--------------|----------------------------|---|---|--------------|------------------------|
| PEOPLE | 456 | 224 | 223 | 223.5 | 2.04 |
| PLACES | 109 | 145 | 151 | 148 | 0.74 |
| RESOURCES | 71 | 88 | 90 | 89 | 0.80 |
| TOTAL | 636 | 457 | 464 | 460.5 | 1.38 |

In Quarter 2, the average number of days lost has decreased to 1.38 (from 1.76 in the previous quarter).

Quarter 2: Long term and short term sickness

The table below shows the incidence of short and long term sickness absence within the Council for Quarter 2. Long term sickness is defined as more than 20 working days, and short term sickness is defined as 20 working days or less. Data shown is for the number of occurrences, (each non-continuous sickness period).

| Directorate | Total Occurrences | No of employees | Long Term | Short Term |
|--------------|-------------------|-----------------|-----------|------------|
| PEOPLE | 41 | 34 | 11 | 30 |
| PLACES | 24 | 19 | 0 | 24 |
| RESOURCES | 32 | 27 | 1 | 31 |
| TOTAL | 97 | 80 | 12 | 85 |

Comparison

The table below compares the sickness for quarter 2 of 2015/16 to that of the previous 3 quarters.

| Year | Days lost through Sickness | Average No of employees | Days lost per employee | Days lost per month |
|--------------------|----------------------------|-------------------------|------------------------|---------------------|
| Q2 2015/16 | 636 | 461 | 1.38 | 212 |
| Q1 2015/16 | 797 | 453 | 1.76 | 266 |
| Q4 2014/15 | 653 | 452 | 1.44 | 218 |
| Q3 2014/15 | 494 | 456 | 1.08 | 165 |
| QTR AVERAGE | 645 | 456 | 1.41 | 215 |

Corporate Health Indicators

2 indicator is currently above target

2 indicators are on target

0 indicator currently not meeting target












| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|--|---------|-------------------------|------------|---|
| LI001 - % of invoices paid on time (30 calendar days from receipt) | 95% | 93% | A | An improvement on Q1 (90.7%) |
| LI003 - % of audits to be delivered by year end | 90% | 5% | G | |
| LI004 - % of FOI requests replied to within 20 days | 100% | 96.5% | A | 345 Freedom of Information requests were received during Quarter 2, with 338 (98%) completed on time. |
| LI005 – Average number of days to respond to Ombudsman complaints | 28 days | - | G | No complaints have progress to Local Government Ombudsman during Quarter 2. |

Delivering Council Services within our MTFP

8 indicators are currently above target










0 indicators are on target






3 indicator currently not meeting target

| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|--|----------|-------------------------|---|--|
| LI020 - % of Council Tax received | 60% | 61.3% |  | |
| LI021 - % of NNDR received | 60% | 64.6% |  | |
| LI022 – Benefits claims – speed of processing | 22 days | 15 days |  | |
| LI024 – Issue monthly financial reports within 4 days of month end | 100% | 100% |  | |
| LI025 – Statement of accounts produced by 30 th June each year | Achieved | |  | |
| LI029 - % of sundry debt recovered | 90% | 92% |  | |
| LI031 - % of agendas and reports published 5 days before meetings | 100% | 100% |  | 17 meetings were held during Q2 (with 1 cancelled). All agendas and reports were issued on time. |
| LI032 - % of draft minutes issued to officers with 5 days of the meeting followed by publication on the Council's website within 7 days of the meeting | 100% | 100% |  | 17 meetings were held during Q2 (with 1 cancelled). All minutes were delivered on time. |
| LI033 - % of priority 1 faults closed within SLA | 95% | 100% |  | So far during 2015/16 there have been 2 priority one faults logged with the Service Desk (both during Quarter 2), both of which were closed within SLA |
| LI034 - % of stage 1 complaints answered with 10 day response target | 100% | 59% |  | 46 complaints during Q2, 27 of which were answered within response time. |
| LI035 - % of stage 2 responses issued within 10 working days | 100% | 60% |  | 5 complaints were dealt with at stage 2 during Quarter 2, with 3 responded to on time. |

Creating a brighter future for all – Overall Performance

| | | |
|--|----------------------------|---|
| 12 indicators are currently above target | 1 indicators are on target | 1 indicators currently not meeting target |
|--|----------------------------|---|

| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|---|--------|-------------------------|---|---|
| PI060 – Percentage of single assessments for children’s social care carried out within 40 days of commencement | 80% | 55% |  | 69 single assessments were completed during Q2, with 58% completed within 40 days |
| PI062 – Stability of placements for looked after children: number of moves | 6% | 0% |  | At the end of September there were 32 LAC children, none of whom have had 3 placement moves or more in the last twelve months. |
| PI063 – Stability of placements for looked after children: length of placement | 70% | 94% |  | Out of 32 LAC children, 15 have been in care for 2.5 years or more. Of those, 14 had remained in the same placement for over 2 years. |
| PI064 – Child protection plans lasting 2 years or more | 5% | 0% |  | No change on previous quarters, there are currently no child protection plans lasting more than 2 years. |
| PI065 – Percentage of children becoming the subject of Child Protection plans for a second or subsequent time within the previous two years | 5% | 5% |  | So far during 15/16 15 children have become the subject of a child protection plan and of these 1 has had previous plans |
| PI066 – Looked after children cases which were reviewed within required timescales | 100% | 100% |  | All Looked After Children reviews have been completed within timescales. |
| PI067 – Percentage of child protection cases which were reviewed within required timescales | 100% | 100% |  | All children subject to a CP plan have been reviewed within timescales |
| PI068 – Percentage of referrals to children’s social care going to assessment | 75% | 90% |  | There were 78 referrals made during Quarter 2, with 74 (95%) of them going onto single assessment. |
| PI109 – Delivery of Ofsted Action Plan for children’s centres | 100% | 100% |  | Work ongoing to deliver Action Plan, currently on target. |

| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|---|--------|-------------------------|---|--|
| PI151 – Overall employment rate (working age) | 79.7% | 79.8% |  | 79.8% of the working age population are in employment in Rutland. Compared to 73.7% (East Midlands) and 73.1% (National average) |
| PI152 – Working age people in receipt of benefits | 7.3% | 5.6% |  | <p>5.6% (1,270) of the working age population are currently receiving benefits, compared to 12% (East Midlands) 12.5% (National)</p> <p>This breaks down as follows:</p> <ul style="list-style-type: none"> 140 claiming Job Seekers Allowance 610 claiming ESA and Incapacity Benefits 90 lone parents 180 carers 20 on other income related benefits 170 disability 50 bereaved |
| LI085 – Percentage of NEET (Not in Employment, Education or Training) performance for Rutland | 2% | 0.8% |  | Seven 16-18 year olds were classed as NEET at the end of September. |
| LI126 – Youth provision participation | 300 | 295 |  | |
| LI163 – Percentage of payments by results claimed for targeted Troubled Families | 50% | 70% |  | |



Creating a safer community for all

– Overall Performance

2 indicators are currently above target

0 indicators are on target

0 indicators currently not meeting target






| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|--|--------|-------------------------|---|--|
| PI047 – People killed or seriously injured in road traffic accidents | 12 | 4 |  | Figures currently only available for July and August, which shows that there has been 1 serious injury during the period |
| PI048 – Children killed or seriously injured in road traffic accidents | 1 | 0 |  | There have been no child injuries so far during 2015/16 |

Building our infrastructure – Overall Performance

4 indicators are currently above target

1 indicators are on target

0 indicators currently not meeting target





| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|---|--------|-------------------------|---|---|
| PI154 – Net additional homes provided | 38 | 62 |  | |
| PI155 – Number of affordable homes delivered. | 33 | 43 |  | 11 affordable homes completed this quarter, with a further 12 under construction and scheduled to be completed this year. |
| PI157(a) – Processing of planning applications – Major Applications | 60% | 58.5% |  | This is just under target. However the numbers are small and it is only 5 applications that were over target. The Government has now changed this measure nationally and now includes applications as being within target if the Council and the applicant have mutually agreed an extension of time to determine the application. On the Government's measure the performance for Q2 is 90.9%. |
| PI157(b) – Processing of planning applications – Minor Applications | 65% | 70% |  | |
| PI157(c) – Processing of planning applications – Other Applications | 80% | 88.4% |  | |







Meeting the health and wellbeing needs of the community – Overall Performance

9 indicators are
currently above
target

1 indicators is on
target

0 indicators
currently not
meeting target

| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|--|--------|----------------------------|---|---|
| LI105 - % of blue badge applications processed within 4 weeks of application | 80% | 81% |  | So far during Quarter 2, 125 blue badge applications have been processed, with 101 completed during timescales. |
| LI107 – Hospital discharges are safe and effective with patients assessed within timescales | 80% | 100% |  | |
| LI111 - % of carers signposted to developed non-statutory services following carers assessment | 80% | 79% |  | |
| LI127 – Child poverty in Rutland | 9% | 7.8 % |  | <p>Children living in poverty has fallen from 8.4% and currently stands at 7.8% for Rutland. This reduction aligns to falls in child poverty nationally with Rutland still significantly below the national level which currently stands at 19.2%.</p> <p>The Child poverty strategy is now in place and poverty pledges have been provided by key partners, focussing on key issues such as affordable homes and energy efficiency. Although the poverty levels are low in comparison to regional and national data there are areas in Rutland with much higher levels of child poverty than the average for the County and as such services are targeting those areas with information and support.</p> |

| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|--|--------|-------------------------|---|--|
| LI130 – Reduction in the length of temporary stays in B&B | 18 | 13 |  | Homeless preventions are slightly up this quarter. |
| LI172 – % of Safeguarding Adults referrals screened within one working day | 80% | 100% |  | All alerts are looked at and screened by the Senior practitioner or team manager on the day they are received. |
| LI173 - % Adult Social Care reviews for people with a learning disability completed annually | 75% | 100% |  | |
| LI180 - % of hospital discharges resulting in a fine | 5% | 1% |  | There were 45 section 5's during Quarter 2, with 1 resulting in a delays attributable to RCC. |
| LI181 – Number of Adult Social Care reviews completed within timescales | 80% | 86% |  | 84 reviews completed so far during 2015/16 with 73 completed on time. |
| LI182 - % of service users who were still at home 91 days after discharge | 90% | 90% |  | Of the 81 patients discharged from hospital to rehabilitation where the intention is for the patient to go back home, 73 were still at home 91 days later. |

Creating a sustained environment – Overall Performance

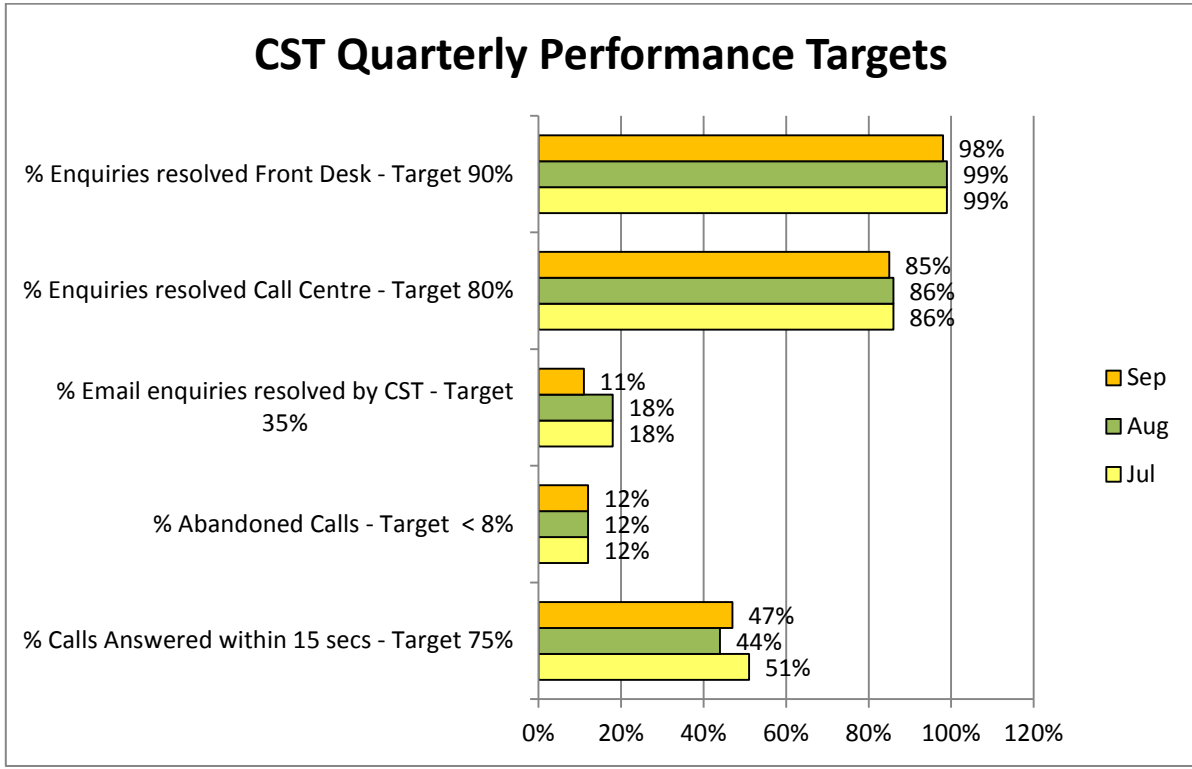
3 indicators are currently above target

0 indicators are on target

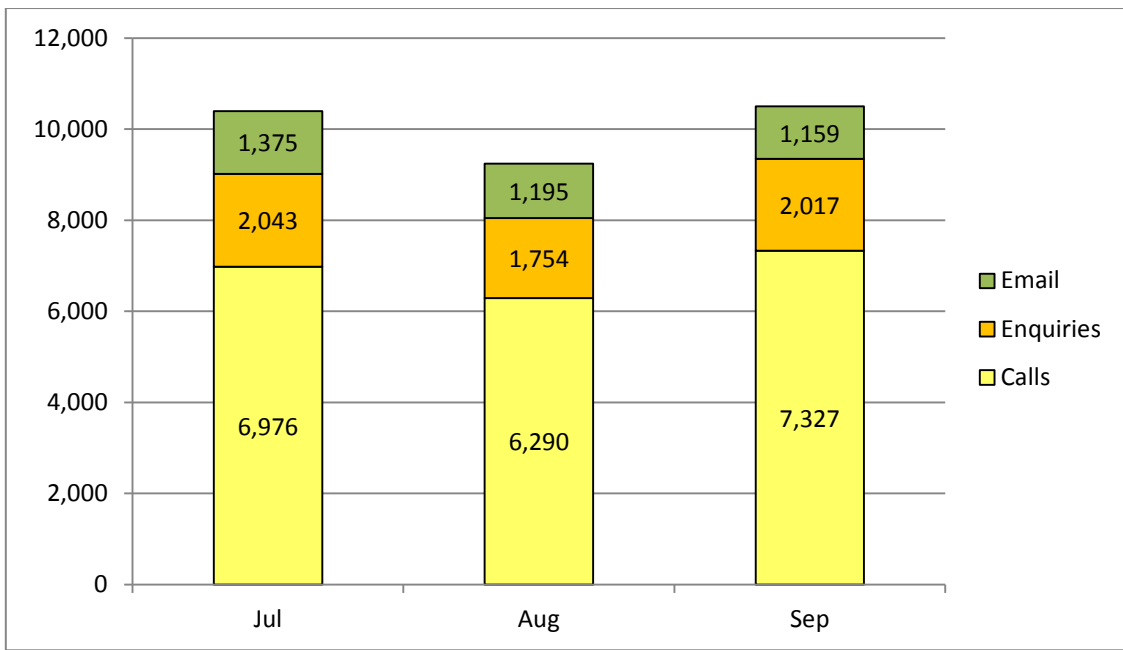
0 indicators currently not meeting target

| Indicator | Target | Cumulative Year to Date | RAG Rating | Comments |
|--|--------|-------------------------|------------|----------|
| PI191 – Residual household waste per household | 130 | 109 | G | |
| PI192 – Percentage of household waste sent for reuse, recycling and composting | 61% | 65.6% | G | |
| PI193 – Percentage of municipal waste land filled | 5% | 0% | G | |

CST Quarter 2 Performance



Volumes

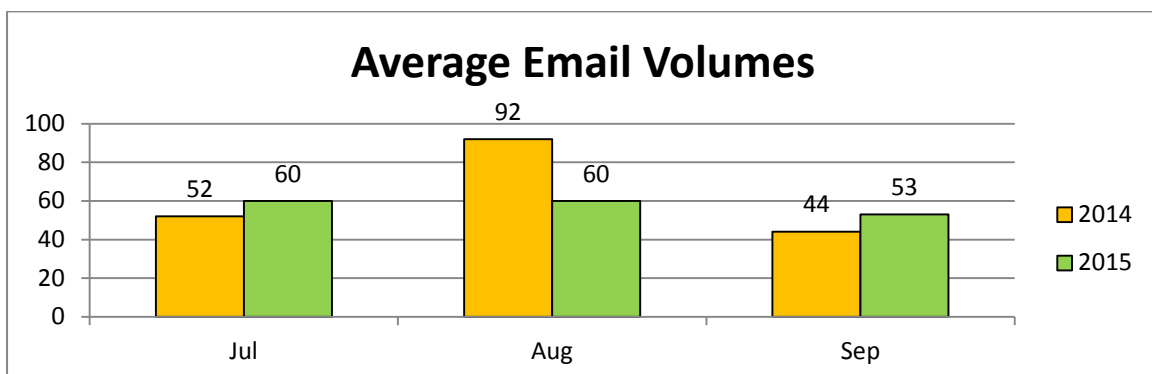
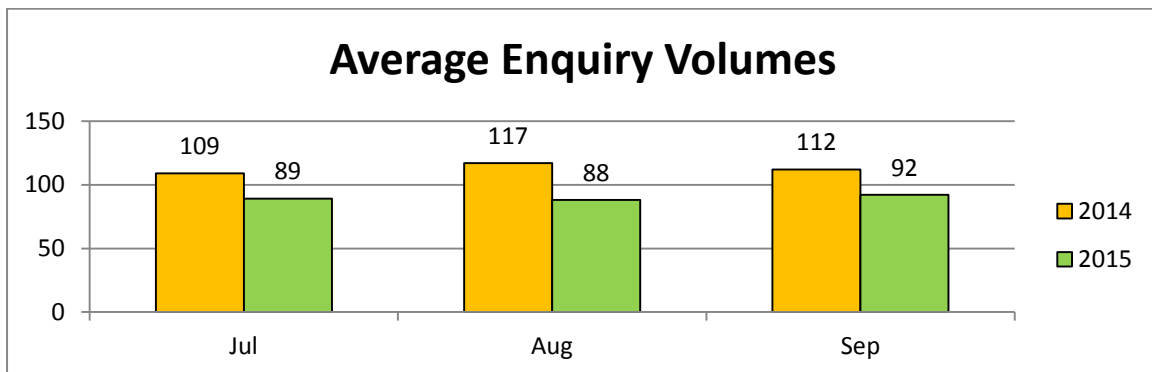
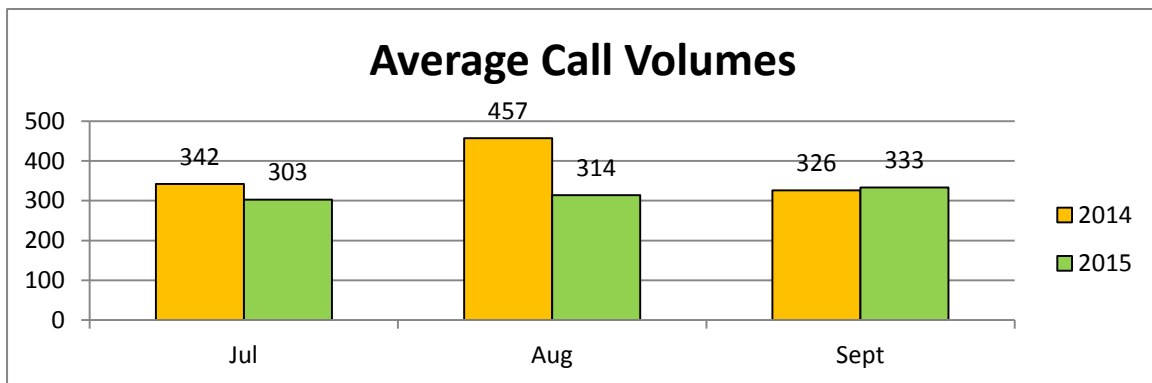


Volumes – Daily Average

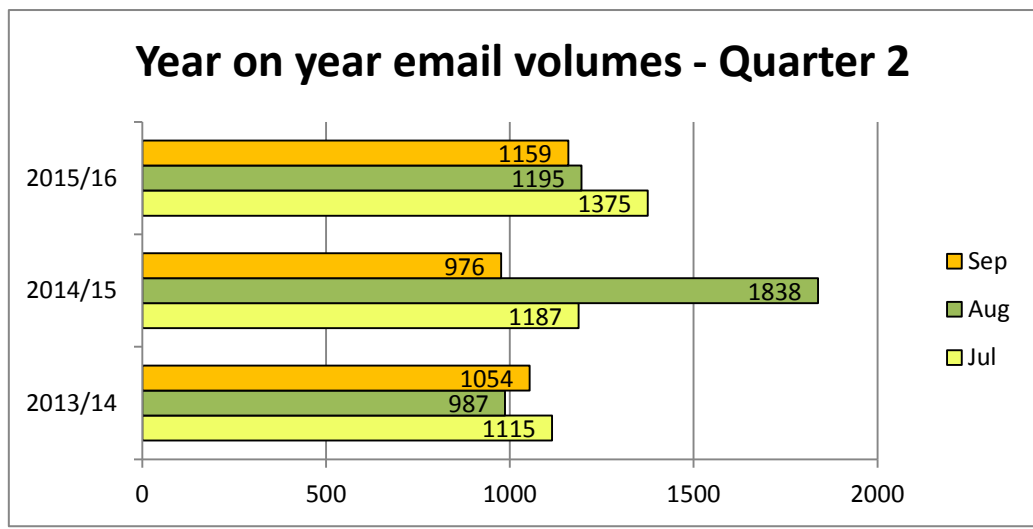
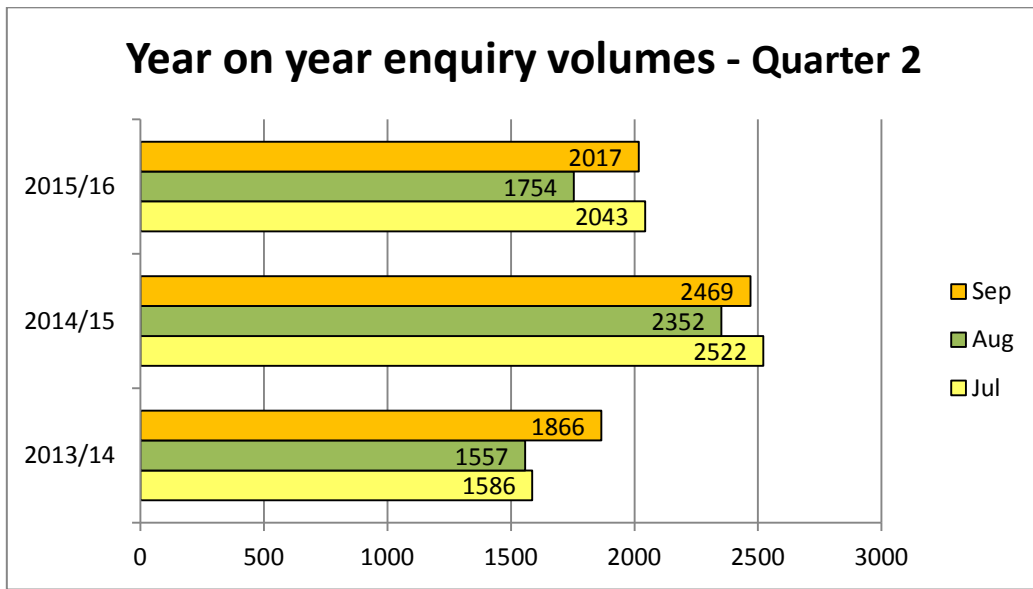
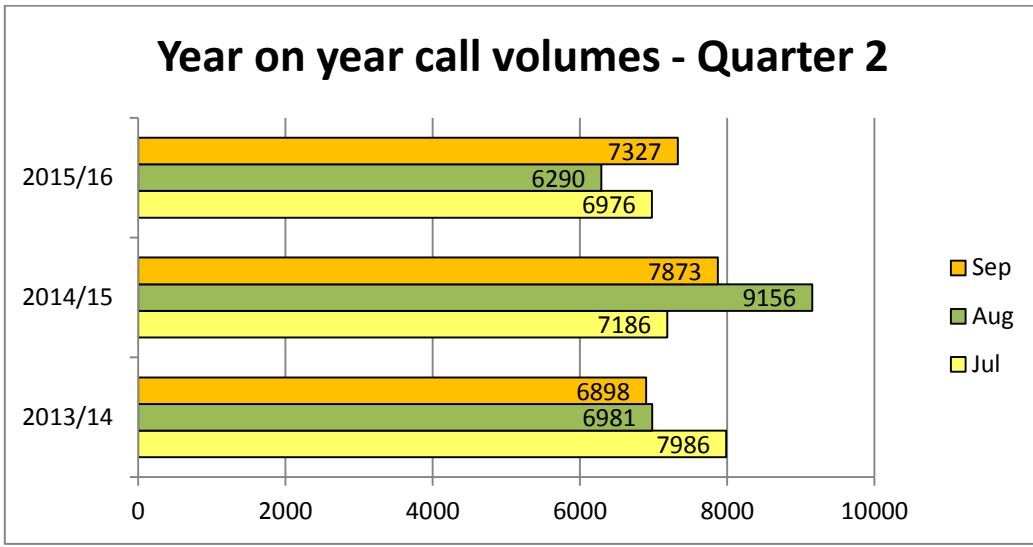
Compared to the same time last year (see below) there has been a general reduction in volume across calls and enquiries throughout Quarter 2.

Volumes – Daily Average comparison

The charts below show a comparison of the daily average volumes with the same period last year.







Year on Year Volumes – Q2 2015/16







GovMetric Q2 2015/16

GovMetric Summary

| Face to Face |  |  |  | Overall Rating |
|---------------------|---|---|--|---|
| No. of respondents | 443 | 53 | 80 |  Good |
| %age of respondents | 77% | 9% | 14% | |

| Telephone | This process is under review as the time taken to assist a customer to leave feedback is affecting the advisors' ability to process calls quickly. The new Customer Service Manager is reviewing Govmetric to establish a better way of providing this service to our customers without compromising our service overall. | | |
|---------------------|---|--|--|
| No. of respondents | | | |
| %age of respondents | | | |

| Web |  |  |  | Overall Rating |
|---------------------|---|---|--|--|
| No. of respondents | 63 | 24 | 73 |  Average |
| %age of respondents | 39% | 15% | 46% | |

Of the respondents who left feedback on the website, 24 left comments:

- 20 were related to the layout and content of the site and mentioned missing links, pages being out of date or difficulty finding information.
- 2 were positive feedback on the ease with which tip permits can be setup.
- 2 were positive feedback on the information available on the business section of the website.

APPENDIX C SAFEGUARDING

Context

This report combines adult and children's safeguarding data and analysis and provides an overview of safeguarding activity in Quarter 2 of 2015/16. It aims to highlight good practice and identify areas for development/improvement which will be incorporated into delivery plans for the relevant service areas. The children's data (except for the re-referral information) is shared with partners as required by the Local Safeguarding Children's Board (LSCB) performance scorecard.

CHILDREN & YOUNG PEOPLE UPDATE

Early Intervention

There were 7 new Common Assessment Frameworks (CAF's) opened in Quarter 2, 2 of which were referred by Social Care, representing 29% of the total number of CAF for the quarter.

5 cases were closed during the Quarter, 1 with their needs met by single agency, 3 by universal services, 1 were stepped up and 1 withdrawn consent.

| Rutland | Q1 | Q2 | Q3 | Q4 | Total | Reporting Frequency |
|---|-----|-----|----|----|-------|---------------------|
| Number of new CAF's | 40 | 7 | | | | Quarterly |
| Number/Proportion of Children's Social Care referrals that result in a CAF* | 8 | 2 | | | | Quarterly |
| | 20% | 29% | | | | |

*The proportion of referrals resulting in a CAF is calculated on referrals only, not referrals/contacts

Contact referral and assessment

- There was a 8% decrease in contacts this quarter (234 as opposed to 255 in quarter 1). Of those contacts, 33% (78) went on to referral compared to 39% (100) last quarter.
- 58% of all single assessments closed during Quarter 2, were closed within timescales (40 days)
- There were 17 section 47 enquiries during Quarter 2.

| | Q1 | Q2 | Q3 | Q4 | Total/ Cumulative | Reporting Frequency |
|---|-----|-----|----|----|----------------------|------------------------|
| Number of contacts to Children's Social Care (include referrals) | 255 | 234 | | | | Quarterly |
| Number of referrals to Children's Social Care | 100 | 78 | | | | Quarterly |
| Number of referrals made by EDT/Out of Hours Team (including those that were recorded as contacts only) | 20 | 3 | | | | Quarterly |
| Number of single assessments started during Quarter | 85 | 74 | | | | |
| No. of single assessments closed, and % closed within 40 days | 77 | 69 | | | | Quarterly |
| | 65% | 58% | | | | |
| Number of S47 enquiries | 28 | 17 | | | | Quarterly |

Child Protection

- There were 26 child protection plans at 30th June 2015. This is a 21% decrease on Quarter 1.
- The largest category of abuse for CP plans at end of September 2015 was emotional, which represented 54% of all plans.
- Of the children with a CP plan for 3 months or more at 31st March 2015, 100% had been reviewed within timescales (PI 67).

| | Q1 | Q2 | Q3 | Q4 | Cumulative | Reporting Frequency |
|---|------|----|----|----|-------------|----------------------------|
| Number of children subject to a CP Plan | 33 | 26 | | | n/a | Quarterly |
| Number/Rate in each Category of Abuse | | | | | | |
| Neglect | 5 | 7 | | | n/a | Quarterly |
| Physical | 0 | 0 | | | n/a | |
| Emotional | 17 | 14 | | | n/a | |
| Sexual | 1 | 1 | | | n/a | |
| Multiple* | 9 | 4 | | | n/a | |
| *Breakdown of Multiple: | | | | | | |
| Phys/Neglect/Emotional | 1 | 1 | | | n/a | Quarterly |
| Phys/Sexual | 1 | 0 | | | n/a | |
| Phys/Emotional | 7 | 3 | | | n/a | |
| | | | | | | |
| Unborn | 0 | 0 | | | n/a | Quarterly |
| 0 - 4 | 15 | 8 | | | n/a | |
| 5 - 9 | 7 | 6 | | | n/a | |
| 10 - 15 | 9 | 8 | | | n/a | |
| 16+ | 2 | 4 | | | n/a | |
| | | | | | | |
| Male | 17 | 14 | | | n/a | Quarterly |
| Female | 16 | 12 | | | n/a | |
| Unborn | 0 | 0 | | | n/a | |
| | | | | | | |
| Percentage of CP cases which were reviewed within required timescales | 100% | | | | 100% | Quarterly Target - 100% |
| Number of CP cases allocated to a Social Worker | 100% | | | | 100% | Target - 100% |

Looked After Children

| Rutland | Q1 | Q2 | Q3 | Q4 | Cumulative | Reporting Frequency |
|---------------------------------|----|----|----|----|------------|---------------------|
| Number of Looked After Children | 34 | 31 | | | n/a | Quarterly |
| Ethnicity of LAC | | | | | | |
| White | 32 | 29 | | | n/a | Quarterly |
| Mixed | 2 | 2 | | | n/a | |
| Asian | | | | | n/a | |
| Black | | | | | n/a | |
| Other | | | | | n/a | |
| Undetermined | | | | | n/a | |

| | | | | | |
|---|----|----|--|--|-------------|
| 0 - 4 | 9 | 7 | | | n/a |
| 5 - 9 | 8 | 6 | | | n/a |
| 10 - 15 | 10 | 11 | | | n/a |
| 16+ | 7 | 7 | | | n/a |
| | | | | | |
| Male | 18 | 18 | | | n/a |
| Female | 16 | 13 | | | n/a |
| Percentage of LAC at period end with 3 or more placements | 0% | 0% | | | 0% |
| LAC cases which were reviewed within required timescales | | | | | 100% |
| Stability of placements of LAC: length of placement | | | | | 100% |

ADULTS UPDATE

Safeguarding Adults Data Collection

79 alerts/enquiries were received in Q2. This represents a significant increase from Q1 and reflects how effectively RCC is now receiving alerts through the single point of contact. The data reflects that individuals know where to raise their concerns as well as providers being confident to inform the Prevention and Safeguarding Team of incidents in residential care.

23 of this number resulted in the implementation of the Safeguarding Adults Procedures.

There was a high profile alert of a resident absconding from a residential care home. Multi-disciplinary work is ongoing to ensure that the remaining residents are safe and there is confidence that the voluntary suspension will be lifted within the next month. The CQC are completing their investigation and will be informing the relevant agencies the outcome and recommendation for lifting the suspension.

| Location of alleged abuse | Q1 | Q2 | Q3 | Q4 | Total | Reporting Frequency |
|-----------------------------------|----|----|----|----|-------|---------------------|
| Community | 34 | 45 | | | | Quarterly |
| Residential | 24 | 34 | | | | Quarterly |
| Unknown | 0 | 0 | | | | Quarterly |
| Source of Referral for all Alerts | Q1 | Q2 | Q3 | Q4 | | |
| Primary Health Care | 2 | 0 | | | | |
| Secondary Health Care | 4 | 7 | | | | |
| Adult Mental Health Setting | 0 | 0 | | | | |
| Residential | 13 | 23 | | | | |
| Day Care | 1 | 0 | | | | |
| Social Worker/Care Manager | 12 | 22 | | | | |
| Self-Directed Care Staff | 0 | 0 | | | | |

| | | | | |
|-------------------------|---------------------|--|--|--|
| Domiciliary | 4 | 4 | | |
| Other Care Workers | 0 | 0 | | |
| Self | 0 | 1 | | |
| Family Member | 8 | 0 | | |
| Other Service User | 0 | 0 | | |
| Friend/Neighbour | 0 | 8 | | |
| Care Quality Commission | 2 | 0 | | |
| Housing | 3 | 3 | | |
| Education | 0 | 0 | | |
| Police | 2 | 4 | | |
| Other | 2 - EMAS 1 - EDT | Other local authority – 2 3- EMAS 1 – Community Agent 1 - EDT | | |
| Not Known | | | | |

Closed Cases in Quarter 2

Safeguarding Adults performance data is obtained when a case is closed at the end of the Safeguarding Adults process. 9 cases were closed in Quarter 2. Older people have been consistently the largest service user group represented in safeguarding within adult social care services but in this quarter there were 3 investigations closed where the service users had a learning disability.

The proposed model for Adult Social Care is now formalised and the Prevention and Safeguarding Team will continue to process all alerts/enquiries and apply the thresholds of the LLR Safeguarding Adult Policy and Procedures. There is currently a new post within the team being advertised for a Senior Practitioner who will take a lead in investigations in the regulated services.

| Outcome | Q1 | Q2 | Q3 | Q4 |
|---------------------------|----|----|----|----|
| Substantiated - fully | 3 | 4 | | |
| Substantiated - partially | 0 | 0 | | |
| Not Substantiated | 3 | 4 | | |
| Inconclusive | 2 | 1 | | |

| Primary Client Type | Q1 | Q2 | Q3 | Q4 |
|---------------------|----|----|----|----|
| Older Person | 3 | 5 | | |
| Mental Health | 0 | 1 | | |
| Learning Disability | 4 | 3 | | |
| Physical Disability | 0 | 0 | | |

| | | | | |
|--------------------------|-----------|-----------|-----------|-----------|
| Not recorded | 1 | 0 | | |
| Primary Age Group | Q1 | Q2 | Q3 | Q4 |
| 18-64 | 4 | 2 | | |
| 65-74 | 1 | 2 | | |
| 75-84 | 1 | 2 | | |
| 85-94 | 2 | 3 | | |
| 95+ | 0 | 0 | | |

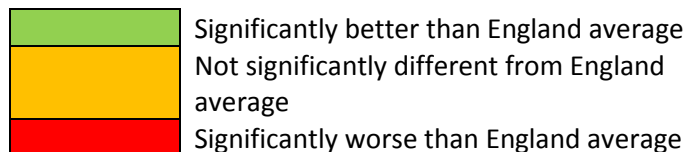
| | | | | |
|----------------------------|-----------|-----------|-----------|-----------|
| Type of Abuse* | Q1 | Q2 | Q3 | Q4 |
| Physical | 2 | 1 | | |
| Sexual | 0 | 1 | | |
| Psychological&Emotional | 4 | 0 | | |
| Financial & Material | 0 | 3 | | |
| Neglect & Acts of Omission | 2 | 4 | | |
| Discriminatory | 0 | 0 | | |
| Institutional | 0 | 0 | | |
| Not Known | 0 | 0 | | |

*Cases may include more than one category

| | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|
| Source of Referral | Q1 | Q2 | Q3 | Q4 |
| Primary Health Care | 0 | 0 | | |
| Secondary Health Care | 1 | 1 | | |
| Adult Mental Health Setting | 0 | 0 | | |
| Residential | 4 | 0 | | |
| Day Care | 0 | 0 | | |
| Social Worker/Care Manager | 1 | 2 | | |
| Self-Directed Care Staff | 0 | 0 | | |
| Domiciliary | 0 | 3 | | |
| Other Care Workers | 0 | 0 | | |
| Self | 0 | 0 | | |
| Family Member | 1 | 1 | | |
| Other Service User | 0 | 0 | | |
| Friend/Neighbour | 0 | 0 | | |
| Care Quality Commission | 0 | 0 | | |
| Housing | 0 | 1 | | |
| Education | 0 | 0 | | |
| Police | 1 | 1 | | |

| | | | | |
|---|-----------|-----------|-----------|-----------|
| Other | 0 | 0 | | |
| Not Known | 0 | 0 | | |
| Protection Plans | Q1 | Q2 | Q3 | Q4 |
| Adult Protection Plans accepted by either the service user or the agencies involved | 0 | 0 | | |
| Adult Protection Plans not accepted | 0 | 0 | | |
| Could not consent | 0 | 0 | | |
| Repeat Referrals | Q1 | Q2 | Q3 | Q4 |
| No of Repeat Referrals | 5 | 2 | | |

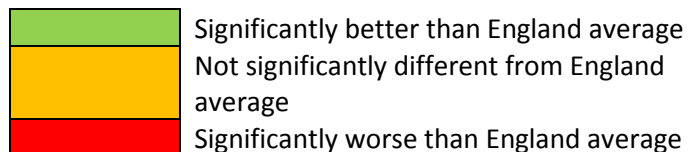
Public Health performance dashboard
Appendix D



* Rank out of 11 areas with 1 defined as best performance

| Outcome | Indicator | Frequency | When was data last published. | Number per year | Current Value | National Average | Rank* (in comparison to statistical neighbours) | Trend - Rutland |
|--|----------------------------------|-----------|-------------------------------|-----------------|---------------|------------------|---|--|
| A healthier population with increased life expectancy and a reduction in health inequalities | Life Expectancy - Male | Annual | 2011-13 | n/a | 81.2 | 79.4 | 1 | <p>06-08 07-09 08-10 09-11 10-12 11-13</p> |
| | Life Expectancy - Female | Annual | 2011-13 | n/a | 85.7 | 83.1 | 1 | <p>06-08 07-09 08-10 09-11 10-12 11-13</p> |
| | Healthy Life Expectancy - Male | Annual | 2011-13 | n/a | 66.09 | 63.27 | 7 | <p>09-11 10-12 11-13</p> |
| | Healthy Life Expectancy - Female | Annual | 2009-11 | n/a | 71.32 | 63.95 | 1 | <p>09-11 10-12 11-13</p> |

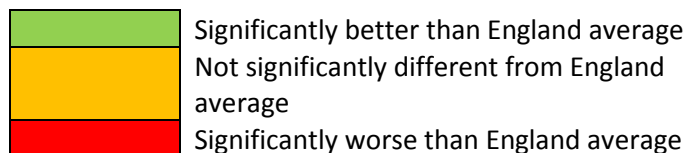
Public Health performance dashboard
Appendix D



* Rank out of 11 areas with 1 defined as best performance

| Outcome | Indicator | Frequency | When was data last published. | Number per year | Current Value | National Average | Rank* (in comparison to statistical neighbours) | Trend - Rutland |
|--|--|-----------|-------------------------------|-----------------|---------------|------------------|---|---|
| | Cardiovascular Disease (under 75) – mortality rate | Annual | 2011-13 | 23 | 65.7 | 78.2 | 7 |  |
| | Cancer (under 75) – mortality rate | Annual | 2011-13 | 44 | 119.32 | 144.4 | 1 |  |
| The prevalence of obesity is reduced and people are more physically active | Proportion of children in Reception classified as overweight and obese | Annual | 2013-14 | 80 | 16.4 | 22.5 | 6 |  |
| | Proportion of children in Year 6 classified as overweight and obese | Annual | 2013-14 | 96 | 29.20 | 33.5 | 3 |  |
| | Proportion of adults (16+) who are | Annual | 2012 | 63 | 65.58 | 63.78 | 8 | No trend data currently available |

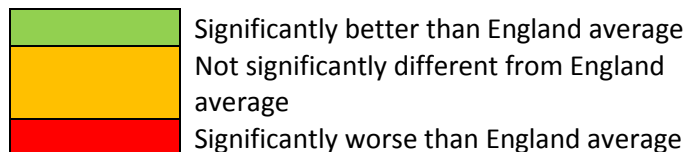
Public Health performance dashboard
Appendix D



* Rank out of 11 areas with 1 defined as best performance

| Outcome | Indicator | Frequency | When was data last published. | Number per year | Current Value | National Average | Rank* (in comparison to statistical neighbours) | Trend - Rutland |
|--|--|-----------|-------------------------------|-----------------|---------------|------------------|---|-----------------------------------|
| | overweight and obese | | | | 22.3 | | | |
| Smoking prevalence and the harm caused is reduced | Smoking prevalence | Annual | 2013 | n/a | 22.3 | 18.4 | 4 | |
| The harm caused by alcohol and drugs is reduced | Rate of hospital admissions for alcohol related harm | Annual | 2013-14 | 198.76 | 521.76 | 645.13 | 4 | |
| To help prevent heart disease, stroke, diabetes and kidney disease | Heath Check uptake | Quarterly | Q2 2014/15 | 463 | 68.9% | 46.3% | 1 | |
| To increase the level of wellbeing | Self-reported Well being | | | | | | | |
| | People with a low satisfaction score | Annual | 2011/12 | n/a | 14.86 | 24.27 | 1 | No trend data currently available |
| | People with a low worthwhile | Annual | 2011/12 | n/a | 12.81 | 20.08 | 1 | No trend data currently available |

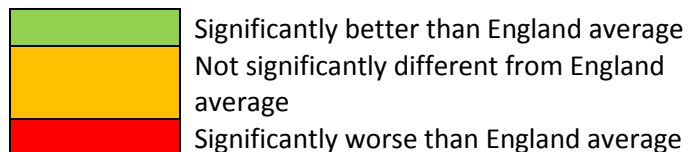
Public Health performance dashboard
Appendix D



* Rank out of 11 areas with 1 defined as best performance

| Outcome | Indicator | Frequency | When was data last published. | Number per year | Current Value | National Average | Rank* (in comparison to statistical neighbours) | Trend - Rutland |
|---|---|-----------|-------------------------------|-----------------|---------------|------------------|---|-----------------------------------|
| | score | | | | 19.21 | 29.02 | 1 | No trend data currently available |
| | People with a low happiness score | Annual | 2011/12 | n/a | 19.21 | 29.02 | 1 | No trend data currently available |
| | People with a high anxiety score | Annual | 2012/13 | n/a | 25.44 | 20.98 | 11 | No trend data currently available |
| To reduce hospital admissions for falls | Injuries due to falls (aged 65 or over) - overall | Annual | 2013/14 | 166 | 1924.11 | 2064 | 7 | |
| | Injuries due to falls (aged 65 or over) – males | Annual | 2013/14 | 60 | 1766.75 | 1661 | 11 | |
| | Injuries due to falls (aged 65 or over) – females | Annual | 2013/14 | 106 | 2081.47 | 2467 | 4 | |

Public Health performance dashboard
Appendix D



* Rank out of 11 areas with 1 defined as best performance

| Outcome | Indicator | Frequency | When was data last published. | Number per year | Current Value | National Average | Rank* (in comparison to statistical neighbours) | Trend - Rutland |
|---|---|-----------|-------------------------------|-----------------|---------------|------------------|---|-----------------|
| To increase control of chlamydia | Chlamydia diagnosis adults aged 15-24 | Quarterly | Q4 2013 | 77 | 2020.6 | 1785.07 | 1 | |
| To improve health outcomes and increase healthy life expectancy | % of children living in households where income is less than 60% of median household income | Annual | 2012 | 455 | 7.8% | 19.25% | 1 | |
| | Under 18 conception rate | Annual | 2013 | 8 | 8.2 | 24.3 | 1 | |

Appendix E

PROJECT UPDATE

| Project | Scrutiny Panel | Status | RAG |
|---------------------------------|----------------|--|-----|
| Oakham Enterprise Park Business | Places | Available internal floor space has increased to 97,323 sqft. Tenancy across the site remains high with 92.4% (85 units, totalling 93,046 sqft or 95.6% of floor space) now let or with leases being finalised. There is firm interest in a further 7.6% (7 units, 4,277sqft or 4.4% floor space) and there are currently no units without significant interest. These figures exclude the Active Rutland Hub. An additional 483,270 sqft (11.1 acres) of external space is being marketed for development opportunities or other activities. Of this, 152,847 sqft (31.6% / 3.5 acres) is already leased and we have firm interest in a further 156,920sqft (32.5% / 3.6 acres) for development. The approved capital budget for the project has now been spent so pressures arising from outstanding compliance & repair works have either been funded using the revenue budget or will be reported as additional capital bids. This is the first year we have operated the site at capacity so the position may change depending upon a number of factors which are difficult to accurately predict such as energy use & reliability of plant & building infrastructure. However, whilst the projected surplus for 15/16 has been reduced, future years look set to see a steadily increasing revenue income now that the site has bedded in once the outstanding building control issues have been addressed. Proposals for development of the remaining vacant external areas of the site to provide additional small offices & industrial spaces to satisfy an evident shortfall in local supply. | |
| Oakham Enterprise Park Sport | Places | Active Rutland Hub is now complete and occupied. The Royal visit and opening have taken place successfully. The final budget for construction has been reviewed and was on target with no overspends. Bookings and space allocation are progressing well. | |
| Broadband | Places | Phase 1 of the Digital Rutland project has completed to provide fibre infrastructure to 9416 premises. Rutland has seen the highest take up rate in the country for these new fibre based services. Phase 2 detailed planning and surveys are now underway to bring about an increased speed to circa 900 premises within the project intervention area. Deployment of this second phase is expected over the summer of 2016. A further change request form has been issued to BT to | |

| Project | Scrutiny Panel | Status | RAG |
|---|-------------------|---|-----|
| | | model how much further fibre can be deployed on a value for money basis to the remaining premises in the intervention area. The outcome of this initial desk top modelling is expected in Mid-February 2016. | |
| Castle Restoration Project | Places | Castle Site has been handed over to contractors to undertake the construction and repair works, completion is scheduled for the end of April 2016. Majority of trees on the site have been felled in line with planning permission, and restoration works on the bank are underway. | |
| Community Infrastructure Levy | Places | It is anticipated that the Community Infrastructure Levy (CIL) charging schedule will be adopted at the Council meeting on 11 th January 2016 and implemented by 1 st March 2016. The process for implementing this new levy will need to be in place by March 2016. | |
| Welfare Benefit Reform | Resources | Local Council Tax Support Scheme, Discretionary Fund and Crisis Loans will all be reviewed in 2016. Universal Credit commences in Rutland in October. An introductory event was held with stakeholders. Further member briefing to be held at November Resources Scrutiny Panel. The budget of 8 th July 2015 included further welfare reforms; Officers are reviewing the impact of the Welfare Reform and Work Bill and will continue to do so as the details emerge through regulations. Some information will be presented at the November scrutiny panel. | |
| Corporate Website Development | Resources | An Officer Working Group is gathering and analysing data on customer contacts to inform the design specification and project plan. Procurement options are being assessed along with a project timeline and resource requirements. A report will be presented to Cabinet to approve the procurement and the establishment of a formal project board at the appropriate time | |
| School Place Planning – To monitor the continued growth within the County balanced against the number of pupil places required at all levels within the education system | People (children) | SCAP report completed utilising the latest School data refreshed in May 2015. Brooke Hill extension was partially completed on time and enabled the School to open. Further works on the Playground and car park are ongoing. Uppingham C of E Criteria for funding contract award and selection of builders going to Cabinet 15/12. English Martyrs progressing with their own build. New Primary School Oakham only one School has shown interest Catmose College we have been working with them on suitable options. Secondary provision for the County is adequate although few spaces at Catmose and UCC. Catmose in discussions re utilising additional space provided by the return of RALs and the Cafeteria area. | |

| Project | Scrutiny Panel | Status | RAG |
|----------------------------|------------------------------|---|-----|
| | | <p>RCC consulting on closure we are currently working on options for Post 16 training with CBEC and Catmose college.</p> <p>Harrington Post 16 provision will be taking place on the Catmose College and the planning application has been submitted. The Barleythorpe site is still under consideration for future use.</p> | |
| Liquidlogic Implementation | People (children and adults) | <p>The Project Initiation Document and scope of the Case Management Transformation programme (CMTP) has been agreed and signed off allowing the programme to progress significantly over the last period. On top of the governance structures being in place, plans have been developed for the technical implementation of the system, together with plans to help introduce business change throughout the social care service.</p> <p>Current work being carried out is according to the planned timescales, and these tasks are on track to be delivered on time. To ensure the local authority is able to cope with the level of change being introduced, the go-live of the Liquidlogic system will be over three dates:</p> <ul style="list-style-type: none"> - Children's and Early Years Modules to be implemented for March 2016 - Adults and Adults Finance Modules to be implemented for April 2016 - Customer Portal Module will be implemented for May 2016 <p>Data migration from the current RAISE system has begun and training for the staff will commence in October 2015.</p> | |
| Care Act Implementation | People (adults and health) | <p>We have completed the Care Act Stocktake 5, to be returned to LGA, DoH and ADASS. The questions reflect the highest priority issues at this stage of implementation and assess the impact of the Care Act in the first 6 months of implementation of part 1, the social care reforms. Overall, in our opinion, we are currently on track with embedding the necessary changes required, resulting from the Act and very confident that we will be able to deliver the expected outcomes. We are fairly confident that our partners are actively engaged and very confident that we are meeting our new responsibilities towards Carers. Contacts and activity levels for Cares have increased, as intended. There has been improved screening and signposting following restructuring to enhance our 'front door'. We are now capturing details of the proportionate assessments where no record is made but the assessment has concluded because the person or their Carer has found a resolution to their needs through advice and information given or signposting. We are identifying approx. 80 such contacts per month. The use of advocacy support has improved for those people who would otherwise not be able to fully participate in their assessment and support planning.</p> | |

| Project | Scrutiny Panel | Status | RAG |
|------------------|----------------------------|--|-----|
| | | <p>We has assessed ourselves as fairly confident that we are understanding and managing the costs associated with the changes under the Act as this will be dependent on the Comprehensive Spending Review announcement and there are a number of workforce issues to be considered e.g. the impact of the living wage. However, we are fairly confident that our plans relating to the Better Care Fund are starting to address market shaping and integrated working to develop the quality and range of services that local people want and need and which promotes wellbeing.</p> <p>Work is progressing on reviewing our Charging Policy which includes a number of proposals for consideration and also outline our responsibilities in relation to consulting with the public. Work has commenced on agreeing a Workforce Implementation Plan for Adults and a Quality Assurance System.</p> | |
| Better Care Fund | People (adults and health) | <p>The 2015-16 Better Care Fund programme is progressing well overall. The performance related payment was again successfully secured for Q1 of 2015-16 and the Partnership Board continues to work effectively to manage the S75 pooled budget agreement.</p> <p>New roles are in post, both commissioned and in-house, including the Community Agents, Care Co-ordinator, Memory Advisor, a new In-Reach nurse and an integrated physio secondment working with the Reach team. New ways of working are bedding in and further work is needed to ensure they are resilient to staffing change. Prevention and reablement projects have gained a good foothold, including assistive technology and adaptations. For falls prevention, the training plan is now complete and public awareness projects are being commissioned via grants.</p> <p>The new management and team structure for Adult Social Care is currently being consolidated. This structure, which comprises multi-disciplinary teams in four areas (Prevention and Safeguarding; Discharge and Reablement; Long-term Support and Review; and Community Inclusion), is in itself part helping to achieve BCF objectives.</p> <p>The latest BCF performance data shows that Rutland is on track for the reablement metric (people still successfully at home 91 days after discharge from hospital) and likely to be on target for the Quarter 2 metric on minimising Delayed Transfers of Care. The pay for performance metric, Non Elective Admissions, saw a new peak in July which, although it may not lead</p> | |

| Project | Scrutiny Panel | Status | RAG |
|----------------|-----------------------|---|------------|
| | | to the target being missed, merits analysis. The CCG have access to the necessary data to support this. | |

CABINET

17 November 2015

QUARTER 2 FINANCIAL MANAGEMENT REPORT

Report of the Director for Resources

| | | | |
|--------------------------------|---|---|--|
| Strategic Aim: | <i>Delivering Council Services within the Medium Term Financial Plan (MTFP)</i> | | |
| Key Decision: Yes | Forward Plan Reference: FP/310715/03 | | |
| If not on Forward Plan: | Chief Executive Approved | N/A | |
| | Scrutiny Chair Approved | N/A | |
| Reason for Urgency: | N/A | | |
| Exempt Information | No | | |
| Cabinet Member(s) Responsible: | Councillor Terry King, Portfolio Holder for Resources | | |
| Contact Officer(s): | Debbie Mogg, Director for Resources | Tel: 01572 758358 dmogg@rutland.gov.uk | |
| | Saverio Della Rocca, Assistant Director - Finance | Tel: 01572 758159 sdrocca@rutland.gov.uk | |
| Ward Councillors | N/A | | |

DECISION RECOMMENDATIONS

That Cabinet:

1. Note the 2015/16 revenue and capital outturn position as at Quarter 2.
2. Note the proposed transfers from earmarked reserves as shown in the table at Appendix 1, para 1.44 (to be finalised and agreed in the 2015/16 outturn).
3. Note that there are a number of functions which are forecast to be £25k overspent (highlighted in Appendices 4 to 6) but these forecast over spends can currently be contained within overall Directorate budgets.
4. Note that there is one function (Homecare) which is forecast to be in excess of £100k over budget but this can be contained within the overall Directorate budget as set out in Appendix 7.
5. Note that the MTFP includes the Highways saving previously agreed by Cabinet and that work is ongoing to identify further savings and pressures for the future.

6. Note that some Care Act pressures built into the MTFP for 16/17 and beyond can be removed.
7. Approve a £25k investment into school improvement from General Fund resources as set out in Appendix 3B.
8. Approve a sum of £75k for market supplements for social workers for inclusion in the MTFP for 2016/17 onwards as set out in Appendix 3B.
9. Recommend to Council that £812k of the Oakham North contribution from Larkfleet is used to fund decisions already made as per para 2.12 – 2.15 of Appendix 1.
10. Note that the MTFP has been updated since Q1 to reflect various changes as set out in para 3.2 of Appendix 1.

1 PURPOSE OF THE REPORT

- 1.1 To inform Cabinet and all Members of the full year forecast position as at Quarter 2 for 2015/16 and to alert them to issues that may impact on the Medium Term Financial Plan to enable them to maintain sound financial management of the Council's operations.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The Council approved its 2015/16 budget in February 2015. This section provides some answers to questions that Members might ask about the budget.

| | Key questions | Comments and where you can find out more |
|---|---|--|
| 1 | Are we on track to achieve overall budget (within a tolerance of 1%)? | <p>The Q1 forecast revenue position is favourable in that the Council is forecasting a surplus of £415k compared to a budgeted deficit of £610k. Whilst the position looks favourable, there are inevitably a number of important factors on the horizon that could impact this position favourably or adversely. Appendix 1 para 1.7 gives more detail. The Council will keep these issues under review.</p> <p>The budget is split into functions within directorates. The financial performance of each function is shown in summary in Appendix 4 to 6. Further detail can be obtained in detailed workbooks via the Council website.</p> <p>http://www.rutland.gov.uk/council_and_democracy/council_budgets_and_spending.aspx</p> |
| 2 | What changes have we made to the budget since it was approved? | Since Q1 budget was approved various changes have been made. These are itemised in Appendix 2A. |

| | Key questions | Comments and where you can find out more |
|----|---|---|
| 3 | Have we got any functions forecast to be overspent by £25k? | Yes, in total 7 out of 74 (4 out of 74 at Q1). There is one in excess of £100k (Homecare). A detailed explanation is given in Appendix 7. Forecast over spends are currently contained with Directorate budgets. |
| 4 | Have we got any functions forecast to be underspent by £25k? | Yes, in total 17 out of 74 (15 out of 74 at Q1). Directors review of potential savings that can be carried forward to future years is ongoing. |
| 5 | Will we achieve savings built into the budget? | Yes, the budget included service pressure savings of £786k and £300k for PeopleFirst savings. As at Q2 (para 1.34), the Council is on target to achieve savings of £763k of the service pressure savings (para 1.35). The progress against the £300k PeopleFirst savings targets is that £283k has been included with Directorate budgets (para 1.36). |
| 6 | Are there new pressures emerging? | Yes, but pressures quantified can be contained within overall budget. Para 1.46 refers to potential pressures on the horizon for next years budget. |
| 7 | Are we on track to achieve the overall capital budget? | Yes, para 2.1 of Appendix 1 gives more detail. |
| 8 | Are there significant delays on any projects? | No – but the roll out of Digital Rutland project is deferred until 2016/17. Appendix E of the Q2 Performance Report gives more detail. |
| 9 | Are there changes to the approved capital programme? | Yes, there has been some reprofiling of the capital programme and other additions. Para 2.4 in Appendix 1 gives a full breakdown of changes. |
| 10 | Have there been changes to the MTFP? | The MTFP has been updated since Q1. A full list of all changes is included in 3.2 in Appendix 1. The updates and in particular the Highways savings of c£330k pa and housing growth have had a positive impact of over £3m on predicted balances. |
| 11 | Are we on track to receive our budgeted amount for New Homes Bonus (NHB) for 2016/17? | Yes, the target for 2016/17 has been exceeded (paras 3.3 – 3.5 of Appendix 1 give details). |
| 12 | Are we on target to achieve the Government estimate on Business Rates retention? | Yes, performance is in line with MTFP expectations. To date there have been no significant appeals lost resulting in a loss of business rates income. |

| | Key questions | Comments and where you can find out more |
|----|---|--|
| 13 | Is the cost of the Local Council Tax Scheme (LCTS) within budget? | Yes, the LCTS scheme remains under budget (para 3.11 of Appendix 1 gives details). |
| 14 | Are we recovering our debts? | Yes, the debt level is down from the year end. |

3 CONSULTATION

- 3.1 Formal consultation is not required for any decisions being sought in this report. Internal consultation has been undertaken with officers to assess whether savings and pressures built into the budget may still be needed in 2016/17.

4 ALTERNATIVE OPTIONS

- 4.1 Cabinet is being asked to approve one change to the 2015/16 budget to match fund a £25k investment into school improvement from DSG (Dedicated Schools Grant) with £25k of General Fund resources. Cabinet could choose to reject this request but this may slow down the progress in improving school performance. Details of the request are set out in Appendix 3B (3.1).
- 4.2 Alongside this change, Cabinet are asked to approve market supplements for social workers as a means of facilitating their recruitment and retention and avoiding the need for high cost agency or interim workers. A sum of £75k is requested for inclusion in the MTFP for 2016/17 onwards. Details are set out in Appendix 3B (3.2). Cabinet could refuse this request or defer this decision until the 2016/17 budget is set.
- 4.3 The Council has now signed an agreement with Larkfleet regarding the Oakham North development totalling £4.8 (net of indexation). Council is asked to apply £812k of this funding to various schemes e.g. Adult Soccer (as set out in para 2.15 of Appendix 1). Council could choose to reduce its capital financing costs for those schemes already completed by applying a contribution to offset its capital financing requirement and fund existing schemes via revenue or other available capital balances. Should the Council decide to use revenue balances, there would be an ongoing revenue cost (currently not in the MTFP) of c£35k pa for the next 25 years. As the Council always intended that these schemes would be funded from s106 (should it be received) then applying the Oakham North contribution is consistent with that intention.

5 FINANCIAL IMPLICATIONS

- 5.1 The report highlights the impact of the forecast on the MTFP. The General Fund balances for 2015/16 will increase by c£1.024m above that budgeted based on current forecasts and the approval of school improvement funding.

6 LEGAL AND GOVERNANCE CONSIDERATIONS

- 6.1 Where Directors wish to increase a functional budget by over £100k OR they anticipate that the overall Directorate budget is likely to be overspent (there is no de-minimis level) they must seek approval in advance from Cabinet or Council for

a virement to cover any increase. There is one function that falls into this category but no specific request has been made because the overspend can be contained within the overall directorate budget and some functional budgets may need to be rebased due to the introduction of functional budgets (Appendix 7 explains in more detail).

6.2 There are no legal implications arising from this report.

7 EQUALITY IMPACT ASSESSMENT

7.1 Equality Impact Assessment (EqIA) screening has been completed. No adverse or other significant issues were found.

8 COMMUNITY SAFETY IMPLICATIONS

8.1 There are no community safety implications.

9 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no health and wellbeing implications.

10 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

10.1 As the Council is required to make savings over the medium term, the Q2 continues to be positive with the Council under budget.

11 BACKGROUND PAPERS

None

12 APPENDICES

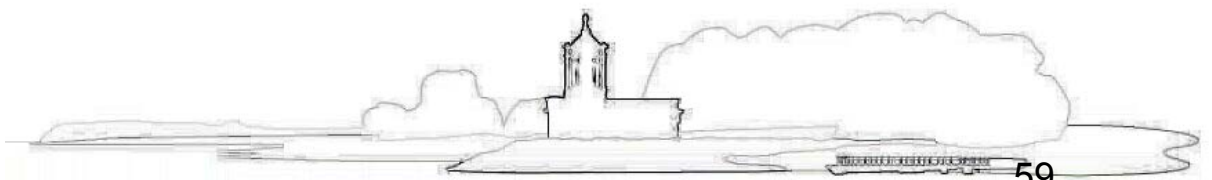
| | |
|-------------|---------------------------------------|
| Appendix 1 | Quarterly Monitoring Report |
| Appendix 2A | Approved Budget Changes |
| Appendix 2B | Virements |
| Appendix 3A | Reconciliation of Directorate Budgets |
| Appendix 3B | Requests for new investment |
| Appendix 4 | Peoples Directorate |
| Appendix 5 | Places Directorate |
| Appendix 6 | Resources Directorate |
| Appendix 7 | Variances over £100k |
| Appendix 8 | Capital |
| Appendix 9: | MTFP |

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577. (18pt)



Rutland County Council

Quarterly Monitoring Report 2015 - 16



Contents

| | |
|---|----|
| 1. Revenue Monitoring..... | 3 |
| 2. Capital Programme..... | 19 |
| 3. Medium Term Financial Plan (MTFP)..... | 23 |
| 4. Financial Performance..... | 32 |

1. Revenue Monitoring

A The Budget – what is the current budget?

1.1 The current budget is that approved by Council/Cabinet as shown in the Quarter 1 Financial Management Report on 18th August 2015 (report No. 153/2015) and subsequently amended following changes made by Cabinet/Council as set out in Appendix 2A and summarised in the table below.

| Reconciliation of approved budget to current budget | £000 | £000 |
|--|-------------|---------------|
| Approved Net Cost of Services (153/2015) | | 34,286 |
| Changes already approved (as listed in Appendix 2A) | | 181 |
| Changes proposed requiring Cabinet Approval (as listed in Appendix 3B) | | 25 |
| New Net Cost of Services (subject to approval) | | 34,492 |
| | | |
| Approved (Surplus)/Deficit (153/2015) | 525 | |
| Changes already approved (as listed in Appendix 2A) | 60 | |
| Changes proposed requiring Cabinet Approval (as listed in Appendix 3B) | 25 | |
| New (Surplus)/Deficit (subject to approval) | 610 | |

1.2 The People First savings target for 2015/16 was £300k. £200k of this saving was identified for Public Health to achieve and at Q1 it was reported that due to contractual issues, Public Health would require 2 years for the reductions in existing spend to be realised. Therefore this saving cannot be achieved until 2017/18 but to mitigate the impact on the general fund deficit for 2015/16 and 2016/17, it has been agreed to transfer the necessary funds from the Public Health earmarked reserve. The transfer of £200k offsets the increase in Net Cost of Services.

B Overall Position – are we on track to achieve budget?

1.3 The table in para 1.6 sets out the Council's forecast revenue outturn for 31 March 2016 as at the end of September (Quarter 2). The Council's forecast is a surplus of £415k compared to the current budget deficit of £610k and the forecast budget deficit of £82k as reported at the end of June. This is a favourable position in light of the Medium Term Financial Plan requirement for savings to be made and future funding uncertainty.

1.4 The position is better than that reported at Q1 by £497k because of various factors:

- A £250k Highways saving approved by Cabinet (154/2015) which was not included in Q1;
- An increase in investment income from better interest rates and an additional dividend received of £40k from the Heritable bank;
- Extra grant income of £127k - Independent Living Fund (£54k), New Burdens Property Searches (48k) plus a number of other smaller grants (£25k);
- A net movement on transfer from reserves/revenue contributions to capital of £157k. This arises from an additional £300k transfer to reserves (e.g. Winter Pressures, Better Care Fund, Website development and Transport Review) less a transfer from reserve for public health of £200k. There is also an additional revenue contribution to capital of £60k for the repair of the museum boiler;
- The Capital Financing is showing a favourable position (£123k) reflecting the agreed outturn on the 2014/15 capital programme and the repayment of the £597k relating to Adult Soccer; and
- The remainder relates to a net £112k of favourable forecast movements on budgets compared to that reported at Q1.

1.5 Against its budget, the Council is in overall terms £1,024k under budget. The movement on highways, investment income, capital financing and grants explains a substantial part. The remainder relates to a net £482k of under spends on Directorate budgets that will not be requested as budget carry forwards.

1.6 The Revenue budget position at Q2 is as follows:

| | Approved Budget | Revised Budget | Q1 Forecast Outturn | Q2 Forecast Outturn | Latest Forecast Year End Variance |
|------------------------------|------------------------|-----------------------|----------------------------|----------------------------|--|
| | £000 | £000 | £000 | £000 | £000 |
| People | 15,651 | 15,980 | 15,904 | 15,634 | (346) |
| Places | 12,369 | 12,385 | 12,396 | 12,156 | (229) |
| Resources | 5,714 | 5,694 | 5,491 | 5,445 | (249) |
| Directorate Totals | 33,734 | 34,060 | 33,790 | 33,235 | (824) |
| Fire Authority | 75 | 0 | 0 | 0 | 0 |
| Better Care Fund Contingency | 0 | 200 | 200 | 200 | 0 |
| Highways Saving | 0 | 250 | 0 | 0 | (250) |
| People First Saving | (300) | (17) | (200) | 0 | 17 |
| Net Cost of Services | 33,509 | 34,492 | 33,790 | 33,435 | (1,057) |
| Capital Financing | 2,020 | 2,020 | 2,020 | 1,897 | (123) |

| | Approved Budget | Revised Budget | Q1 Forecast Outturn | Q2 Forecast Outturn | Latest Forecast Year End Variance |
|-----------------------------------|------------------------|-----------------------|----------------------------|----------------------------|--|
| | £000 | £000 | £000 | £000 | £000 |
| Interest Receivable | (116) | (116) | (176) | (225) | (109) |
| Net Operating Expenditure | 35,412 | 36,396 | 35,633 | 35,107 | (1,289) |
| Financing | (32,696) | (32,776) | (32,796) | (32,924) | (148) |
| Transfers to/(from) reserves | (1,167) | (1,676) | (1,586) | (1,263) | 413 |
| Revenue contributions to capital | 880 | 520 | 686 | 520 | 0 |
| Appropriations | (1,855) | (1,855) | (1,855) | (1,855) | 0 |
| (Surplus)/Deficit | 575 | 610 | 82 | (415) | (1,024) |
| General Fund 1 April 2015 | (9,227) | (9,675) | (9,675) | (9,675) | 0 |
| General Fund 31 March 2016 | (8,652) | (9,065) | (9,593) | (10,090) | (1,024) |

1.7 Whilst the overall position is favourable, there are a number of issues and factors that could change and impact on the final outturn position as follows:

- The Government announcement delaying the introduction of some of the Care Act changes has been reviewed and the impact assessed for both 2015/16 and for future years (para 1.42 to 1.44 gives further detail). Recent Government announcements would suggest that for 2015/16 no clawback of funding will occur, however this is still uncertain;
- The budget includes a Better Care Together/Better Care Fund contingency of £200k. It is still uncertain as to whether this is required. As this funding is earmarked for Adult Social Care, any unused funds will be transferred to earmarked reserves for future use;
- There are a significant number of volatile and demand led budgets and there have been fluctuations between Q1 and Q2 due to activity changes. These budgets are difficult to predict. For example, the social care budgets are impacted not only by caseload, but also the complexity of care packages, the extent to which individuals have to contribute towards the cost of their care and whether Continuing Health Care (CHC) funding is available; and
- Within the Directorate forecasts, there are still posts covered by Interim/Agency staff where recruitment is taking place. The outcome of recruitment activity could have an impact on the forecast.

C Directorate spend – what’s the latest position at directorate level?

- 1.8 At Q1 due to the move to functional budgets and the impact this had on certain areas of the People Directorate budget, it was agreed that as part of Q2 the Finance team would work with the People Directorate to rebase some of the functional budgets if this was required in preparation for 2016/17 budget setting. This rebasing exercise has taken place and will be used to support the setting of the 2016/17 budget for the People Directorate.
- 1.9 Directorate budgets have been updated in the quarter to reflect any adjustments as detailed in Appendix 3A. Directorate budgets do not include any support service budgets. The support service recharge budgets will be allocated to services at the year-end in line with the actual costs for support services. This enables Members to monitor any over or under spends on support services throughout the year.
- 1.10 A full analysis of Directorate performance in respect of each function is provided in the accompanying Budget Excel file which is available on the Council website at:

http://www.rutland.gov.uk/council_and_democracy/council_budgets_and_spending.aspx

People Directorate

- 1.11 The People Directorate budget has been revised in the quarter from £15,979k to £15,980k. Some of the changes are between functions e.g. Learning Disability Vehicles have transferred from People Directorate to Places Directorate. Other key changes are as follows:
- Adults and Health (Ringfenced) budget has increased by £200k which is being funded from the Public Health Earmarked Reserve and therefore does not impact on the General Fund; and
 - Adults and Health (Non Ringfenced) budget has been decreased by £195k, being £133k of People First savings and £62k of services transferred to other Directorates.
- 1.12 In overall terms, the People Directorate is under budget by £346k. There are however some big variances as shown in Appendix 4. Some of the variances only exist because the budget has not been rebased as explained in para 1.8. If the budget had been rebased the key variances to budget are as follows:
- An under spend on the Better Care Fund of £75k which will be transferred to reserves;
 - An under spend on staffing budgets within Adults and Health (non Rengfenced) of £213k due to vacancies; and

- An over spend on Childrens staffing of £3k due to use of agency staff to cover vacant posts and long term sickness.

1.13 Members trying to track how spending has moved from the first to second quarter may find it difficult with the budget having changed (in areas where there is no change, the quarter 1 and 2 figures are comparable).

1.14 The following table explains how the forecast of £15,634k (Q2) compares to £15,904k at Q1 by taking the Q1 forecast and creating an expectation for Q2 which can then be compared against the actual Q2 forecast.

| Area | Amount | Comments |
|-------------------------------------|-----------------|---|
| Q1 Forecast | £15,904k | |
| People First (Public Health) Saving | (£60k) | As part of the People First savings, it has been agreed to use £200k of Public Health resources to fund initiatives currently funded outside public health. Services that can be funded this way have now been agreed by the Director of Public Health and Director for People and the transfer of these services has now been implemented. For People Directorate, they are as follows: £17k contribution towards the cost of Citizen's Advice Bureau contract and £43k Healthy Homes service under supporting independence. |
| Public Health | £200k | As per para 1.2 |
| Blue Badge | (£28k) | The Blue Badge forecast was included within the People Directorate for Q1 but has since moved to Resources. |
| Vehicles | (£34k) | The Learning Disability Vehicles were included within the People Directorate for Q1 but are in Places at Q2. |
| Youth Housing Project | (£19k) | The transfer of £19k s106 funding for this project was included within the Q1 forecast but is now not forecast to be used this year. |
| Q2 expected forecast | £15,963k | |
| Q2 actual forecast | £15,634k | |
| Difference | (£329k) | The favourable difference between Q2 expected and actual means that the Directorate is spending less than it envisaged at Q1. |
| Explanation | | |
| Better Care Fund | (£52k) | Forecast spend has decreased due to delays in recruitment of staff on Crisis Response and |

| Area | Amount | Comments |
|---------------------------------------|---------|---|
| | | cost of community agents. Any under spend on BCF is ringfenced and will be transferred to reserves at year end. |
| Non BCF Contract and Procurement | (£40k) | At Q1, it had been assumed that 3 vacant posts within the Contract and Procurement team would be recruited by end of September. Due to the review by the new team manager and the need to assess the requirement for the posts, recruitment has been delayed and it is now forecast that 2 posts will be recruited to in Dec/Jan. |
| Childrens and Adults Duty Social Care | (£60k) | There has been a high turnover of staff in this area which has resulted in savings as a result of the timing difference between a member of leaving and the recruitment of a suitable replacement. |
| Non BCF Supporting Independence | (£35k) | The Council assumed the winter pressures funding would be spent at Q1 but due to difficulties in identifying suitable partners for the step up step down scheme the CCG have agreed that the balance of £81k can be carried forward for use in 2016/17. There has been an increase in forecast spend on Reach/Reablement and supporting independence staffing due to use of agency staff to cover vacant posts. |
| ASC Direct Payments (DPs) | (£109k) | Increase in income as a result of charging Leicestershire County Council for the sitting service (£41k) plus a reduction in anticipated spend on care packages following reviews of numbers of service users likely to receive Carer Support and Physical Disability DP's (£60k) |
| ASC Residential and Nursing | (£67k) | Since Q1, the number of people in residential care has remained fairly static at 129. However, there has been better use of the block contract for Older People resulting in fewer spot purchases and therefore the forecast spend has decreased. A number of residents in receipt of Continuing Healthcare (CHC) funding have been reviewed by Health and this has led to changes in levels of CHC being received. Service user contributions have also been reviewed and this has led to a decrease in the income forecast. |

| Area | Amount | Comments |
|----------------------------------|----------------|--|
| Fostering and Adoption | £40k | Increase in spend as two additional placements since Q1 have taken place, one of which is a costly independent foster agency placement (£77k) offset slightly by vacancy savings. |
| Childrens Social Care | (£11k) | Vacancy savings offset additional pressures from Agency staff and additional support given to family with 5 children to prevent children being taken into care. |
| Schools | £25k | The Council has agreed with the Schools Forum to invest resources into school improvement given current performance levels. The budget was set based on an agreement that the General Fund would fund £25k matched by £25k from the DSG and that a further £25k would be released subject to approval. |
| Social Worker Market Supplements | £44k | Due to issues in recruiting and retaining social workers, it is proposed to pay a market supplement for social workers. For existing staff, the first payment would be in December 2015 and is estimated to cost £44k. (See Appendix 3B) |
| Other variations | (£64k) | Various minor changes to functions. |
| | (£329k) | |

Summary

1.15 Whilst the directorate has a number of overspends which exceed the £25k and one forecast which exceeds £100k, no formal request for budget changes are being made at this time as the overspends are contained within the overall Directorate budget. Whilst the directorate is not formally requesting an increase in funding at this time, Appendix 7 shows the position on Homecare which is £284k overspent.

Resources Directorate

1.16 The Resources Directorate is £249k under budget. The budget itself has been revised in the quarter from £5,666k to £5,694k. This is due to the transfer of the Blue Badge function of £28k from People Directorate to Corporate Services within the Resources Directorate.

1.17 The key reasons for the under spend is Information Technology (£80k) due to the implementation of the website being deferred; Revenues and Benefits (£75k) due to better than predicted recovery of overpayments of housing benefit; and an underspend in Financial Support (£38k) as

demand for council tax discretionary fund and crisis loans is less than anticipated.

1.18 As noted above, the forecast has changed in the quarter with IT forecasting to be underspent by £80k. This is mainly due to work on the Web Site budgeted at £100k but only £30k of which is likely to be incurred in 2015/16 (£70k underspend is to be requested to be carry forward to fund the remaining works in 2016/17).

1.19 No formal request for budget changes are being made as small overspends can be contained within the overall Directorate budget.

Places Directorate

1.20 The Places Directorate budget has been revised in the quarter from £12,741k to £12,385k. Some of the changes are between functions e.g. budgets amalgamated but the two key changes relate to Public Health and Highways savings (noted in the table below).

1.21 In overall terms, the Places Directorate is under budget by £229k as shown in Appendix 5. Members trying to track how spending has moved from the first to second quarter may find it difficult with the budget having changed. (In areas where there is no change, the quarter 1 and 2 figures are comparable).

1.22 The following table explains how the forecast of £12,156k (Q2) compares to £12,396 at Q1 by taking the Q1 forecast and creating an expectation for Q2 which can then be compared against the actual Q2 forecast.

| Area | Amount | Comments |
|-----------------------------|-----------------|--|
| Q1 Forecast | £12,396k | |
| Highways | (£250k) | The Highways saving of £250k was not included in the Q1 forecast. |
| Public Health | (£140k) | The transfer of the Public Health Contribution as part of the People First Saving had not been finalised at Q1 and was therefore not in the forecast. The transfers are as follows: £92k Active Recreation; £5k Libraries; £31k Homelessness prevention; £12k Sustainable Transport. All use of Public Health funds have been agreed by the Director of Public Health and Director for People. |
| Vehicles | £34k | The Learning Disability Vehicles were included within the People Directorate for Q1 but now included in Places. |
| Q2 expected forecast | £12,040k | |
| Q2 actual forecast | £12,156k | |

| | | |
|--------------------------------------|--------------|--|
| Difference | £116k | The adverse difference between Q2 expected and actual means that the Directorate is spending more than it envisaged at Q1. |
| Explanation | | |
| Waste | £44k | Forecast spend has increased due to an increase in tonnages including an under accrual of 14/15 costs of £23k (total £31k) and increase in repairs and maintenance at Civic Amenity sites (£9k). |
| Commercial and Industrial Properties | £83k | Increase in expenditure at OEP as a result of building control compliance works - £47k and increased expenditure at Pit Lane due to company surrendering a lease having insufficient funds to cover the full costs of dilapidations. The company has ceased trading and a negotiated settlement of £5k has been reached. |
| Building Control | £35k | Reductions in expected income due to increased competition in the market place and the settlement of a dispute over a contract in full rather than over the 3 years originally agreed. |
| Transport Management | (£47k) | At Q1 it was assumed that the grant of £100k received for the Transport Review would be spent in 2015/16. It is now anticipated that only £28k will be spent. Some of this underspend is being offset by a forecast overspend on Travel for Rutland of £25k. |
| | £116k | |

1.23 No formal request for budget change is being made as overspends can be contained within the overall Directorate budget.

D Approvals – in line with Financial Procedure Rules (FPRs), what requests for changes to budget are being made?

1.24 In line with the Financial Procedure Rules para 4.10, Appendix 2B includes a full list of budget virements between functional budgets undertaken by Directors since Q1.

1.25 Where Directors wish to increase a functional budget by over £100k or a budget is expected to be £100k overspent or they anticipate that the overall Directorate budget is likely to be overspent (there is no de-minimis level) they must seek approval in advance from Cabinet or Council for a virement to cover any increase or report retrospectively. This is particularly relevant for demand-led budgets or where the Council has a statutory responsibility to provide a service.

1.26 The table below summarises the overall position at the end of Q1:

| Directorate | Within budget? | Ceilings >£25k overspent? | Requests for budget changes? |
|-------------|----------------|---------------------------|------------------------------|
| Places | Yes | No | No |
| Resources | Yes | No | No |
| People | Yes | Yes | Yes, Appendix 3B |

1.27 In line with the above budget managers are requesting investment in new services as set out in Appendix 3B.

E Fees and charges income – are key income budgets on target?

1.28 The Council collects a significant amount of income in areas such as car parking etc. The latest position, shown below, indicates that the overall income on key budgets will be exceeded:

| Income Description | Current Budget £000 | Q2 Forecast £000 | Variance £000 |
|---|------------------------|---------------------|------------------|
| Charging for Residential Accommodation | 869 | 878 | 9 |
| Parking Income | 486 | 475 | (11) |
| Rents from Business Units and Business Park | 404 | 459 | 55 |
| Fairer Charging income | 335 | 259 | (76) |
| Planning Fees | 327 | 450 | 123 |
| Building Regulations | 188 | 136 | (52) |
| Waste management - Sale of Recyclables | 131 | 127 | (4) |
| Registrars - Births, Marriages etc. | 101 | 125 | 24 |
| Active Rutland Hub | 93 | 48 | (45) |
| Licensing - Premises, Traders, Events etc. | 76 | 80 | 4 |
| Total | 3,010 | 3,037 | 27 |

1.29 Residential care charging income can be volatile as it is based on caseload and the assessed package. The forecast is based on the current caseload and estimated weeks in care and is broadly on target.

1.30 The reduction in forecast on the Fairer Charging income is due to a combination of a reduction in numbers of individuals contributing higher amounts towards the cost of their care and new starters being assessed as having to make a small or no contribution.

1.31 Planning Fees are exceeding targets due to 5 large Planning Applications being received.

1.32 Building Regulations income has reduced significantly due to increased competition in the market place.

1.33 Active Rutland Hub income forecast has decreased due to the budget being set based on an ambitious business plan for year 1. Under achievement of income targets is mitigated by lower than anticipated running costs.

F Savings – will we achieve budgeted savings?

1.34 The 2015/16 budget includes over £1.086m (service budget savings of £786k (Appendix 6 of Report 39/2015) and £300k for PeopleFirst.

Corporate savings

1.35 All savings had been achieved with the exception of Community Alarms £21k and Welland Procurement £2k. Since then, it has been agreed to fund the Community Alarms contract for 2015/16 from the Better Care Fund and to review the need for the service as part of the 2016/17 budget process.

People First

1.36 The MTFP savings for PeopleFirst were £300k for 2015/16. It is anticipated that these savings will be achieved as shown below (of the £318k a total of £283k has been removed from budgets):

| | 15/16 | Q1 | Q2 |
|------------------|--------------|-----------------|-----------------|
| | £'000 | Position | Position |
| Target | 300 | 493 | 318 |
| Transport | 50 | 81 | 35 |
| Staffing | 125 | 129 | 0 |
| Public Health | 25 | 200 | 200 |
| Service redesign | 100 | 83 | 83 |

1.37 Since Q1 there have been two key changes. The Directorate structure is under review and is expected to yield savings when fully implemented although this will depend on the recruitment process and the starting salary (within the grade structure) of new recruits. On this basis, it is uncertain that the structure will yield savings for 2015/16.

1.38 At Q1 the saving reported of £81k was over estimated. The actual saving compared to budget is £35k for 2015/16. This will be achieved through the implementation of a number of initiatives identified as part of the transport review for example bringing 6 SEN routes in house, together with savings created through vacancy management and a reduction in the need to purchase travel tokens this year.

G Pressures – will we achieve budgeted savings?

1.39 Pressures built into service budgets of £3,068k are included within 2015/16 budget (Appendix 6 of report 39/2015). They represent a combination of Care Act, non-Care Act pressures and inclusion of BCF schemes (which are actually funded).

1.40 As reported at Q1 the £25k pressure for the Physiotherapist within the REACH / Reablement Service is now being funded via the Better Care Fund giving a General Fund saving. The budget for 2015/16 has not been adjusted.

Care Act pressures

1.41 As a result of the Government announcement on Friday 17th July postponing three key reforms until April 2020, the Council has reviewed the impact of the delays on the 2015/16 budget. The table below shows the budget allocated and the forecast spend.

| | Budget 2015/16 £'000 | Q2 Forecast £'000 | Variance £'000 |
|---|----------------------------|-------------------------|-------------------|
| Additional Costs: | | | |
| Care Act implementation costs | 84 | 83 | (1) |
| Information Development Officer | 42 | 42 | 0 |
| Website Development for Care Act | 30 | 30 | 0 |
| Adult Social Care staff increase for self-funders assessments (i) | 60 | 79 | 19 |
| Adult Social Care staff increase for Carers assessments (ii) | 31 | 31 | 0 |
| Prison Assessments | 68 | 68 | 0 |
| Cost of additional 40 Carer support packages (iii) | 60 | 20 | (40) |
| Increase in staffing for Deferred payments and third party top ups (iv) | 40 | 27 | (13) |
| Additional posts Contracts and Procurement (v) | 109 | 24 | (85) |
| Total Expenditure | 524 | 404 | (120) |

- (i) The budget was increased for staff costs to ensure that the Council would have sufficient resources available to assess self funders who would require an assessment in order for a cap on the cost of their care to be implemented. The budget assumed that one new staff member would be required immediately with a second member of staff being required after 6 months. Whilst this part of the Act has been delayed and therefore additional assessments for self funders has not yet materialised, there has been an increase in assessments as a result of safeguarding and these posts have been filled. It is anticipated that due to changes in working practices and closer working with Health going forward that no additional resources will be required in 2020 when this part of the Act is implemented.

- (ii) The budget was increased to cover the cost of an additional staff member to cover increased assessments for carers. This part of the Act has been implemented and the number of assessments has increased.
- (iii) The budget was increased on the assumption that an increase in numbers of carers being assessed would lead to an increase in care packages. To date, the forecast would suggest that this is unlikely to materialise and this will be reviewed as part of the 2016/17 budget process.
- (iv) The Community Care Finance team staffing structure was strengthened in order to administer the Universal Deferred Payments and increase in financial assessments. The budget allowed for one additional member of staff immediately with a second member of staff being required after 6 months. Whilst there has been an increase in workload for Deferred Payments, the anticipated increase in assessments has not materialised, so only the first post is required long term.
- (v) Additional resources were identified as being required by the Contracts and procurement team as follows: A Quality Assurance post on a permanent basis; a Commissioning & Marketing Development post for 2 years; and, Business Process Officer for 1 year. The team is undergoing a review of its structure and it is anticipated that the requirements will change to one permanent post and one temporary post for 3 years. The request for this change will be considered as part of the 2016/17 budget process but it is assumed at this stage that only two posts will be filled this year from December.

1.42 Based on the above analysis the Council has reviewed its MTFP projections and produced a revised profile taking into account that part of its 2016/17 funding may be withdrawn with reforms delayed (£140k of grant funding relates to early assessments of self-funders and is therefore at risk). The Council also included an additional £100k in 16/17 and a further £100k in 17/18 in the MTFP in anticipation of additional Care Act costs.

1.43 The table below shows the original profile of income and expenditure within the MTFP for 2016/17 onwards against the revised profile.

| Original MTFP | | | | |
|--|----------------|----------------|----------------|----------------|
| | 16/17 | 17/18 | 18/19 | 19/20 |
| | £ | £ | £ | £ |
| Care Act Expenditure | 413,500 | 377,300 | 377,300 | 377,300 |
| Grants | (294,200) | (294,200) | (294,200) | (294,200) |
| Net position | 119,300 | 83,100 | 83,100 | 83,100 |
| Revised MTFP | | | | |
| | 16/17 | 17/18 | 18/19 | 19/20 |
| | £ | £ | £ | £ |
| Care Act expenditure | 338,900 | 338,900 | 326,900 | 302,700 |
| Grants | (294,200) | (294,200) | (294,200) | (294,200) |
| Net position | 44,700 | 44,700 | 32,700 | 8,500 |
| Net position (if £140k grant withdrawn) | 184,500 | 184,500 | 172,500 | 148,300 |

H Earmarked Reserves – how are we using reserves?

1.44 The transfers from Earmarked Reserves include transfers specifically to cover service expenditure that would otherwise be funded from the General Fund. The transfers to reserves show amounts included in the 2015/16 budget which managers intend (subject to approval at the year end) to carry forward to 2016/17.

| Reserve | Ceiling | Balance @ 1/4/15 | Planned Use 2015/16 | Forecast usage Q2 | Transfers to Reserve | Balance @ 31/3/16 |
|-----------------------------|----------------|-------------------------|----------------------------|--------------------------|-----------------------------|--------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Invest to Save | 500 | 357 | 60 | 60 | 0 | 417 |
| Internal Audit | Unlimited | 5 | 0 | 0 | 0 | 5 |
| Planning Delivery Grant | 74 | 74 | (35) | (35) | 0 | 39 |
| Welfare Reserve | 150 | 130 | (25) | 0 | 13 | 143 |
| Public Health Grant | Unlimited | 559 | (200) | (200) | 0 | 359 |
| Better Care Fund | Unlimited | 17 | 0 | 0 | 78 | 95 |
| Training | 80 | 80 | 0 | 0 | 0 | 80 |
| Social Care | 750 | 999 | (618) | (537) | 0 | 462 |
| Travel 4 Rutland | 50 | 50 | 0 | 0 | 0 | 50 |
| Insurance | 200 | 100 | 0 | 0 | 0 | 100 |
| Highways | 300 | 297 | (63) | (43) | 0 | 254 |
| National Non Domestic Rates | Unlimited | 287 | (287) | (287) | 0 | 0 |

| Reserve | Ceiling £'000 | Balance @ 1/4/15 £'000 | Planned Use 2015/16 £'000 | Forecast usage Q2 £'000 | Transfers to Reserve £'000 | Balance @ 31/3/16 £'000 |
|-----------------------|---------------------------|---|--|--|---|--|
| SEN Grant | Limited to Grant Received | 170 | (63) | (63) | 0 | 107 |
| SEND Grant | Limited to Grant Received | 104 | 0 | 0 | 0 | 104 |
| Digital Rutland | Limited to Funding | 292 | 0 | 0 | 47 | 339 |
| Tourism | Limited to Funding | 68 | (14) | (16) | 0 | 52 |
| Adoption Reform Grant | Limited to Grant Received | 57 | 0 | 0 | 0 | 57 |
| Budget Carry Forwards | | 450 | (395) | (314) | 70 | 206 |
| Commutated Sums | | 322 | (36) | (36) | 0 | 286 |
| Total Reserves | | 4,418 | (1,676) | (1,471) | 208 | 3,155 |

I Looking ahead – are there any emerging pressures or issues?

Budget 2016/17

1.45 In Quarter 1, officers were asked to review whether in year savings could be made given the underspend position reported. An under spend in one year does not always mean that the budget can be reduced in future for two reasons:

- they may be one-off e.g. relate to staff savings or windfall income; and
- they may be carried forward to be used in future years e.g. Council tax discretionary fund.

1.46 A review of budgets beyond 16/17 is still under review and all items below are provisional in particular the saving on Care Act costs is dependent on the grant not being withdrawn as a result of the delay in implementing parts of the Act. If the grant is withdrawn then there will be a pressure in 2016/17 of £65k. The latest position is as follows:

| | Proposed Savings 2016/17 £ | Comments |
|-------------------------------|--|--|
| People Directorate: | | |
| Care Act | 74,600 | As per para 1.44 |
| Physiotherapist | 25,000 | Now funded through BCF |
| Places Directorate: | | |
| Building Control | 18,900 | Removal of pressure as dispute over contract already settled |
| Development Control | 1,200 | Minor budget amendments |
| Drainage & Structures | 5,000 | Minor budget amendments |
| Highways | 350,000 | Already reflected in MTFP |
| Registrars | 15,000 | Increased income |
| Resources Directorate: | | |
| Information Technology | 100,000 | Initial view based on review of budget and spend by Director |
| | 589,700 | |
| | Potential Pressures 2016/17 £ | Comments |
| People Directorate: | | |
| Deprivation of Liberties | 78,000 | Due to a supreme court judgement costs have increased tenfold for local authorities. |
| Resources Directorate: | | |
| Insurance Premiums | 7,000 | Insurance premium tax increase of 3.5% |
| | 85,000 | |

Miscellaneous grants

1.47 The Government have made a grant available to local authorities to reimburse them for any expenditure incurred for the placement of hard to place children (those who have been waiting for more than 18 months). Should the Council deal with any children who meet this criteria then a claim will be made.

2. Capital Programme

A Overall Programme – are we on track to achieve our approved capital budget?

2.1 The following table sets out the position against the Capital Programme as at the end of September 2015, including the total approved project budget, forecasted expenditure to the end of the project and variances against budget.

| Portfolio | Total Project Budget | Expenditure (Prior Years) | Budget 2015/16 | Estimated Outturn 2015/16 | Variance 2015/16 | Estimated Outturn 2016/17 | Total Project Expenditure | Total Project Variance |
|--------------------------|----------------------|---------------------------|----------------|---------------------------|------------------|---------------------------|---------------------------|------------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Approved Projects | | | | | | | | |
| People | 932 | 3 | 929 | 918 | (11) | 0 | 921 | (11) |
| Places | 14,715 | 5,895 | 7,332 | 7,330 | (2) | 1,464 | 14,689 | (26) |
| Resources | 0 | 0 | 0 | 0 | 0 | | 0 | 0 |
| Total Approved | 15,647 | 5,898 | 8,261 | 8,248 | (13) | 1,464 | 15,610 | (37) |

| Portfolio | Budget 2015/16 | Estimated Outturn 2015/16 | Variance 2015/16 | Estimated Outturn 2016/17 |
|--|----------------|---------------------------|------------------|---------------------------|
| | £000 | £000 | £000 | £000 |
| Financed by: | | | | |
| Grant | (6,646) | (6,635) | 11 | (180) |
| Prudential Borrowing | (257) | (255) | 2 | (1,104) |
| Capital Receipts | 0 | 0 | 0 | 0 |
| Revenue Contribution to Capital Outlay (RCCO)* | (520) | (520) | 0 | (180) |
| Oakham North Agreement | 0 | (212) | (212) | 0 |
| S106 | (838) | (626) | 212 | 0 |
| Total Financing | (8,261) | (8,248) | 13 | (1,464) |

*£520k includes £200k ASC Replacement System, £200k Castle Restoration, £60k Special Guardianship Order Requirement and £60k Museum Boiler Replacement

B Approved programme – Are there changes to the approved programme?

2.2 The approved capital programme for Quarter 1 was £7.666m as per the Q1 Finance Report (153/2015). The table below shows that the programme during the second quarter of 2015/16 has increase by £595k, therefore giving a revised capital programme of £8.261m. This increase is shown within the following two areas:

2.3 Approvals since Q1 Finance Report – these are projects which have been approved by Members since quarter 1 budget was reported. Further details of the approval can be found using the report numbers associated with the projects.

2.4 Re-profiling - Projects previously approved in 2015/16 but will not be spent until next financial year. The overall cost of this project remains in line with the original approval and the budget is therefore increased in future years.

| Portfolio | Project | Amount £000 | Amount £000 |
|--|---|----------------|----------------|
| Approved Capital Programme (Q1 Finance Report 153/2015) | | | 7,666 |
| Approvals Since Q1 Finance Report | | | |
| Places | Rutland Museum (105/2015 Item 29) | 60 | |
| Places | Oakham Castle Restoration – Funded from Friends of RCM and Donations (299/2014) | 20 | |
| Places | Highways Capital Maintenance (154/2015) | 1,907 | |
| Places | Library Capital Project (Section 106) under delegated authority | 12 | |
| People | Special Guardianship – Extension (174/2015) | 60 | |
| Total Approvals Since Q1 Finance Report | | | 2,059 |
| Re-profiling | | | |
| Places | Digital Rutland – Funding moved to 2016/17 | (1,464) | |
| Total Re-profiling | | | (1,464) |
| Total Adjustments | | | 595 |
| Revised Capital Programme 2015/16 | | | 8,261 |

C Project progress - Are there delays in key projects?

2.5 Digital Rutland Phase 2 is not expected to start until 2016/17. A re-profiling adjustment for £1,464,000 has been in made in Quarter 2. The reason for the delay is down to waiting for the approval from BDUK's National Compliance Centre around State Aid.

2.6 Appendix 8 includes a detailed breakdown of the capital projects and current forecast.

D Unallocated projects – what are we planning?

2.7 Currently the Council is holding capital funds that have not yet been allocated to a project. A breakdown of the funds held is shown in the table below.

| Portfolio | Funding Held | Amount held at 31/03/15 £000 | Grant Received 2015/16 £000 | Allocated 2015/16 £000 | Amount Unallocated £000 |
|--|--------------------------|---------------------------------|--------------------------------|---------------------------|----------------------------|
| People | ASC Unallocated Grant | (585) | (21) | 314 | (291) |
| People | Schools Targeted Capital | (149) | 0 | 0 | (149) |
| People | Basic Need | (1,597) | (506) | 968 | (1,135) |
| People | Capital Maintenance | (902) | (226) | 486 | (643) |
| People Total | | | | | (2,218) |
| Places | Highways Grant | (438) | (2,394) | 2,278 | (553) |
| Places | Rural Capital | (33) | 0 | 0 | (33) |
| Places Total | | | | | (586) |
| Other | S106 | (1,720) | (325) | 626 | (1,419) |
| Other | Oakham North Agreement | 0 | (2,256) | 305 | (1,951) |
| Other Total | | | | | (3,370) |
| Total Capital Funding Available | | | | | (6,174) |

2.8 The table in 2.12 overleaf gives an update re the position on the Oakham North Agreement.

E Closed Capital Projects – What project have been completed?

2.9 Oakham Enterprise Park capital project has now been completed. The works have had led to 96% of units being let with firm interest in the remaining. See appendix 8 for details of the final position.

2.10 The boiler at Rutland Museum is expected to be completed mid October. Any underspend will be known and adjusted in Quarter 3 when a final outturn is agreed.

2.11 The final grant claim for Active Rutland Hub was submitted in May, retention of £7.5k will be received within 12 months of the completion date (May 2016).

F Oakham North agreement – What is the latest position?

2.12 The table overleaf gives an update re the position on the detailed breakdown of the allocations on the Oakham North Agreement. The table shows that, in line with the Council Report 173/2015, the total amount payable is £4,800k plus £135k indexation giving a total of £4,935k.

2.13 Part of the £4,935k was paid as part of the initial Section 106 agreement (£340k). The amounts that can be funded from this have been shown and have had approval from either Cabinet or through the Director of Places under delegated authority.

2.14 As noted in para 8.11 of the Council report, the Council has decided previously to fund schemes in advance of S106 being received. The Council has always made such decisions in full knowledge of the implications of not receiving the contribution. The report stated that the Council will therefore seek to use any contribution to fund decisions already made. The amounts to be funded from the new Oakham North Agreement will need formal approval by Council.

2.15 The use of this funding will reduce the Council's capital financing costs by £65k over the life of the MTFP.

| | | | |
|---------------------------------------|----------------|-------------------------------|------------------|
| Agreed Contribution | | | 4,800,000 |
| Indexation | | | 135,150 |
| Total Contribution | | | 4,935,150 |
| Split: | | | |
| | S106 | Oakham North Agreement | Total |
| Total | 340,667 | 4,594,483 | 4,935,150 |
| Expenditure Plans | | | |
| <i>Prior Decisions</i> | | | |
| Adult Soccer | 0 | 597,000 | 597,000 |
| Library PC's | 19,939 | 1,109 | 21,048 |
| Total Prior Decisions | 19,939 | 598,109 | 618,048 |
| <i>2015/16 Schemes</i> | | | |
| CCTV | 64,000 | 74,000 | 138,000 |
| Library PC's | 6,000 | 6,000 | 12,000 |
| Sports Grants | 86,422 | 133,769 | 220,191 |
| Total 2015/16 Capital Projects | 156,422 | 213,769 | 370,191 |
| Total Committed | 176,361 | 811,878 | 988,239 |
| Balance Remaining | 164,306 | 3,782,605 | 3,946,911 |

3. Medium Term Financial Plan (MTFP)

A Overview - have there been changes since the budget?

3.1 The MTFP has been updated to take account of the position at Q2 and various other updates and is included within this report at Appendix 9. No other changes will be made until the budget settlement in November.

3.2 The table below shows the impact of revisions to assumptions within the MTFP.

| Area | Commentary | Amount £m | | | | | | | | | | | | | | | | | | |
|--|--|----------------|----|---------|----------------|--------|--------|----------------|--------|--------|----------------|--------|--------|----------------|--------|--------|----------------|--------|--------|----------------|
| General Fund Carry Forward Balance 19/20 as per Q1 report (153/2015) | | (2,476) | | | | | | | | | | | | | | | | | | |
| Council tax | <p>The major factor that has affected the amount of Council Tax income projected over the life of the MTFP is changes to the tax base as per the table below. The dampening of growth has also been revised from 25% to 10%</p> <table border="1"> <thead> <tr> <th></th> <th>Q1</th> <th>Revised</th> </tr> </thead> <tbody> <tr> <td>2016/17</td> <td>14,602</td> <td>14,691</td> </tr> <tr> <td>2017/18</td> <td>14,768</td> <td>14,859</td> </tr> <tr> <td>2018/19</td> <td>14,901</td> <td>14,984</td> </tr> <tr> <td>2019/20</td> <td>15,018</td> <td>15,096</td> </tr> <tr> <td>2020/21</td> <td>15,125</td> <td>15,207</td> </tr> </tbody> </table> | | Q1 | Revised | 2016/17 | 14,602 | 14,691 | 2017/18 | 14,768 | 14,859 | 2018/19 | 14,901 | 14,984 | 2019/20 | 15,018 | 15,096 | 2020/21 | 15,125 | 15,207 | (1,056) |
| | Q1 | Revised | | | | | | | | | | | | | | | | | | |
| 2016/17 | 14,602 | 14,691 | | | | | | | | | | | | | | | | | | |
| 2017/18 | 14,768 | 14,859 | | | | | | | | | | | | | | | | | | |
| 2018/19 | 14,901 | 14,984 | | | | | | | | | | | | | | | | | | |
| 2019/20 | 15,018 | 15,096 | | | | | | | | | | | | | | | | | | |
| 2020/21 | 15,125 | 15,207 | | | | | | | | | | | | | | | | | | |
| New Homes Bonus | <p>There has been 2 significant changes in new homes since the Q1 position that have affected the level of New Homes Bonus the Council is likely to receive</p> <ol style="list-style-type: none"> Changes in the housing trajectory estimate as per the Local Plan. The dampening of growth has also been revised from 25% to 10% | (1,015) | | | | | | | | | | | | | | | | | | |
| Retained Business Rates | The annual amount from business rates has been dampened to take into account the increase in appeals received. | 367 | | | | | | | | | | | | | | | | | | |
| Capital Financing | Changes to Capital Financing to take into account the Outturn position of 2014/15 and changes for the repayment of Adult Soccer (£597k) | (366) | | | | | | | | | | | | | | | | | | |
| Interest Receivable | The long term cash flow of the council has been revised indicating larger balances for investment, resulting in increased interest receivable. | (236) | | | | | | | | | | | | | | | | | | |
| Net cost of | The impact of Savings/Pressures and technical | (1,700) | | | | | | | | | | | | | | | | | | |

| Area | Commentary | Amount £m |
|--|---|----------------|
| services changes | adjustments over the lifetime of the MTFP. Noted in Section 1 (including the Highways saving) | |
| Other | There are other changes that impact the MTFP. These include the Collection Fund Surplus (£90k) and removal of dampening on 2016/17 Better Care Funding. | (390) |
| General Fund Carry Forward Balance 2019/20 as per Appendix 9 | | (6,872) |

B New Homes Bonus (NHB) - will we achieve our target?

3.3 The NHB is a scheme aimed at encouraging local authorities to grant planning permission for the building of new houses, in return for additional revenue. It is based on the net increase in the number of dwellings (additions less demolitions), with extra bonus for affordable homes, empty homes brought back into use and local authority owned and managed gypsy site pitches. Each additional property attracts a grant equivalent to the national average council tax for that Band (approx. £1,450 for a Band D property per year for 6 years, a total of £8,700). An additional £350 is received for each affordable home.

3.4 The NHB allocation for 2016/17 is based on performance achieved between October 2014 and September 2015. The Council originally included an amount of £285,300 in the MTFP for 2016/17. Performance to date is as follows:

| New Homes Bonus (Council Tax Band) | Start position CTB1 Oct 2014 | Actual 30 Sept 2015 | Movement from base |
|---------------------------------------|---------------------------------|------------------------|-----------------------|
| A | 1,569 | 1593 | 24 |
| B | 4,372 | 4,453 | 81 |
| C | 2,908 | 2,983 | 75 |
| D | 2,375 | 2,398 | 23 |
| E | 2,201 | 2,257 | 56 |
| F | 1,555 | 1,578 | 23 |
| G | 1,243 | 1,248 | 5 |
| H | 145 | 145 | 0 |
| Properties | 16,368 | 16,655 | 287 |
| Empty Homes | 157 | 169 | (12) |
| Movement | | | 275 |
| Target | | | 180 |
| % achieved | | | 153% |

3.5 The spread of the properties completed to date would provide the Council with £382k (excluding any affordable homes element). The over

performance of 153% only translates to 134% of the budgeted amount because the actual payment is based on the actual banding of the house, where the budgeted amount is based on an average band D property.

C Retained Business Rates (RBR) Monitoring – is our RBR retention forecast realistic?

3.6 Under the RBR scheme the Council retains a proportion of the total RBR received. RCC share is 49% with the remainder paid to Central Government (50% share) and The Leicestershire Fire Authority (1% share).

3.7 The only impact the performance of the collection fund will have on 2015/16 is that any additional growth will be levied and is payable in the financial year the growth occurs. The table below shows the current forecast against the MTFP position and the levy payable. The table shows that the Council is on course to be liable for a levy of £90k which will be payable in 2015/16. The performance of the collection fund is largely in line with expectations; however, more statutory reliefs have been given out than anticipated. The Council is partly refunded for these losses through the award of Section 31 grants.

| | Business Rates Retention | Q1 Forecast £000 | Q2 Forecast £000 |
|----------|--|-----------------------------|-----------------------------|
| | Net yield | 10,079 | 10,117 |
| | Government share (50%) | 5,040 | 5,059 |
| | Fire Authority share (1%) | 101 | 101 |
| | RCC share of Retained Rates (49%) | 4,939 | 4,957 |
| | (Less Tariff) | (790) | (790) |
| | Section 31 Grants (compensation for loss of rates) | 439 | 425 |
| A | RCC RBR – Tariff plus S31 | 4,588 | 4,592 |
| B | RCC Funding Baseline | 4,043 | 4,043 |
| C | Levy Rate | 16.3% | 16.3% |
| D | Less Levy (A-B)*C | (89) | (90) |
| E | Share of Previous Deficit | (294) | (294) |
| | Net RCC Retained Business Rates (A-D-E) | 4,204 | 4,208 |

3.8 The retained business rates forecast of £4.208m is in line the MTFP position of £4.250m. The £42k difference is explained by a reduction in retained rates for various factors compensated in part by additional Section 31 grants in compensation.

D Council Tax and Council Tax Benefit – are we on budget?

3.9 Council Tax represents 60% of the total income the Council receives, and even slight fluctuations can have a significant impact on the General Fund balance. For that reason the position on Council Tax is monitored closely. There are a variety of movements that can affect the Council Tax Collection Fund Balance, including additional Council Tax Support claims;

fluctuations in the council tax base (e.g. number of properties the Council bills); and write offs.

3.10 The table below shows the expected outturn on council tax taking into account known changes.

| Area | Annual Billing £000 | Q1 Forecast £000 | Q2 Forecast £000 |
|---|--------------------------------|---------------------------------|---------------------------------|
| Annual Debit | 26,139 | 26,139 | 26,139 |
| Adjustments to Annual Debit | - | 78 | 126 |
| Council Tax Support | (1,356) | (1,358) | (1,338) |
| Gross Income from Council Tax | 24,783 | 24,859 | 24,927 |
| Total Demands and Precepts | (24,723) | (24,723) | (24,723) |
| Bad Debt Provision and Write Offs | (60) | (60) | (60) |
| Total expenditure | (24,783) | (24,783) | (24,783) |
| Estimated surplus/(deficit) for 15/16 | 0 | 76 | 144 |
| Actual Surplus/(Deficit) Brought Forward from 14/15 | 28 | 28 | 28 |
| Estimated Surplus/(Deficit) 31/03/2016 | 28 | 104 | 172 |
| RCC share*(based on Council's share of total demands and precepts) | 24 | 90 | 149 |

3.11 The performance of the Collection Fund is outperforming the MTFP position this will result in the Council being able to declare a surplus to be shared in 2016/17. The spend on Council tax support is in line with budget.

3.12 The Council put £50k into a Discretionary Hardship Fund to support those who need additional support paying their council tax. The latest position is shown below. The number of awards is slightly lower than this time last year.

| Hardship Fund | 2014/15 Outturn | Actual @Q1 | Actual @ Q2 |
|-------------------------|----------------------------|-----------------------|------------------------|
| Number of applications | 214 | 53 | 101 |
| Number awarded | 172 | 25 | 62 |
| Number of appeals (won) | 1 | 0 | 0 |
| Value of awards (£000) | 24 | 2 | 5 |
| Budget remaining (£000) | 76 | 48 | 45 |

E Emerging issues – what other issues are emerging?

National Living Wage

- 3.13 In Quarter 1 it was reported that the Government will introduce a new National Living Wage (NLW) for workers aged 25 and above. From April 2016, the new NLW will be set at £7.20 – a rise of 70p relative to the current National Minimum Wage (NMW) rate, and 50p above the NMW increase coming into effect in October 2015. LGA analysis shows that introducing the National Living Wage (NLW) for council employees will cost at least £7 million in 2016, with further contract cost pressures of £330 million to introduce the NLW for domiciliary and residential care staff. By 2019/20 these figures could rise to at least £85 million and £834 million respectively as the NLW moves towards the £9.00 per hour target and outpaces general wage inflation.
- 3.14 The Council agrees that there will be a pressure but is not clear on the amount. In terms of its own staff the cost is not significant (less than £45,000 to 2020/21). In terms of its key significant contracts, some of its suppliers do pay above the NLW already so the impact will be negligible but in other areas such as Adult Social Care, the impact could be greater. The Council also believes that there will be a general inflationary impact as many private sector organisations have already publicly announced that increases in costs are likely to be passed onto consumers.
- 3.15 The Council builds inflation into its MTFP (general 2%, utilities 8% and contracts 3%). The amount of inflation built into the MTFP for 2016/17 – 2019/20 for example is £2.1m. A 0.5% increase over the same period could have an impact of £508k. This could be mitigated as the actual inflation is monitored and only the percentage increases known will be applied.

Better Care Together (BCT) Social Care Impacts

- 3.16 Over the next few months, Council officers will be working with BCT colleagues to assess the impact on Adult Social Care of planned changes across a range of work streams e.g. planned care, urgent care, learning disability etc. Meetings are being held where Local Authority partners have the opportunity to assess any capacity and financial impacts to their Adult Social Care (ASC) responsibilities as a result of the programme and to assess whether they are able to deliver any proposed changes. Initial meetings have already been held in respect of the Service Reconfiguration project (closure of beds at Leicestershire Partnership NHS Trust (LPT) and learning disability. The initial view was that the impact on social care would be negligible although there was an agreement to revisit this assumption after changes take effect.
- 3.17 The outcome of these meetings will be factored into the budget for 2016/17.

Pensions

3.18 State pension contracted out arrangements will end from April 2016. What this means for individuals is that currently, employees who are paying into a contracted out occupational pension scheme do not receive the state second Pension and pay a lower rate of National Insurance Contributions (NICs), along with their employers. With the end of this practice and the introduction of the single tier state pension, Local Government Pension Scheme (LGPS) employers and their pension scheme members will see their NICs go up in April 2016, whilst their occupational pension contributions will remain the same.

3.19 The Council will in effect lose a 3.4% rebate which is calculated on the eligible salary costs. For example the extra costs the Council will pay on an annual salary of £32,778 is as follows:

| | £ | £ |
|-----------------------------------|----------|--------|
| Current NI Payable | | 207.31 |
| Monthly Salary | 2,731.50 | |
| Lower Earnings Limit | 486.00 | |
| Eligible Salary for NI | 2,245.50 | |
| Multiply by 3.4% | | 76.35 |
| New NI | | 283.66 |
| Percentage increase in NI Payable | | 35% |

3.20 This will mean a consequent increase in employers' national insurance contributions for all employers who provide pensions, including councils. The estimated additional annual cost to councils of this is £797 million. Councils are affected by this policy disproportionately to the rest of the public sector due to the nature of the Local Government Pension Scheme (LGPS). The cost burden for this Council had been originally calculated as £175k but the latest projections show it as being £180k.

Welfare Reforms

3.21 Following the Summer 2015 budget announcements about various welfare reforms, there are two key questions that arise:

- What is the financial impact of these changes on the Council?
- What is the impact on individuals?

3.22 Both questions are difficult to answer fully at this stage, but what is clear is that some people will receive less in benefits - as benefits are paid by the Council but reimbursed by Government there is no direct impact on the Council. Others will receive less income - this is relevant for council tax support and crisis loans. As council tax support and crisis loans are

assessed against income levels then changes that affect levels of income will have an impact on the Council in that more people will become eligible for support and those currently eligible may be entitled to more support.

3.23 So whilst it is likely that the Council will incur additional cost, quantifying the marginal cost on the Council is not simple for a number of reasons:

- changes will be staggered so do not all come into effect at the same time;
- the extent of the impact will depend on the claimant cohort at the time new rules are applied e.g. some changes will not apply to existing claimants but will apply to new claimants;
- the budget principles will be translated into detailed regulations which may impact on eligibility, cost etc; and
- universal credit is being phased in gradually and may impact on the above.

3.24 The Council is working through various examples to try and assess the impact and this work will continue and be fed into future review of the Local Council Tax Support Scheme, Discretionary Fund and Crisis Loans.

Local Government Finance System: Business Rates Retention

3.25 In early October, the Chancellor today set out major plans to devolve new powers from Whitehall to local areas to promote growth and prosperity. He stated that by the end of the Parliament, local government will be able to retain 100 per cent of local taxes – including all £26 billion of revenue from business rates – to spend on local government services. Other changes referred to included:

- The government will also abolish the Uniform Business Rate and give local authorities the power to cut business rates to boost enterprise and economic activity in their areas;
- The core grant (RSG) will be phased out, and local government will take on new responsibilities;
- Those areas which choose to have city-wide elected mayors will get even greater flexibilities, also being given the power to increase rates for spending on local infrastructure projects, as long as they win the support of local business;
- Local government will take on new responsibilities; and
- Local authorities will be able to cut business rates as much as they like. Directly elected mayors – once they have support of local business leaders through a majority vote of the business members of the Local Enterprise Partnership – will be able to add a premium to

business rates to pay for new infrastructure. This power will be limited by a cap, likely to be set at 2p on the rate.

3.26 There have been lots of articles in the press commenting on what these proposals could mean. In the absence of more detail, it is difficult to assess what this could mean for the Council. However, there are some points to note.

- Local government will still be expected to contribute towards the Governments fiscal consolidation – any new approach is unlikely to mean more funding for this Council or others;
- The transfer of responsibilities from central to local government has happened before and has not always been fully funded;
- There will still need to be some form of business rates redistribution – some Councils collect far more business rates than what they currently ‘need’ (based on the Governments assessment);
- The prosperity of local authorities is likely to be linked more closely to the state of the economy.

3.27 It looks likely that any new approach could not be implemented pre 2018/19 but this is not clear.

Public Health Funding formula

3.28 The Secretary of State has commissioned ACRA (Advisory Committee on Resource Allocation) to update the existing public health formula and recommend a revised formula that could be used to target public health resources. ACRA’s remit is to develop a formula for a single target allocation covering both existing services and the newly transferred children’s 0-5 services. Although the formula contains separate components to estimate the need for different services, each LA currently receives a single allocation, which it can then decide how best to prioritise, having regard for the needs of its population, its statutory responsibilities and the grant conditions. There are various technical changes proposed. One of the more interesting ones is ACRA proposing an adjustment for sparsity in the new component for children’s 0-5 services to take account of travel time for home visits by health visitors. The proposed changes are reported to increase the Council’s share of available funding from 0.08% to 0.10%.

In-year cuts

3.29 As part of wider Government action on deficit reduction, the 2015/16 public health grant to local authorities will be reduced by £200 million. The Government has consulted on how the contribution to the saving will be calculated. The options included a standard flat rate of 6.2 per cent applied to all, or a process that differentiates between LAs in different

circumstances (allowing for evidence of hardship, for example) applying varied percentages that still total £200 million.

- 3.30 The Council has responded to the consultation and favours a pro rata cut which would total £79k. For 2015/16, the Council is forecasting that this would be fundable from within the existing 2015/16 budget. Should this reduction be made permanent as part of future allocations, it could result in additional unfunded pressures on what might be pre-existing long-term contracts commissioned.

4. Financial Performance

A Debtors – are we recovering our debts?

4.1 The Council's aged debt position shows a large decrease in debts outstanding from the previous quarter, with particular reference to the 0-30 day range. The long term debt position has stayed largely in line with the previous quarter.

| Aged debt | @30/06/2015 £000 | @30/09/2015 £000 |
|---------------------------|-----------------------------|-----------------------------|
| 0-30 days | 813 | 398 |
| 31-60 days | 31 | 22 |
| 61-90 days | 44 | 88 |
| > 91days | 224 | 184 |
| Deferred Payments | 188 | 192 |
| Total | 1,300 | 884 |
| By Directorate | | |
| People | 883 | 534 |
| Places | 375 | 331 |
| Resources | 42 | 19 |
| Total | 1,300 | 884 |
| By Recovery Rating | | |
| Red | 10 | 13 |
| Amber | 259 | 259 |
| Green | 1,031 | 612 |
| Total | 1,300 | 884 |

B Investment Income – is our return on investments as expected?

4.2 In the second quarter, the Council's average interest rate received on investments has been 0.71% (Q1 0.72%) on an average investment balance of £27.077m (Q1 £24.242m).

4.3 The rate achieved is above the 3 month British pound sterling (GBP) LIBOR interest rate - the average interest rate at which a selection of banks in London are prepared to lend to one another in British pounds with a maturity of 3 months – of 0.58%. The policy change to invest longer term is now fully implemented, and the average interest rate of c0.71% is levelling out and is currently the maximum the Council would expect to achieve in the current financial climate.

4.4 The budgeted interest for 2015/16 was £116k. With the change in policy the Council is currently forecasting investment income at being £185k. The table overleaf shows the current investments held.

4.5 In addition to the forecast of £185k above, the administrators of Heritable Bank paid a further dividend in August 2015 of £40,385 increasing the balance paid to date to 98% of the amount outstanding.

| Investment Number | Amount Invested | Interest Rate | Date Invested | Maturity Date | Number of Days |
|---------------------------|-------------------|---------------|----------------|---------------|----------------|
| Banks - UK | | | | | |
| 1 | 1,000,000 | 1.00% | 01-Apr-15 | 30-Mar-16 | 364 |
| 2 | 1,000,000 | 1.00% | 01-Apr-15 | 30-Mar-16 | 364 |
| 3 | 1,000,000 | 0.92% | 01-Apr-15 | 30-Mar-16 | 364 |
| 4 | 1,000,000 | 0.92% | 14-Apr-15 | 12-Apr-16 | 364 |
| 5 | 1,000,000 | 0.98% | 01-Jun-15 | 31-May-16 | 365 |
| 6 | 1,000,000 | 1.00% | 08-Jun-15 | 06-Jun-16 | 364 |
| 7 | 1,000,000 | 1.00% | 29-Jul-15 | 27-Jul-16 | 364 |
| 8 | 1,000,000 | 1.00% | 29-Jul-15 | 27-Jul-16 | 364 |
| 9 | 1,000,000 | 0.74% | 31-Jul-15 | 09-Feb-09 | 193 |
| 10 | 1,000,000 | 0.70% | 18-Aug-15 | 16-Feb-16 | 182 |
| Banks -Overseas | | | | | |
| 11 | 1,000,000 | 0.61% | 15-Jul-15 | 19-Jan-16 | 188 |
| 12 | 1,000,000 | 0.61% | 01-Sep-15 | 01-Mar-16 | 182 |
| Building Societies | | | | | |
| 13 | 1,000,000 | 0.69% | 01-Apr-15 | 06-Oct-15 | 188 |
| 14 | 1,000,000 | 0.67% | 13-Apr-15 | 13-Oct-15 | 183 |
| 15 | 1,000,000 | 0.66% | 12-May-15 | 17-Nov-15 | 189 |
| 16 | 1,000,000 | 0.75% | 26-May-15 | 24-Nov-15 | 182 |
| 17 | 1,000,000 | 0.70% | 23-Jun-15 | 22-Dec-15 | 182 |
| 18 | 1,000,000 | 0.70% | 14-Jul-15 | 12-Jan-16 | 182 |
| 19 | 1,000,000 | 0.70% | 21-Jul-15 | 19-Jan-16 | 182 |
| 20 | 1,000,000 | 0.72% | 29-Jul-15 | 02-Feb-16 | 188 |
| 21 | 1,000,000 | 0.66% | 10-Sep-15 | 10-Mar-16 | 182 |
| 22 | 1,000,000 | 0.60% | 11-Sep-15 | 15-Mar-16 | 186 |
| 23 | 1,000,000 | 0.52% | 24-Sep-15 | 21-Dec-15 | 88 |
| Money Market Funds | | | | | |
| 24 | 1,200,214 | 0.40% | Instant Access | | |
| 25 | 1,964,509 | 0.45% | Instant Access | | |
| 26 | 1,000 | 0.40% | Instant Access | | |
| Total | 26,165,723 | | | | |

C VAT Partial Exemption – Are the Council within the 5% Limit?

- 4.6 The Council makes a number of supplies that have different VAT liabilities. There are taxable supplies which have VAT charged at the zero, reduced (5%) or standard rate (20%). Also, there are non-business and exempt supplies on which no VAT is charged. The VAT charged to our customers on our supplies is referred to as output tax. VAT on purchases is referred to as input tax. Output tax is paid to HM Revenue and Customs (HMRC) and input tax is claimed back under certain rules.
- 4.7 The general input tax rule is that the VAT a business incurs on purchases in order to make a taxable supply can be fully recovered from HMRC, whereas the VAT incurred in making exempt or non-business supplies

cannot be, i.e. the VAT paid to suppliers for purchases can only be reclaimed if that purchase will in turn be used to make a taxable supply to our customers. As a local authority, there are special input tax rules that allow us to reclaim the VAT incurred on purchases that are needed to make non-business supplies which gives us a slight tax advantage over private organisations.

- 4.8 Each month, the Council is required to submit a return to HMRC (The VAT return) declaring the amount of output tax (paid to HMRC), and the amount of input tax (reclaimed from HMRC) it had in the previous month. This normally results in the Council receiving a payment of tax, rather than owing money to HMRC as the input tax is always higher than the output tax. All input tax is reclaimed each month, regardless as to whether or not it related to an exempt supply or a taxable/non-business one.
- 4.9 HMRC require local authorities to complete the partial exemption calculation every year to show how much of the input tax that they have claimed back in the year relates to the exempt supplies they have made. There is a de minimis limit set, whereby if the amount of input tax that relates to making exempt supplies is below that the Council is entitled to keep that exempt input tax (which has already been reclaimed during the year). However, if the limit is exceeded, all input tax that has been reclaimed in relation to exempt supplies would have to be repaid to HMRC. The de-minimis limit is 5% of the total input tax that was reclaimed in the year. The calculation must be completed by the end of October each year so that any amounts that are to be repaid to HMRC are declared on the September VAT return (which must be submitted by 31st October).
- 4.10 This calculation has been completed and the Council are comfortably below the 5% limit, as demonstrated in the table below.

| VAT Partial Exemption | 2014/15 £000 |
|--------------------------------------|-------------------------|
| Total Input VAT (a) | 3,738 |
| 5% Limit (b = a*5%) | 187 |
| Total amount of exempt VAT reclaimed | 129 |
| Percentage used | 3.45% |
| Headroom (VAT) | 58 |

Appendix 2A: Approved budget changes

This Appendix shows changes to functional budgets and other budget changes. In accordance with FPR's, Cabinet can approve virements in any functional budget of up to £250k in any one year to a cumulative value of £500k across all functions. Changes above £500k must be approved by Council on a recommendation from Cabinet. In approving requests, Cabinet or Council may agree the use of earmarked reserves (ER), use the General Fund (GF) or make virements between directorates.

For the purposes of the rules, Cabinet is allowed to use earmarked reserves (approved by Council) in an unlimited way as long as they are used for their intended purpose and is allowed to carry forward unused budget from one period to the next so use of these reserves are not counted against the delegated limit for functional budget changes and are therefore shown separately (Cabinet Other).

| Description | Source of Funding | Net Cost of Services £'000 | Capital Financing £'000 | Funding £'000 | Transfer to/(from) Reserves £'000 | Spend on Capital £'000 | (Surplus)/ Deficit £'000 | Cabinet* £500k Limit £'000 | Cabinet Other £'000 | Council £'000 | Ch Exec. s151 Officer £'000 |
|---|-------------------|-------------------------------|----------------------------|------------------|--------------------------------------|---------------------------|-----------------------------|----------------------------------|------------------------|------------------|--------------------------------|
| Changes already made | | | | | | | | | | | |
| Approved Budget | | 33,509 | 1,904 | (34,550) | (1,167) | 880 | 576 | | | | |
| Approved Budget at Q1 (153/2015) | | 34,286 | 1,904 | (34,550) | (2,265) | 1,151 | 525 | 25 | 1,098 | 0 | (75) |
| Museum Boiler (105/2015) | GF | | | | | 60 | 60 | 60 | | | |
| Delayed spend on Digital Rutland | ER | | | | 180 | (180) | 0 | 0 | (180) | | |
| Use of s106 for capital Projects (i) | ER | | | | 571 | (571) | 0 | | | | |
| Capital Spend to Support Care Plan (174/2015) | ER | | | | (60) | 60 | 0 | | 60 | | |
| Contract Savings - People First | GF | (83) | | | | | (83) | | | | |

| Description | Source of Funding | Net Cost of Services £'000 | Capital Financing £'000 | Funding £'000 | Transfer to/(from) Reserves £'000 | Spend on Capital £'000 | (Surplus)/ Deficit £'000 | Cabinet* £500k Limit £'000 | Cabinet Other £'000 | Council £'000 | Ch Exec. s151 Officer £'000 |
|--|-------------------|-------------------------------|----------------------------|------------------|--------------------------------------|---------------------------|-----------------------------|----------------------------------|------------------------|------------------|--------------------------------|
| Contract Savings - People First | GF | 83 | | | | | 83 | | | | |
| Public Health Transfer from Reserve (ii) | ER | 200 | | | (200) | | 0 | | | | |
| Youth Housing Project (iii) | ER | (19) | | | 19 | | 0 | | | | |
| Electricity Income (iv) | ER | | | (80) | 80 | | | | | | |
| | | 34,467 | 1,904 | (34,630) | (1,676) | 520 | 585 | 85 | 978 | 0 | (75) |
| Changes Awaiting Approval | | | | | | | | | | | |
| School Improvement Funding (see appendix 3B) | GF | 25 | | | | | 25 | 25 | | | |
| Staff Retention Payments (see appendix 3B) | GF | | | | | | | | | | |
| Proposed Budget | | 34,492 | 1,904 | (34,630) | (1,676) | 520 | 610 | 110 | 978 | 0 | (75) |

- (i) Within the approved budget of £880k for RCCO was 1 item being funded from S106 earmarked reserves. At Quarter 2, a change in accounting policy has been made that simplifies this process. Effectively, S106 funding is now transferred direct to capital rather than through the revenue account. In simple terms, the RCCO has been reduced and the drawn down from earmarked reserves removed. There is no impact of this change
- (ii) Public Health resources are due to be redeployed to fund initiatives currently funded from the general fund. In order to allow time for contractual issues to be resolved to allow for this transfer, £200k of public health earmarked reserve is being used to fund core expenditure.
- (iii) The original budget for the Youth Housing Project was supported by a contribution from s106 funding to support the staffing structure required for the project. This funding is no longer required this year.
- (iv) At Q1, Members approved the transfer of the £80k refund for historic electricity charges to the Invest to Save Reserve.

Appendix 2B: Virements

This Appendix shows virements made in accordance with para 4.10 of the Financial Procedure Rules by Directors and the Chief Executive/Section 151 Officer. As this is the first year of the new functional budgets, some of the changes involve realigning budgets for functional purposes.

| Function | Current Ceiling | Revised | Movement | Reason |
|--------------------------|-----------------|------------|-----------|--|
| Chief Executive Office | £355,000 | £345,000 | (£10,000) | £10k is required for Human Resources for additional support to cover around People First Review |
| Human Resources | £412,900 | £422,900 | £10,000 | |
| Drainage and Structures | £200,400 | £168,000 | (£32,400) | Funding reallocation to address arbitrary budget reductions in 2014/15 following procurement of new Term Maintenance Contract. As reported at Q1 |
| Road Maintenance | £1,219,100 | £1,251,500 | £32,400 | |
| Home to School Transport | £1,269,000 | £1,363,700 | £94,700 | Transport Fleet transferred to Home to School Transport Functional Report from Public Transport as integral to Transport Review savings around SEN transport. Transport Fleet budget had also been increased following the Brightways/Rutwell minibuses operation (4 vehicles) transferred from People Directorate |
| Public Transport | £928,100 | £833,400 | (£94,700) | |

Appendix 3A: Reconciliation of Directorate budgets

The Council approved the new Financial Procedure Rules changing the way budgets are managed to a functional approach rather than on individual cost centres. As a result some budgets have been transferred between directorates to ensure that costs on certain functions are shown within one directorate only rather than split. For example, both People and Resources Directorate had budgets for historic pension costs. The whole of this function now shows in Resources Directorate.

The Better Care Fund (BCF) Contingency has been removed from the People Directorate as it is a corporate reserve set up to cover a) the performance risk element of the BCF (failure to meet admission targets could result in a £54k loss of income to the Council); b) the likely shift of activity from health to social care as the LLR health economy looks to save £400m and reduce the number of hospital beds by 250 over the next two years; and c) the potential increase in activity arising from demographic changes and housing growth.

| | Q1 Budget 2015/16 £'000 | Transfer To PH Funding £'000 | Transfer From PH Reserve £'000 | Contract Savings £'000 | Transfer Blue Badge £'000 | LD Vehicles £'000 | Highways Saving £'000 | School Improvement £'000 | Youth Housing Project £'000 | Q2 Budget 2015/16 £'000 |
|---------------------------------|--|---|---|---------------------------------------|--|----------------------------------|--------------------------------------|---|--|--|
| People | 15,979 | (60) | 200 | (83) | (28) | (34) | | 25 | (19) | 15,980 |
| Places | 12,741 | (140) | | | | 34 | (250) | | | 12,385 |
| Resources | 5,666 | | | | 28 | | | | | 5,694 |
| Fire Authority | 0 | | | | | | | | | 0 |
| PeopleFirst Savings | (300) | 200 | | 83 | | | | | | (17) |
| BCF Contingency | 200 | | | | | | | | | 200 |
| Highways Saving | 0 | | | | | | 250 | | | 250 |
| Net Cost of Services | 34,286 | 0 | 200 | 0 | 0 | 0 | 0 | 25 | (19) | 34,492 |

Appendix 3B: Requests for new investment

This Appendix shows requests for increases in budget ceilings for expenditure not yet incurred or included in a current forecast. A summary of requests with detail for each is set out below.

| Functions | Current ceiling | Revised ceiling | Total requested | General Fund impact | Reference |
|----------------------|-----------------|-----------------|--|---------------------|-----------|
| Schools | £886,300 | £911,300 | £25,000 | £25,000 | 3.1 |
| People's Directorate | Various | Various | Funding request is for 2016/17 onwards | | 3.2 |

3.1 Schools

| | |
|------------------|---|
| Directorate | People |
| Function | Schools |
| Budget | £886,300 |
| Forecast | £911,300 |
| Amount requested | £25,000 |
| Request | <p>Analysis of school performance in Rutland has indicated that a sustained focus needs to be placed on improving attainment mainly at KS2 but also at KS4 to bring the county performance in line with regional and national performance, but also in terms of specific curricular developments such as primary mathematics, school leadership development including governance and continued work on safeguarding and child protection. In order to address these areas the Local Authority agreed at budget time to utilise funding to introduce specialist school improvement staffing and provide enhanced levels of support, challenge and intervention to assist school improvement processes in schools.</p> <p>A further £25k is now being requested to add to the initial investment which will be used to provide additional support for strategies for monitoring and improving outcomes for underprivileged learners; collaborative approaches to school improvement; succession planning re: teachers; and quality of teaching.</p> |

| | |
|-----------------------------|----------------------|
| Source of funding requested | General Fund Reserve |
|-----------------------------|----------------------|

3.2 People Directorate

| | |
|------------------|--|
| Directorate | People |
| Function | Various |
| Budget | Various |
| Forecast | N/A |
| Amount requested | £44,000 in 2015/16; £75,000 - 2016/17 onwards |
| Request | <p>The last two years the Council has found it difficult to both recruit and retain social workers. This has been the national picture for some time and work in the region is reinforcing the challenge this is placing on adult and children's social care services. Given the significant safeguarding risk the Council has to manage this issue must be addressed. The Council is now in a position where it still has some vacancies and is looking at ways to recruit new staff and retain existing staff in post in a market where it cannot compete with bigger authorities on a salary level and has seen staff leave for that reason. The Council would like to introduce a small annual market supplement (for a maximum of three years) for social workers which would reward those existing staff who stay with the Council but also enhance the reward package of those looking to join. For existing staff, the first payment would be made in December 2015 but repayable if they leave prior to December 2016; for new staff, the payment would be made on appointment (pro rata) and again repaid if they leave prior to December 2016. This payment would not be eligible for staff under capability review and would be refundable if staff left within a year of the last payment being received. The total cost would be in the region of £44k for 15/16 and £75k for 16/17. The 15/16 amount can be funded from under spends but budget approval is required for future years. The Council is also working on some workforce development initiatives to support the overall 'employment package' – for example career pathways, support for newly qualified, grow our own scheme.</p> <p>As payments are only made if staff remain in post then this approach if successful, will help avoid the additional costs of interim staff which works out at c£12k per annum above budget for a social worker.</p> |

| | |
|-----------------------------|--|
| Source of funding requested | In 2015/16 the cost can be contained within the overall directorate budget due to under spends within the year. For 2016/17 onwards, an increase in budget is being requested. |
|-----------------------------|--|

Appendix 4: People Budget Monitoring Summary

| Function | Outturn 2014/15 | Budget | Revised Budget | Q1 Forecast | Q2 Forecast | Variance |
|---|--------------------|------------------|-------------------|------------------|------------------|------------------|
| Directorate Management Costs | 1,010,377 | 757,800 | 972,800 | 972,800 | 972,700 | (100) |
| Public Health | (211,861) | 0 | 200,000 | 0 | 199,000 | (1,000) |
| BCF Programme Support | 63,000 | 50,000 | 50,000 | 41,700 | 38,100 | (11,900) |
| BCF Contract and Procurement | 14,200 | 200,000 | 200,000 | 189,000 | 189,000 | (11,000) |
| BCF Supporting Independence | 80,152 | 1,623,000 | 1,623,000 | 1,623,000 | 1,590,000 | (33,000) |
| BCF Adult Social Care | 71,360 | 173,000 | 173,000 | 166,600 | 154,000 | (19,000) |
| Adults and Health (Ringfenced) | 16,851 | 2,046,000 | 2,246,000 | 2,020,300 | 2,170,100 | (75,900) |
| Non BCF Care Bill Transformation Programme | 491,307 | 179,800 | 220,800 | 218,600 | 207,900 | (12,900) |
| Non BCF Contract and Procurement | 486,730 | 641,900 | 617,800 | 570,400 | 513,500 | (104,300) |
| Community Support - Learning Disabilities | 698,889 | 761,400 | 727,500 | 720,700 | 703,100 | (24,400) |
| Non BCF Supporting Independence | 1,008,559 | 620,100 | 690,400 | 621,100 | 540,900 | (149,500) |
| Adult Social Care Direct Payments | 757,499 | 879,400 | 879,400 | 823,400 | 714,700 | (164,700) |
| Adult Social Care Home Care | 856,541 | 773,100 | 773,100 | 1,035,600 | 1,056,900 | 283,800 |
| Adult Social Care Residential & Nursing Care | 2,399,487 | 2,798,900 | 2,868,600 | 2,794,000 | 2,727,400 | (141,200) |
| Adult Social Care Day Care | 170,236 | 147,600 | 172,000 | 196,300 | 196,300 | 24,300 |
| Adult Social Care Assessments, reviews etc | 960,185 | 986,600 | 833,200 | 894,700 | 845,300 | 12,100 |
| Adults and Health (Non Ringfenced) | 7,829,434 | 7,788,800 | 7,782,800 | 7,874,800 | 7,506,000 | (276,800) |
| Childrens Disabilities Direct Payments | 47,586 | 58,800 | 58,800 | 53,800 | 55,300 | (3,500) |
| Childrens Disabilities Residential & Nursing Care | 111,953 | 101,000 | 101,000 | 148,200 | 148,200 | 47,200 |
| Childrens Disabilities Assessments, reviews etc | 355,167 | 384,300 | 384,300 | 436,800 | 419,500 | 35,200 |
| Safeguarding | 151,060 | 195,000 | 189,000 | 146,900 | 157,000 | (32,000) |
| Childrens & Adults Duty Social Care | 259,782 | 501,400 | 527,400 | 535,800 | 506,600 | (20,800) |
| Long Term Childrens Social Care | 651,666 | 560,900 | 560,900 | 622,600 | 614,700 | 53,800 |
| 0-11 Early Intervention, CAF & Changing Lives | 549,809 | 552,700 | 542,700 | 547,200 | 539,100 | (3,600) |

Appendix 4: People Budget Monitoring Summary

| Function | Outturn 2014/15 | Budget | Revised Budget | Q1 Forecast | Q2 Forecast | Variance |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| 11-19 Early Intervention | 436,402 | 547,000 | 485,400 | 443,000 | 401,800 | (83,600) |
| Fostering and Adoption | 1,280,870 | 1,218,000 | 1,218,000 | 1,189,300 | 1,236,000 | 18,000 |
| Childrens | 3,844,296 | 4,119,100 | 4,067,500 | 4,123,600 | 4,078,200 | 10,700 |
| Schools and Early Years | 790,984 | 851,300 | 911,300 | 866,700 | 902,300 | (9,000) |
| Rutland Adult Learning and Skills Service (RALSS) | 62 | 0 | 0 | (7,800) | (5,900) | (5,900) |
| Learning and Skills | 791,046 | 851,300 | 911,300 | 858,900 | 896,400 | (14,900) |
| | | | | | | |
| Total People - GF (Ringfenced) | 16,851 | 2,046,000 | 2,246,000 | 2,020,300 | 2,170,100 | (75,900) |
| Total People - GF (Non Ringfenced) | 13,475,152 | 13,517,000 | 13,734,400 | 13,830,100 | 13,464,000 | (270,400) |
| Total People – GF (Excluding DSG) | 13,492,003 | 15,563,000 | 15,980,400 | 15,850,400 | 15,634,100 | (346,300) |
| Schools Dedicated Schools Grant (DSG) | (283,377) | 0 | 0 | (209,000) | (10,700) | (10,700) |
| Total People | 13,208,626 | 15,593,000 | 15,980,400 | 15,641,400 | 15,623,400 | (357,000) |

Appendix 5: Places Budget Monitoring Summary

| Function | Outturn 2014/15 | Budget 2015/16 | Revised Budget | Q1 Forecast | Q2 Forecast | Variance |
|--|--------------------|-------------------|-------------------|------------------|------------------|------------------|
| Directorate Management Costs | 177,840 | 179,800 | 179,800 | 184,300 | 188,500 | 8,700 |
| Development Control | 122,089 | 211,600 | 211,600 | 66,600 | 69,300 | (142,300) |
| Drainage & Structures | 186,465 | 157,400 | 168,000 | 168,000 | 168,000 | 0 |
| Emergency Planning | 28,263 | 28,500 | 28,500 | 28,200 | 28,200 | (300) |
| Environmental Maintenance | 1,138,128 | 1,157,300 | 1,172,300 | 1,158,200 | 1,168,800 | (3,500) |
| Forestry Maintenance | 114,169 | 106,800 | 106,800 | 106,700 | 106,700 | (100) |
| Highways Capital Charges | 1,158,652 | 1,158,600 | 1,158,600 | 1,158,600 | 1,158,600 | 0 |
| Highways Management | 79,241 | 210,400 | 210,400 | 180,300 | 195,700 | (14,700) |
| Home to School Transport | 1,351,651 | 1,329,800 | 1,363,700 | 1,337,400 | 1,328,300 | (35,400) |
| Lights Barriers Traffic Signals | 214,317 | 264,100 | 264,100 | 255,600 | 254,900 | (9,200) |
| Parking | (273,640) | (241,700) | (241,700) | (252,700) | (236,000) | 5,700 |
| Pool Cars & Car Hire | 97,863 | 104,300 | 104,300 | 104,300 | 94,500 | (9,800) |
| Public Protection | 415,106 | 387,200 | 415,200 | 421,800 | 419,000 | 3,800 |
| Public Rights of Way | 114,383 | 117,600 | 117,600 | 117,200 | 115,300 | (2,300) |
| Public Transport | 788,041 | 833,400 | 833,400 | 808,600 | 807,800 | (25,600) |
| Road Maintenance | 1,359,226 | 1,219,100 | 1,001,500 | 1,250,000 | 1,000,600 | (900) |
| Transport Management | 314,983 | 367,600 | 455,200 | 435,200 | 395,200 | (60,000) |
| Waste Management | 2,036,878 | 2,077,300 | 2,077,300 | 2,073,600 | 2,117,800 | 40,500 |
| Winter Maintenabce | 266,594 | 262,300 | 262,300 | 262,300 | 262,300 | 0 |
| Crime Prevention | 149,900 | 156,200 | 156,200 | 154,600 | 128,300 | (27,900) |
| Environment, Planning and Transport | 9,662,309 | 9,907,800 | 9,865,300 | 9,834,500 | 9,583,300 | (282,000) |
| Planning Policy | 329,731 | 350,000 | 410,400 | 402,200 | 399,300 | (11,100) |
| Housing | 66,373 | 73,800 | 106,000 | 135,800 | 96,500 | (9,500) |
| Tourism | 6,844 | 13,600 | 13,600 | 12,500 | 16,200 | 2,600 |

| Function | Outturn 2014/15 | Budget 2015/16 | Revised Budget | Q1 Forecast | Q2 Forecast | Variance |
|------------------------------------|----------------------------|---------------------------|---------------------------|------------------------|------------------------|------------------|
| Health & Safety | 34,071 | 36,200 | 36,200 | 36,100 | 36,000 | (200) |
| Property Services | 915,731 | 897,700 | 902,700 | 905,900 | 899,100 | (3,600) |
| Building Control | (23,257) | (28,200) | (28,200) | (28,100) | 6,700 | 34,900 |
| Commercial & Industrial Properties | (42,166) | (162,600) | (162,600) | (163,400) | (80,700) | 81,900 |
| Economic Development | 207,243 | 163,200 | 163,200 | 125,100 | 105,400 | (57,800) |
| Culture & Registration Services | 79,797 | 90,000 | 90,000 | 80,500 | 79,500 | (10,500) |
| Libraries | 383,363 | 436,400 | 446,400 | 448,700 | 447,100 | 700 |
| Museum Services | 308,847 | 343,100 | 343,100 | 345,000 | 343,900 | 800 |
| Sports & Leisure Services | 131,825 | 110,700 | 19,200 | 108,300 | 35,000 | 15,800 |
| Development and Economy | 2,398,402 | 2,323,900 | 2,340,000 | 2,408,600 | 2,384,000 | 44,000 |
| Total Places | 12,238,551 | 12,411,500 | 12,385,100 | 12,427,400 | 12,155,800 | (229,300) |

Appendix 6: Resources Budget Monitoring Summary

| Function | Outturn 2014/15 | Budget 2015/16 | Revised Budget | Q1 Forecast | Q2 Forecast | Variance |
|------------------------------|--------------------|-------------------|-------------------|------------------|------------------|------------------|
| Chief Executives Office | 255,011 | 335,000 | 345,000 | 325,500 | 313,800 | (31,200) |
| Directorate Management Costs | 188,786 | 190,100 | 190,100 | 190,000 | 196,400 | 6,300 |
| Corporate Costs | 152,351 | 155,700 | 155,700 | 156,500 | 155,800 | 100 |
| Pensions | 222,751 | 220,000 | 220,000 | 214,700 | 214,700 | (5,300) |
| Audit Services | 202,916 | 155,000 | 155,000 | 155,300 | 157,900 | 2,900 |
| Insurance | 174,638 | 173,600 | 198,600 | 193,600 | 195,800 | (2,800) |
| Accountancy & Finance | 590,429 | 612,800 | 625,800 | 617,100 | 629,900 | 4,100 |
| Information Technology | 1,324,756 | 1,525,000 | 1,564,000 | 1,565,500 | 1,484,100 | (79,900) |
| Corporate Support Services | 444,659 | 475,600 | 496,300 | 472,000 | 480,100 | (16,200) |
| Members Services | 194,525 | 205,700 | 209,700 | 209,700 | 209,700 | 0 |
| Customer Services Team | 141,879 | 223,500 | 253,500 | 248,100 | 242,400 | (11,100) |
| Elections | 80,146 | 46,900 | 46,900 | 25,600 | 33,100 | (13,800) |
| Legal & Governance | 432,148 | 346,400 | 346,400 | 346,600 | 346,400 | 0 |
| Human Resources | 383,051 | 412,900 | 422,900 | 418,800 | 433,700 | 10,800 |
| Revenues & Benefits | 116,616 | 379,200 | 389,200 | 332,700 | 314,600 | (74,600) |
| Financial Support | 41,297 | 75,000 | 75,000 | 40,000 | 37,100 | (37,900) |
| Total Resources | 4,945,959 | 5,532,400 | 5,694,100 | 5,511,700 | 5,445,500 | (248,600) |

Appendix 7: Adverse variances over £100k

This Annex shows requests for increases in budget ceilings where existing forecasts predict that budgets will be overspent or an explanation of the current position.

| | |
|--|---|
| Directorate | People |
| Function | Homecare |
| Budget | £773,100 |
| Forecast | £1,056,900 |
| Amount requested | £Nil |
| Source of funding requested | N/A |
| Rationale | <p>Home care in older people is significantly overspent as reviews of individual assessments have resulted in increased chargeable hours despite the number of clients reducing. This is in line with the policy of keeping people at home as long as possible. The actual number of service users has decreased from 74 to 63 as the Council has tried as far as possible to signpost clients to other services. The average number of hours per service user has increased from 10 to 15 (total chargeable hours 923 per week) as the Council is dealing with more complex cases.</p> <p>Also, there is a pressure against Learning Disabilities due to a young person moving into the area requiring a substantial level of support. Some of this overspend could be offset by rebasing the budgets to better reflect the new functional budget management arrangement.</p> <p>Fairer Charging income is forecast to be below budget due to lower numbers of service users meeting the fairer charging thresholds. However, the Head of Service is reviewing the charges to ensure that income is being optimised wherever possible.</p> |
| Please explain why existing directorate budget can/cannot accommodate cost | As the Directorate as a whole is forecasting an under spend, and a review and rebasing of budgets will be undertaken for 2016/17, a request for additional resources is not being sought at this time. |

Appendix 8: Detailed Capital Programme

| Directorate | Project Number | Project Description | Total Project Budget | Total Project Expenditure | Variance | Total Budget 2015/16 | Committed Expenditure 2015/16 | Estimated Outturn | Variance 2015/16 (Outturn to Budget) |
|---------------------------------------|----------------|-----------------------------------|----------------------|---------------------------|-----------------|----------------------|-------------------------------|-------------------|--------------------------------------|
| People | CB1005 | Devolved Formula Capital | 53,900 | 42,964 | (10,936) | 53,900 | 21,482 | 42,964 | (10,936) |
| People | CD1000 | Disabled Facilities Grants | 210,000 | 210,000 | 0 | 210,000 | 34,247 | 210,000 | 0 |
| People | CD1011 | Autism Innovation | 18,500 | 18,200 | (300) | 15,000 | 5,854 | 15,000 | 0 |
| People | CD1013 | ASC System Replace | 590,000 | 590,000 | 0 | 590,000 | 494,900 | 590,000 | 0 |
| People | CD1015 | Special Guardianship | 60,000 | 60,000 | 0 | 60,000 | 4,320 | 60,000 | 0 |
| Total People Capital Programme | | | 932,400 | 921,164 | (11,236) | 928,900 | 560,803 | 917,964 | (10,936) |
| Places | CH1038 | Digital Rutland | 2,670,000 | 2,670,264 | 264 | 80,000 | 57,000 | 80,000 | 0 |
| Places | CH1058 | Oakham Enterprise Park | 3,482,500 | 3,480,947 | (1,553) | 177,000 | 175,447 | 175,447 | (1,553) |
| Places | CAPB1 | Capital Allocations Project Board | 2,384,400 | 2,360,255 | (24,145) | 1,459,300 | 422,232 | 1,459,300 | 0 |
| Places | HCP 15/16 | Highways Capital Projects | 2,044,000 | 2,044,000 | 0 | 2,044,000 | 577,650 | 2,044,000 | 0 |
| Places | HCP | Highways Capital Projects | 234,000 | 234,000 | 0 | 234,000 | 17,903 | 234,000 | 0 |
| Places | CG1005 | Library Capital Project | 33,000 | 33,048 | 48 | 12,000 | 1,449 | 12,000 | 0 |
| Places | CH1077 | Active Rutland Hub | 769,000 | 768,506 | (494) | 247,000 | 242,016 | 247,000 | 0 |
| Places | CX1084 | Sports Grants | 500,000 | 500,000 | 0 | 500,000 | 269,382 | 500,000 | 0 |
| Places | CG1004 | Oakham Castle Restoration | 2,400,100 | 2,400,136 | 36 | 2,380,600 | 140,054 | 2,380,600 | 0 |
| Places | CG1006 | Rutland Museum | 60,000 | 60,000 | 0 | 60,000 | 40,024 | 60,000 | 0 |
| Places | CD1005 | Replacement CCTV | 138,000 | 138,000 | 0 | 138,000 | 118,000 | 138,000 | 0 |
| Total Places Capital Programme | | | 14,715,000 | 14,689,156 | (25,844) | 7,331,900 | 2,061,157 | 7,330,347 | (1,553) |
| Total Capital Programme | | | 15,647,400 | 15,610,320 | (37,080) | 8,260,800 | 2,621,960 | 8,248,311 | (12,489) |

Appendix 9 – Medium Term Financial Plan

| | 2014/15 Q4 Outturn £ | 2015/16 Approved £ | 2015/16 Proposed £ | 2015/16 Q2 Forecast £ | 2016/17 Proposed £ | 2017/18 Proposed £ | 2018/19 Proposed £ | 2019/20 Proposed £ |
|---|----------------------------|--------------------------|--------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| People | 14,173,000 | 15,651,300 | 15,980,400 | 15,634,100 | 15,789,900 | 16,001,200 | 16,539,300 | 16,866,700 |
| Places | 11,620,000 | 12,368,500 | 12,385,100 | 12,155,800 | 12,127,300 | 12,293,600 | 12,536,500 | 12,807,600 |
| Resources | 4,895,000 | 5,713,800 | 5,694,100 | 5,445,500 | 5,567,000 | 5,653,300 | 5,765,400 | 5,879,000 |
| Inflation Contingency | 0 | 0 | 0 | 0 | 264,800 | 542,000 | 827,000 | 1,122,000 |
| Fire Authority Support | | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| BCF Contingency | | | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| Highways Saving | | | 250,000 | | | | | |
| People First Savings | | (300,000) | (17,200) | 0 | (317,200) | (542,200) | (817,200) | (817,200) |
| Net Cost of Services | 30,688,000 | 33,508,600 | 34,492,400 | 33,435,400 | 33,631,800 | 34,147,900 | 35,051,000 | 36,058,100 |
| Capital Financing | 2,141,000 | 2,019,821 | 2,019,821 | 1,897,263 | 1,930,601 | 1,905,715 | 1,881,825 | 1,858,890 |
| Interest Receivable | (154,000) | (116,000) | (116,000) | (225,000) | (213,000) | (299,000) | (314,000) | (338,000) |
| Net spending | 32,675,000 | 35,412,421 | 36,396,221 | 35,107,663 | 35,349,401 | 35,754,615 | 36,618,825 | 37,578,990 |
| Resources | | | | | | | | |
| Non ring fenced grants | (1,594,000) | (331,200) | (411,200) | (560,100) | (164,500) | (136,700) | (113,600) | (96,560) |
| New Homes Bonus | (538,000) | (808,638) | (808,638) | (808,606) | | | | |
| NHS Support for Social Care | (814,000) | (2,046,000) | (2,046,000) | (2,046,000) | (2,046,000) | (1,846,000) | (1,946,000) | (1,946,000) |
| Care Act Funding | | (294,198) | (294,198) | (294,198) | (294,198) | (294,198) | (294,198) | (294,198) |
| Council tax freeze grant | (217,000) | (219,200) | (219,200) | (218,634) | (219,200) | (219,200) | (219,200) | (219,200) |
| Revenue Support Grant | (5,080,000) | (4,060,409) | (4,060,409) | (4,060,409) | (3,045,760) | (2,418,900) | (1,978,900) | (1,583,120) |
| Retained Business Rates Funding | (4,070,000) | (4,250,600) | (4,250,600) | (4,250,600) | (4,302,600) | (4,407,700) | (4,556,100) | (4,714,000) |
| Council Tax | (20,464,000) | (20,685,300) | (20,685,300) | (20,685,300) | (21,504,800) | (22,234,200) | (22,907,000) | (23,572,400) |
| Collection fund surplus | (495,000) | | 0 | | (90,000) | 0 | 0 | 0 |
| Capital met from Direct Revenue | 46,000 | 880,000 | 520,000 | 520,000 | 180,000 | 0 | 0 | 0 |
| Transfers to/from earmarked reserves | 821,000 | (1,166,984) | (1,676,784) | (1,263,000) | (527,100) | (97,200) | (97,200) | (97,200) |
| Appropriations | (1,883,000) | (1,854,900) | (1,854,900) | (1,854,900) | (1,854,900) | (1,854,900) | (1,854,900) | (1,854,900) |
| (Surplus)/Deficit for year | (1,613,000) | 574,992 | 608,992 | (414,084) | 1,480,343 | 2,245,617 | 2,651,727 | 3,201,412 |
| Balance brought forward | (8,062,000) | (9,226,600) | (9,675,000) | (9,675,000) | (10,089,084) | (8,608,742) | (6,363,125) | (3,711,398) |
| Balance Before New Homes Bonus | (9,675,000) | (8,651,608) | (9,066,008) | (10,089,084) | (8,608,742) | (6,363,125) | (3,711,398) | (509,986) |
| New Homes Bonus | | | | | (1,190,600) | (1,508,200) | (1,755,700) | (1,905,900) |
| Balance carried forward with NHB | (9,675,000) | (8,651,608) | (9,066,008) | (10,089,084) | (9,799,342) | (9,061,925) | (8,165,898) | (6,870,386) |

A large print version of this document is available on request



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