

Annual Report on Performance and Finance 2005/06



Richmond Council continues to work hard to improve its services and ensure that it achieves good value for money. This insert, covering the 2005-06 financial year, seeks to provide clear financial and performance information about those services.

A similar document, relating to the previous financial year, was issued in June and we received some helpful feedback. Thanks to those residents who responded. As a result we have made some changes to the content. Once again, we would be grateful if you could take a few moments to complete the feedback form at the end of the document, return it to us, and so let us know your views.

Alternatively, you can access the information on the Council's website www.richmond.gov.uk and register your comments there. The website also contains a full copy of our Statement of Accounts and the Audit Commission's independent view on the Council's accounts and performance.

SERVICES

The Council provides an enormous range of services to many different groups of residents. Here we focus on some of the most important and high-profile of these and indicate the scale and cost alongside performance.

Education, Arts and Leisure Directorate (1,925 FTE* staff)

Staff numbers in schools are reported as having increased by over 100 since the last publication. The figures are drawn from the Pupil Level Annual School Census (PLASC), which is completed by schools.

The borough provides 1 nursery school, 15 nursery units attached to primary schools, 41 primary, 8 secondary and 2 special schools, in total educating around 20,300 students.

In addition, the Council pays for 92 places in independent special schools, 107 places in special/mainstream schools in other local authorities and for transport costs for a further 273 students with special needs. Our primary schools are rated among the best in the country and we have a major investment programme for the borough's secondary and special schools.

There are 13 borough libraries with combined issues of some 1.4 million items – proof of their huge popularity. In addition they provide 167 PCs for public use.

The borough provides 2 swimming pools and 4 dual use sports centres at secondary schools with over 860,000 visits per year.

Environment (530 FTE staff)

Staff numbers have reduced since the last publication due to the outsourcing of the waste and recycling services. The service is now provided by Cleanaway, and the staff transferred to the company.

The Council collects around 54,200 tons of waste from 80,000 domestic properties. It also provides kerbside recycling collections from 65,000 properties, collecting around 24,500 tons of waste for recycling. This is one of the best recycling services in London.

Some 11,000 tons of waste are collected from 1,700 commercial premises. One of the Council's key targets is to increase recycling to more than 30 per cent of the total waste collected.

The Council is also responsible for street cleaning, collecting a further 2,600 tons of waste from some 400 kilometres of roads and deals with around 4,000 planning applications and 12,000 building regulation inspections.

A recent external inspection of the Council's Waste Management Services concluded that the service was 'good with promising prospects for improvement' and noted an improved standard of street cleanliness, high recycling performance and cited the Council's approach to tackling graffiti as an example of notable practice.

Social Services and Housing (825 FTE staff)

Social Services provide a range of services to enable people to retain their independence, providing choice to service users and support to carers.

In the financial year 2005/06:

- 2,085 adults and older people received an assessment of their care needs
- 5,142 existing service users' care needs were reviewed
- Over 550,000 hours of home care were provided to over 1,600 people in their own homes and to an average of 1,000 people at any one time
- 34,378 residential and nursing care bed weeks were provided
- 653 people attended day care centres
- 520 people received a hot or frozen meal each week in their own homes
- Over 8,000 pieces of equipment were provided for individuals and minor adaptations provided at the homes of 1,600 people
- To enable carers to support people to live in their own homes, we provided about 11,500 breaks to over 1,030 carers for adults with a disability (this includes carers who are children)
- With our provider partnerships, we ensured that 1,600 people received quality housing-related support

Adults	Number of Service Users at 31 March 2006			
	Care Homes (Bed Weeks) 2005/06	Day Care	Care at Home	Direct Payments
Older People	22,742	278	785	85
Adults with physical disabilities	2,073	48	114	76
Adults with learning disabilities	7,387	177	65	9
Adults with mental health needs	2,176	150	2	1
Total Adult Services	34,378	653	966	171

Children Looked After	Placement Weeks 2005/06	Children as at 31 March 2006
Residential Homes and Schools	1,143	22
Foster Care	3,182	52
Total Children Looked After	4,325	74

The Council remains responsible for providing services to homeless people and, on average, provided temporary accommodation each week to 345 households in short-term leased accommodation, 48 households in bed and breakfast accommodation and 49 people in hostels. The Council administers Housing Benefit payments of £41.4m.

Corporate Services (268 FTE staff)

This department provides support services that enable the Council to function as a democratic organisation and large business. Services include Finance, Legal, IT, Human Resources and Electoral Services.

Over the past year the services have prepared for the 2006 local election in which the borough had the highest turnout in the country (51%), maintained the top performance score for its management of Housing Benefit and continued to deliver improving IT and Finance Services that contribute to the Council's 'good' score for its use of resources and value for money.

PERFORMANCE

Council performance is measured by various independent organisations set up by the Government. Scores from these assessments are taken into account by the Audit Commission in its 'Comprehensive Performance Assessment', which rates the Council's performance overall. In 2005, the Council was assessed as 'good' with individual service scores as set out below.

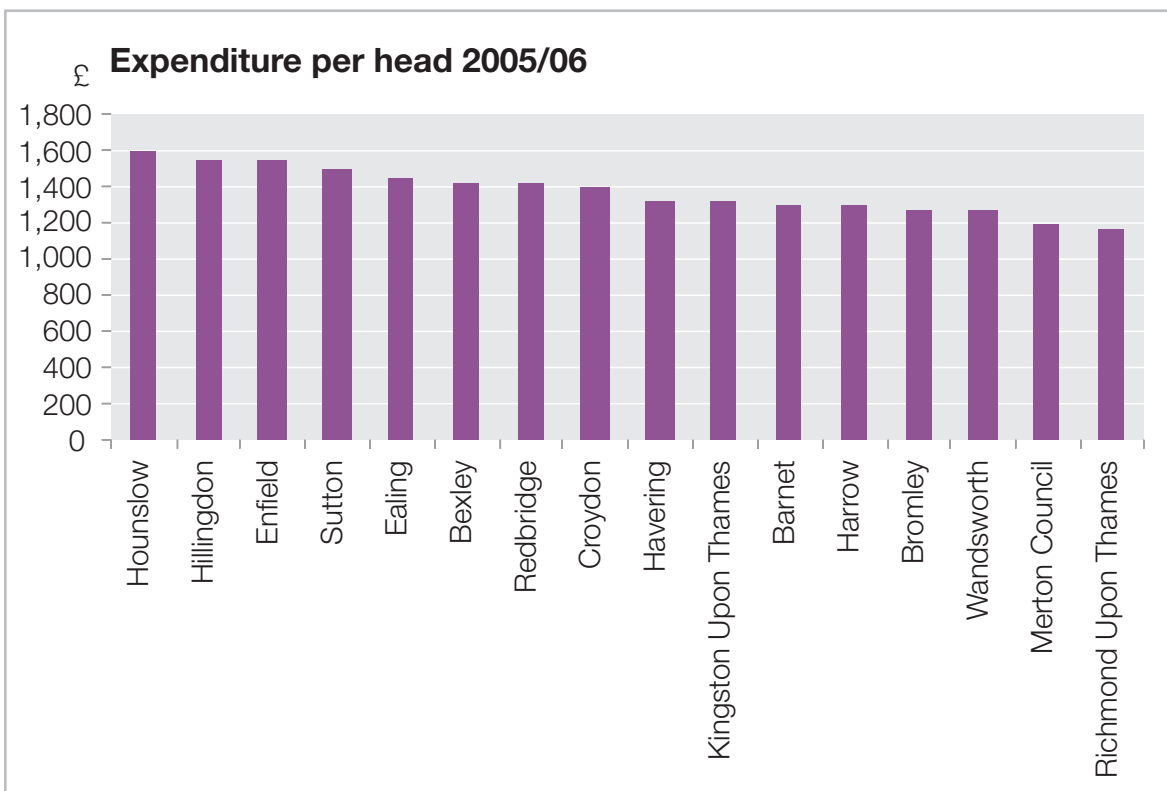
Service	Score			
	1	2	3	4
Benefits (Council Tax and Housing)				
Children and young people				
Culture				
Environment				
Housing				
Social Care (adults)				
Use of Resources				

The Audit Commission also gave the following assessment of progress in the year:

This is a Council that is **improving well** and demonstrating a **3 star** overall performance (on a scale of 0 worst to 4 best).

The Use of Resources score included an assessment of the Council's arrangements for securing value for money in the provision of services. These were assessed as good. The Council is currently preparing for the next CPA inspection, the results of which are expected in February 2007.

The Audit Commission also publishes comparative expenditure figures for groups of comparable authorities. The chart shows that Richmond is the lowest spending council amongst its comparator authorities. We are striving to maintain this circle of low spend and high performance.



FINANCE

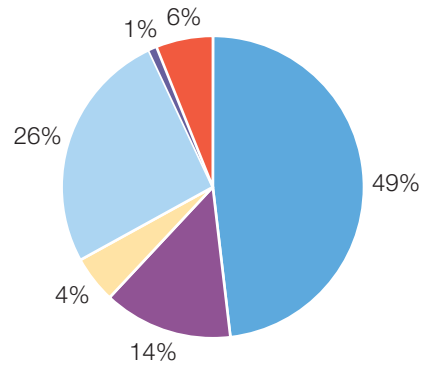
Details of the Council's spending are set out in its audited Statement of Accounts available on the Council website. Highlights from the 2005-06 accounts are:

Revenue spending

	Expenditure £000	Income £000	Net Expenditure £000
Education	143,810	(42,196)	101,614
Social Services	91,885	(36,623)	55,262
Culture, Environmental and Planning Services	43,615	(14,142)	29,473
Highways, Roads and Transport Services	26,354	(13,307)	13,047
Housing Services	54,621	(51,744)	2,877
Central Services and Corporate costs	22,737	(13,782)	8,955
Total Cost of Services	383,022	(171,794)	211,228

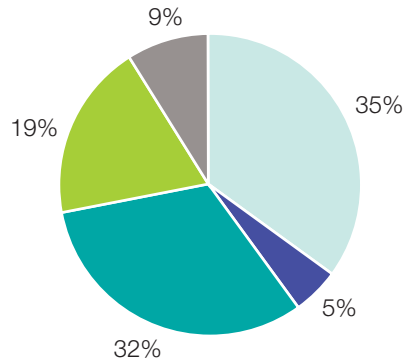
Net Expenditure breakdown by Service

- Education
- Culture, Environment and Planning
- Highways, Roads and Transport
- Social Services
- Housing Services
- Central Services and Corporate Costs



Analysis by Type of Gross Expenditure

- Employees
- Premises
- Supplies & Services
- Transfer Payments
- Capital Charges



On top of service costs there are “corporate” costs that cannot be allocated to individual service areas, such as levies from other public bodies. Service costs also include some “notional” charges (mainly for use of buildings) that are required so that all councils account on the same basis and their costs can be compared. These “notional” costs have to be taken out, as they do not represent actual payments. Similarly adjustments have to be made for expenditure that is met from internal reserves. The total expenditure that is met from Council Tax and government grant is shown as:

	£000	
Total Cost of Services (as above)		211,228
Corporate Non-Service Costs		1,506
Notional items included in service costs		(15,593)
Reserves and Capital items		(1,497)
Total Expenditure for the Year		195,644
Less Central Government Support:		
Revenue Support Grant	(36,559)	
Distribution of Business Rates	(59,721)	(96,280)
Received from Council Taxpayers:		
Council Tax	(97,430)	
Balance from previous years	(400)	(97,830)
		(194,110)
Surplus for the Year (to General Reserve)		(1,534)

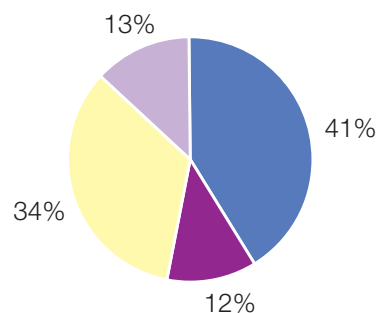
Capital Spending

Capital expenditure is on assets that provide benefit over a period longer than one year. Most of this is spent on renewing and improving schools and other buildings as well as roads and consists of a large number of relatively small schemes. Spending in 2005-06 was:

	£000
Education, Arts and Leisure (mainly schools improvements)	11,405
Social Services and Housing (mainly providing affordable housing)	3,357
Environmental Services (mainly highways improvements)	9,575
Corporate Services (mainly building refurbishment and repair)	3,747
	28,084

Analysis by Type of Gross Expenditure

- Education, Arts and Leisure
- Social Services and Housing
- Environmental Service
- Corporate Services



2005-2006 Balance Sheet

Long Term Assets		£000
Fixed Assets (Land, buildings and roads)	563,461	
Other - long term investments/loans	13,544	577,005
Current Assets less Current Liabilities		
Stocks	284	
Debtors (after providing for doubtful debts)	24,712	
Short term Investments	67,027	
Less:		
Short term Borrowing	(7,987)	
Creditors	(23,774)	60,262
Long Term Liabilities		637,267
Future Pension Liability (Offset by Reserve)	(131,057)	
Long term Borrowing	(37,463)	
Other Grants and Deposits to be repaid or met from revenue	(34)	
Provisions for future revenue expenditure	(8,067)	(176,621)
Total Net Assets		460,646

The Council's "net worth" of £460 million is represented by capital and revenue reserves. Most of these are held for statutory purposes and are not available to be "spent" by the Council. Reserves that can be translated into future expenditure comprise:

Usable capital Grants and Receipts (can only be used to finance capital projects)	(18,603)
Schools' and other revenue Reserves outside Council Control	(7,163)
Revenue Reserves Earmarked for Future Expenditure such as Infrastructure Fund	(32,882)
General Reserve and Contingency available for any purpose	(12,052)

PLANNING FOR THE FUTURE

Longer term plans

The Council's Medium Term Financial Strategy (MTFS) forms a key element of the aims set out in the Community Plan, individual service plans and performance plans. The strategy aims to restrict increases in Council Tax to below 5% over the long term. Key features of the MTFS are the Accommodation Strategy, which seeks to reduce the amount of rented offices occupied by the Council and the Waste Strategy, which seeks to increase the levels of recycling in the Borough so as to avoid large increases in the costs of land fill.

The Council is currently planning its web-based Borough Conference for the autumn 2006 and the views expressed by residents will be used to inform the future spending priorities of the Council along with direct budget consultation.

Budget 2007/08

The Council faces a difficult financial situation because of the low level of support that it receives from Central Government. This, despite the fact that Council spending is low, leads to the relatively high level of Council Tax in the borough.

The budget process for 2007/08 is already underway. Service Directors and Cabinet members are examining their services to identify ways of improving efficiency and value for money.

This process will continue throughout the coming months. In early December, the Government will confirm how much Government Grant the Council will receive in 2007/08, and the Council will then finalise its budget proposals. These will be considered by Cabinet and the full Council in February and March.



FEEDBACK FORM

We welcome your comments on this information and they will be used to improve future publications.

Was the document useful in helping you to understand the Council's finances and performance? Yes No

Would you like to see more information? Yes No

Please write any other comments below:

Please send to: Director of Finance and Corporate Services, York House, Richmond Road, TW1 3AA
Alternatively, you can email your comments to accountancy@richmond.gov.uk

Please contact us at the address below if you would like this information in Braille, audiotape, or another language. We can also arrange a telephone interpreting service.

Albanian

Nese keni veshtersi per te kuptuar kete botim, ju lutemi ejani ne recepcionin ne adresen e shenuar me poshte ku ne mund te organizojme perkthime nepermjet telefonit.

Arabic

إذا كانت لديك صعوبة في فهم هذا المنشور، فنرجو زيارة الإستقبال في العنوان المعطى أدناه حيث بإمكاننا أن نرتب لخدمة ترجمة شفوية هاتفية.

Bengali

এই প্রকাশনার অর্থ বুঝতে পারায় যদি আপনার কোন সমস্যা হয়, নিচে দেওয়া ঠিকানায় রিসেপশন-এ চলে আসুন যেখানে আমরা আপনাকে টেলিফোনে দোভাষীর সেবা প্রদানের ব্যবস্থা করতে পারবো।

Farsi

اگر در فهمیدن این نشریه مشکل دارید، لطفاً به میر پذیرش در آدرس قید شده در زیر رجوع فرمایید تا سرویس ترجمه تلفنی برایتان فراهم آورده شود.

Gujarati

જો તમને આ પુસ્તિકાની વિગતો સમજવામાં મુશ્કેલી પડતી હોય તો, કૃપયા નીચે જણાવેલ સ્થળના રિસેપ્શન પર આવો, જ્યાં અમે ટેલિફોન પર ગુજરાતીમાં ઈ-ટર્મિટીંગ સેવાની ગોઠવણા કરી આપીશું.

Punjabi

ਜੇਕਰ ਤੁਹਾਨੂੰ ਇਸ ਪਰਚੇ ਨੂੰ ਸਮਝਣ ਵਿਚ ਮੁਸ਼ਕਲ ਪੇਸ਼ ਆਉਂਦੀ ਹੈ ਤਾਂ ਹੇਠਾਂ ਦਿੱਤੇ ਗਏ ਪਤੇ ਉੱਪਰ ਰਿਸੈਪਸ਼ਨ 'ਤੇ ਆਉ ਜਿੱਥੇ ਅਸੀਂ ਟੈਲੀਫੋਨ ਤੇ ਗੱਲਬਾਤ ਕਰਨ ਲਈ ਇੰਟਰਪ੍ਰਿਟਰ ਦਾ ਪ੍ਰਬੰਧ ਕਰ ਸਕਦੇ ਹਾਂ।

Urdu

اگر آپ کو اس اشاعت کو سمجھنے میں کوئی مشکل ہے تو، براہ کرم نیچے دیئے ہوئے ایڈریس کے استقبالیے پر جا کر ملیئے، جہاں ہم آپ کیلئے ٹیلیفون انٹرپریٹینگ سروس (ٹیلیفون پر ترجمانی کی سروس) کا انتظام کر سکتے ہیں۔

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