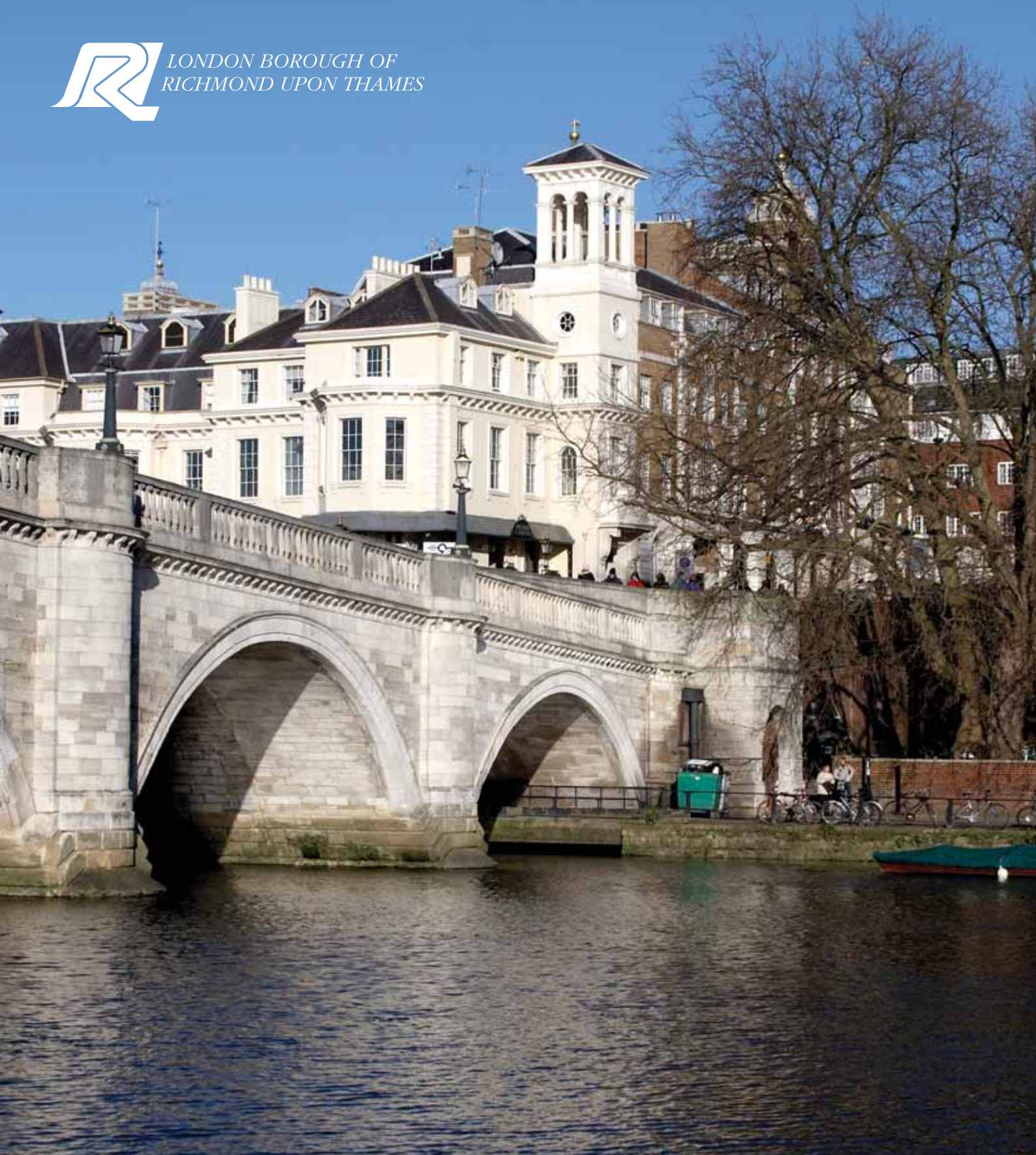


Annual Report on Performance and Finance 2006/07



INTRODUCTION

Richmond Council is committed to providing high quality services to residents and, given its limited financial resources, to achieving good value for money. This insert, covering the 2006/07 financial year, seeks to provide clear financial and performance information about the Council and the services that it provides.

This is the third time that we have published this report and we have, once again, made changes to the presentation and content in response to readers' feedback on the previous edition. For example, we have included additional performance information and a more detailed analysis of the Council's income. The report is also printed for the first time on recycled paper. We hope that the changes help in allowing you to understand the finances and performance of the Council.

As always, your comments, criticisms and ideas are important to us in deciding how best to keep you informed. There is a tear off, pre-addressed feedback slip at the end of the report that you can complete and return to us or, if you prefer, you can e-mail your comments to: accountancy@richmond.gov.uk

This document is a only snapshot of the information available to you. You can access more detailed information at: www.richmond.gov.uk



SERVICES

This section describes the services that the Council provides. Last year's feedback showed us that not all readers were sure of precisely what the Council does so we have added some additional information this year.

Education and Children's Services

This year saw the establishment of the Education and Children's Services Directorate, bringing together children's and family services as part of the Government's Every Child Matters Agenda. The Directorate is working in partnership with other public and voluntary bodies to achieve its vision for excellence through putting children and their families first.

The Children's and Young People's Plan encapsulates this ambition for excellence and translates the ambition into priorities and action plans to improve the outcomes for children and young people. These priorities are based upon the outcomes framework of Be Healthy, Stay Safe, Enjoy and Achieve, Make a Positive Contribution and Achieve Economic Wellbeing.

All parts of the service and outside partners play a key role in raising standards and improving the outcomes for children and young people.

The borough provides, 1 Early Excellence Centre, 15 nursery units attached to primary schools, 41 primary schools, 8 secondary schools, 2 special schools and a pupil referral unit, educating in total around 20,400 pupils.

The borough has 12 lending libraries and a central reference and information service which have 164 PCs available for public use, and which receive nearly 1.5m visitors per year. The Arts Service, based at the historic site of Orleans House Gallery, delivers an innovative, integrated, accessible arts programme and receives nearly 63,000 visitors per year. There are four sports centres based at secondary schools as well as Teddington Pool and Fitness Centre, which comprises two swimming pools, a fitness suite and studio and hydrotherapy pool. These venues receive nearly 400,000 visitors per year. The borough also has five full-time youth centres.

The Specialist Children's Division provides a range of services for vulnerable young people and their families, including residential and foster care, adoption support and support for children/young people leaving care. The borough has 50 Social Workers, 480 children receiving social work support, 13 foster placements and 19 children in independent residential settings.

Environment

The Environment Directorate provides a broad range of diverse services including refuse collection and recycling, highway maintenance, street cleansing, street lighting, tree maintenance, licensing etc.

The Council collects around 45,500 tonnes of waste from approximately 80,000 domestic properties, plus a further 4,750 tonnes of domestic waste delivered to the Reuse and Recycling Centre in Kew. Some 8,700 tonnes of trade waste is collected from 1,700 commercial premises.

It also provides kerbside and estates recycling collections, collecting around 15,200 tonnes of waste for recycling. The council collects a further 5,500 tonnes of household recycling at the Reuse and Recycling Centre in Kew, and 4,400 tonnes from our street recycling sites. The borough recycles in the region of 380 tonnes of leaves that fall from its street trees, which are collected separately and composted. This is one of the best recycling services in London. One of the Council's key targets is to increase recycling to more than 40 per cent of the total waste collected.

The Council is also responsible for street cleaning, collecting a further 4,100 tonnes of waste from some 400 kilometres (250 miles) of roads.

It also deals with over 4,000 planning applications every year as well as 2,500 building regulation applications involving 12,000 inspections and 400 health and safety inspections.

Adult Social Services and Housing

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

In the financial year 2006-2007:

- 1,417 adults and older people received an assessment of their care needs
- 3,887 of the 5,316 existing service users' care needs were reviewed
- Over 487,000 hours of home care were provided to over 1,537 people in their own homes and to an average of 1,000 people at any one time
- 34,031 residential and nursing care bed weeks were provided
- 673 people attended day care centres
- 809 people received a hot or frozen meal in their own homes
- Over 9,200 items of equipment were provided to individuals and minor adaptations provided at the homes of 2,312 people
- To enable carers to support people to live in their own homes, we provided about 12,026 breaks to over 1,105 carers for adults with a disability
- With our provider partnerships, we ensured that 1,600 people received quality housing-related support services

| Number of Service Users at 31 March 2007 | | | | |
|---|---|-----------------|-------------------------|----------------------------|
| | Care Homes (Bed Weeks) 2006-07 | Day Care | Care at Home | Direct Payments |
| Older People | 22,618 | 221 | 738 | 134 |
| Younger Adults | 1,908 | 46 | 83 | 107 |
| Adults with Learning Disabilities | 7,509 | 87 | 5 | 20 |
| Adults with Mental Health Needs | 1,996 | 184 | 15 | 7 |
| TOTAL ADULT SERVICES | 34,031 | 538 | 841 | 268 |

The Council provides services to prevent homelessness and to support homeless people. There was an average of 383 households in temporary accommodation, including 299 households in short-term leased accommodation, 35 households in bed and breakfast accommodation and 49 people in hostels. The Council administers Housing Benefit payments of £43m.

CORPORATE SERVICES

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

What the Council does not provide

We quite often receive comments about other public services that we do not directly provide such as trains, buses, the police, fire etc. Some of the key contact details are set out below.

Trains

SW Trains Customer Service Centre
South West Trains
Overline House
Blechynden Terrace
Southampton
SO15 1GW
Phone: 0845 6000 650
Textphone: 0800 692 0792

London Underground

Telephone: 0845 330 9880 (0800-2000 7 days a week)
Online: Contact form
By post: Customer Service Centre, London Underground, 55 Broadway, London SW1H 0BD

London Buses

Telephone: 0845 300 7000 (0800-2000 Monday to Friday)
Textphone: 020 7918 4435 (0800-2000 Monday to Friday)
Email: customerservices@tfl-buses.co.uk
By post: London Buses Customer Services, 84 Eccleston Square, London SW1V 1PX

Police

There are three police stations in the borough. Contact details for these can be found at:
www.richmond.gov.uk/local_police
The main police station in Twickenham:
Twickenham Police Station
41 London Road
Twickenham
TW1 3SY
Telephone: 020 8607 9199
Twickenham Police Station is open 24 hours a day.
These contact details should not be used for any communication that might require an emergency response. In an emergency you should dial 999.

Highways Agency

Website: www.highways.gov.uk
Email: ha_info@highways.gsi.gov.uk
Telephone: 08457 50 40 30 (for general queries) or 08700 660 115 (for traffic information)

Richmond and Twickenham Primary Care Trust

Thames House
180 High Street
Teddington
TW11 8HU
Telephone: 020 8973 3000

Fire

London Fire and Emergency Planning Authority
8 Albert Embankment
London, SE1 7SD
telephone: 020 7587 2000 (switchboard)
email: info@london-fire.gov.uk (service covered 8-5 Monday to Friday)

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 (CPA)', which rates the Council's overall performance. In 2006, the Council was rated as good with individual service scores as set out below:

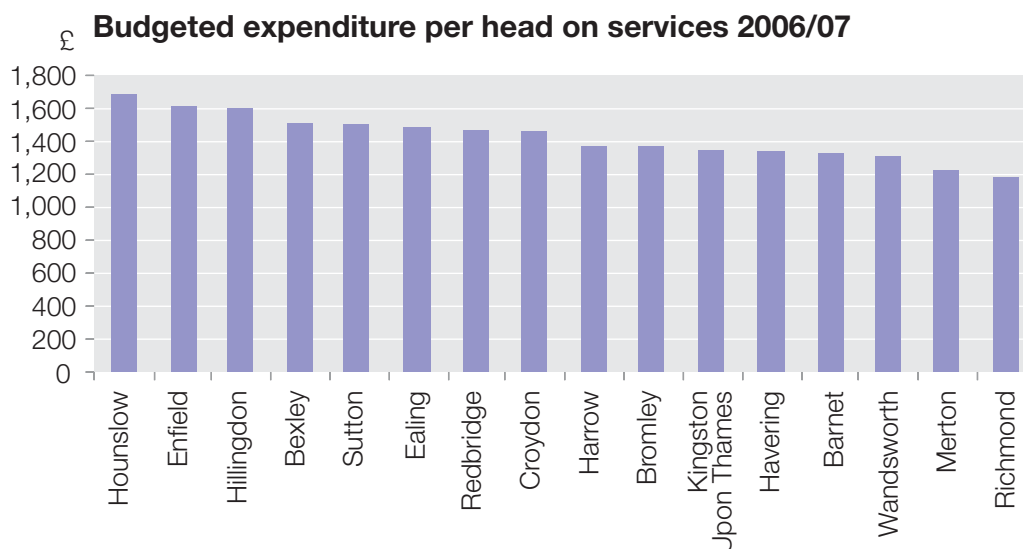
| Service | Score | | | |
|------------------------------------|-------|---|---|---|
| | 1 | 2 | 3 | 4 |
| Benefits (Council Tax and Housing) | | | | |
| Children and young people | | | | |
| Culture | | | | |
| Environment | | | | |
| Housing | | | | |
| Social Care (adults) | | | | |
| Use of Resources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

The Audit Commission gave the following assessment:

"Priority services are improving and this is recognised by residents. Overall satisfaction with Council services is improving and amongst the best in London. The Council continues to provide good services for children and young people and makes an effective contribution to improving outcomes, for example in delivering the best results in the country for primary schools for key stage assessments. The modernisation of adult social care continues and is reflected in performance improvements. Although national recycling targets have not been met, performance is improving and residents are noticing a cleaner borough. Homeless households spend significantly less time in bed and breakfast accommodation. The Council focuses on the needs of residents and promotes fair access to services. The benefits and culture services continue to perform well. Crime figures for robberies and domestic burglaries deteriorated, but are now improving, whilst performance in environmental services is mixed. Richmond Council provides good value for money, with spending per head of population being one of the lowest in London, and has a good track record of delivering required change. Richmond Council has robust plans and the capacity to sustain service improvement."

The Audit Commission also publishes comparative expenditure data for comparable authorities. The chart below shows that Richmond is the lowest spending Council amongst its comparator group. Indeed, the Audit Commission figures show that The London Borough of Richmond upon Thames is the lowest spending authority in the whole of London and the second lowest spending unitary authority in the country.

Within the Use of Resources score under the CPA there is an assessment for Value for Money. This looks at the various ways that the borough tries to control its costs and ensure that best value is obtained on all items of expenditure. The Council scored 4 out of 4 for this assessment (one of only seven in the country to do so). The borough is working hard to ensure that it maintains the cycle of low cost, good value for money and high performing services.



A further CPA inspection was carried out in May 2007. The result is expected to be announced later this year.

The table below shows a selection of key performance indicators for the borough for 2006/07. The London average figures and 2005/06 for Richmond are shown for comparison purposes.

| Performance Indicator | LBRUT 2006/07 (subject to audit) | Average London 2005/06 | LBRUT 2005/06 |
|--|---|---------------------------------------|--------------------------|
| % Council Tax collected | 98.5% | 94.7% | 98.1% |
| % Pupils achieving 5 or more GCSEs grades A* - C | 56.1% | 54.8% | 54.8% |
| % Pupils achieving 5 or more GCSEs A* - G including Maths & English | 86.7% | 88.8% | 89.0% |
| % Pupils achieving level 4 in Key Stage 2 Maths | 84.6% | 74.2% | 84.9% |
| % Pupils achieving level 4 in Key Stage 2 English | 88.5% | 78.9% | 88.1% |
| % Young people aged 13 – 19 gaining a recorded outcome compared to the % of young people participating in youth work | 39% | 45% | 30% |
| % Child protection cases which should have been reviewed that were reviewed | 100% | 100% | 100% |
| % Older people who received care services within 4 weeks of assessment | 91.4% | 87.2% | 93.8% |
| Average length of stay in bed and breakfast accommodation by homeless families | 2.12 weeks | 2.20 weeks | 4.40 weeks |
| Average time for processing new Housing benefit claims | 27.43 days | 36.1 days | 30.9 days |
| % Household waste recycled or composted | 31.76% | 16.16% | 28.59% |
| Cost of waste collected per household a year | £65.86 | £57.38 | £41.40 |
| % Land and roads that are below an acceptable level of cleanliness | 26% | 25.6% | 31% |
| % Principal roads requiring structural maintenance | 14% | Not available | 13.0% |
| % Footways requiring repair | 37% | 23% | 48.3% |
| % Pedestrian crossings with facilities for disabled people | 99% | 89% | 97% |
| Average time to repair street lights | 7.96 days | 4.7 days | 24 days |
| % Major planning applications determined within 13 weeks | 87% | 67.32% | 80.0% |

The second table shows the results of triennial resident satisfaction surveys

| Indicator | LBRUT 2006/07 (subject to audit) | 2006/07 London Average | LBRUT 2003/04 |
|--|--|------------------------------|------------------|
| % Residents satisfied with the overall service provided by the Council | 62% | 53.9% | 55% |
| Overall satisfaction by people claiming housing benefit | 74% | 83% | Not available |
| % People satisfied with street/land cleanliness | 74% | 65.3% | 54% |
| % People satisfied with waste collection | 76% | 75.5% | 73% |
| % People satisfied with recycling | 67% | 61.2% | 65% |
| % Applicants for planning permission satisfied with the service | 51% | 61.9% | 58% |
| % Library users satisfied with the service | 94% | 87.1% | 92.5% |
| % Residents satisfied with sports/leisure facilities | 48% | 48.7% | 46% |
| % Residents satisfied with libraries | 69% | 67.5% | 61% |
| % Residents satisfied with museums/galleries | 37% | 33.4% | 42% |
| % Residents satisfied with theatres | 52% | 37.6% | Not available |
| % Residents satisfied with parks | 93% | 73.2% | 88% |

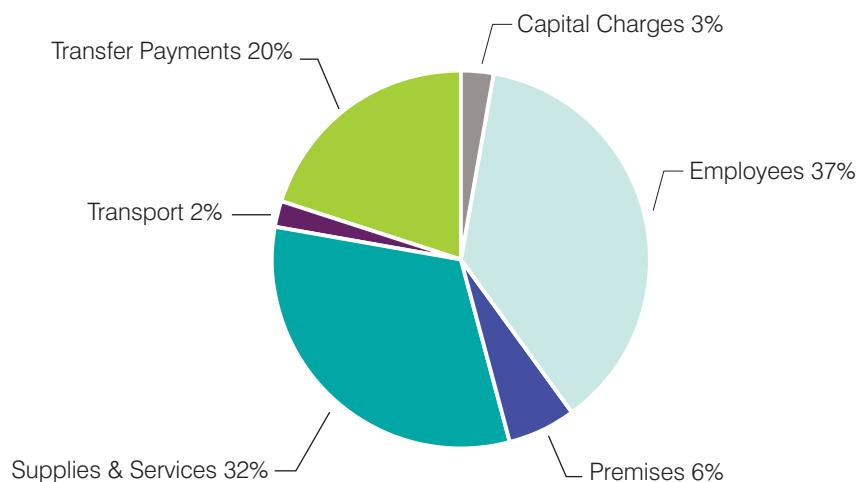
FINANCE

| | 2006/07 Budget £000 | 2006/07 Gross Expenditure £000 | 2006/07 Gross Income £000 | 2006/07 Net Expenditure £000 | 2005/06 Net Expenditure £000 |
|--|---------------------------|---|------------------------------------|---------------------------------------|---------------------------------------|
| Net Cost of Services | | | | | |
| Central Services - Local Taxation | 2,438 | 13,964 | -11,762 | 2,202 | 1,942 |
| Other Central Services to the Public Cultural, Environmental and Planning Services | 1,563 | 3,147 | -1,765 | 1,382 | 1,269 |
| Education Services | 26,319 | 39,228 | -13,856 | 25,372 | 25,114 |
| Highways, Roads and Transport Services | 12,803 | 141,817 | -128,722 | 13,095 | 86,766 |
| Housing Services (General Fund) | 8,987 | 23,896 | -14,605 | 9,291 | 10,747 |
| Social Services | 6,568 | 56,637 | -52,610 | 4,027 | 2,740 |
| Corporate and Democratic Core | 55,505 | 90,881 | -34,927 | 55,954 | 53,384 |
| Non Distributed Costs | 4,535 | 4,382 | -30 | 4,352 | 4,666 |
| | 1,075 | 1,026 | -133 | 893 | 1,395 |
| Total Net Cost of Services | 119,793 | 374,978 | -258,410 | 116,568 | 188,023 |

Overall, the Council under spent its budget for services by £3.2m. The major element of this related to the Housing Service where adjustments to prior year grant claims, bad debt provisions and better than anticipated recovery of Housing Benefit overpayments led to an under spend.

One item of interest to note in the table is the change in the net expenditure figure for Education Services. This has been brought about by a change in the way that the Council has to account for schools funding. Schools are funded by the Dedicated Schools Grant which Councils pass on to schools previously the grant was recorded outside of the net cost of services. Now it is shown in the income column resulting in an apparent reduction in net expenditure.

How we spend the money



Readers of last year's publication asked for some additional analysis of the income figures for the Council. The table below gives a breakdown of the main types of income received. Whilst the Council raises significant amounts from fees and charges for services, the majority of its income comes in the form of specific grants from Government and other public bodies.

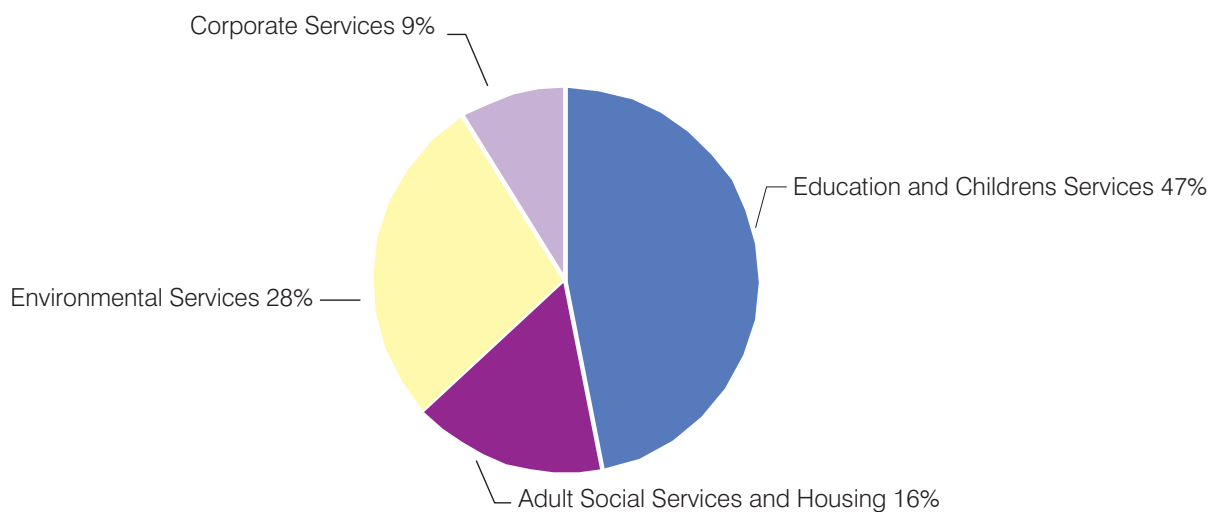
| Type of income | Amount £00 | Comment |
|---------------------------------------|---------------|---|
| Dedicated Schools Grant | £80,464 | Ring fenced to schools |
| Housing and Council Tax Benefit grant | £53,583 | Reimbursement of benefits paid out |
| Education specific grants | £40,504 | Grants for specific purposes related to Education (mainly schools) |
| Other services specific grants | £24,252 | Grants for specific purposes other than Education |
| Fees and Charges for services | £52,618 | Charges for services e.g. parking, trade, refuse, leisure facilities etc. |

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 2006-07 was:

| | |
|---|---------------|
| Education and Children's Services | 15,027 |
| Adult Social Services and Housing | 5,168 |
| Environment Services (mainly highways improvements) | 8,836 |
| Corporate Services | 2,814 |
| | 31,845 |

Analysis of expenditure by Service



2006-2007 Balance Sheet

| Long Term Assets | | £000 |
|--|-----------|----------------|
| Fixed Assets (Land, buildings and roads) | 583,082 | |
| Other - long term investments and mortgage advances | 35,140 | 618,222 |
| Current Assets less Current Liabilities | | |
| Stocks | 287 | |
| Debtors (after providing for doubtful debts) | 26,259 | |
| Short term Investments | 54,026 | |
| Less: | | |
| Short term Borrowing | 6,684 | |
| Creditors | 33,094 | 40,794 |
| Long Term Liabilities | | 659,016 |
| Future Pension Liability (Offset by Reserve) | (106,894) | |
| Long term Borrowing | (35,848) | |
| Other Grants and Deposits to be repaid or met from revenue | (41,437) | |
| Provisions for future revenue expenditure | (4,076) | (188,255) |
| Total Net Assets | | 470,761 |

The Council's "net worth" of £470 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) | 18,157 |
| Schools' and other revenue Reserves outside Council Control | 8,510 |
| Revenue Reserves Earmarked for Future Expenditure such as Infrastructure Fund | 36,999 |
| General Reserve and Contingency available for any purpose | 12,094 |

PLANNING FOR THE FUTURE

Long-term plans

The Council's Medium and Longer Term Financial Strategy (MLTFS) is a key building block for the Corporate Plan, individual service plans and performances plans. The current strategy is to limit Council Tax increases to below 5% over the long-term whilst meeting the Council's statutory obligations and taking advantage of opportunities to improve the efficiency and quality of services. Key features of the MLTFS are the Accommodation Strategy, which seeks to reduce the amount of rented office space 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 landfill.

The Council will continue to seek the view of residents through its Citizens' Panel and other consultation exercises.

Budget 2008/09

The 2008/09 budget process is already underway with all services being required to produce reports detailing their current financial status, their efficiency relative to other Councils and their plans to produce further efficiencies in the future.

The Government's Comprehensive Spending Review 2007 is widely expected to signal a tightening of public expenditure and there seems no prospect of change to the low level of grant received by the Council. Provisional grant figures will be announced in November after which the Council will finalise its budget proposals. These will be considered by Cabinet and full Council in February and March 2008.



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 receptionin 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 હિસાબના પર આવો, જ્યાં અમે ટેલિફોન પર ગુજરાતીમાં ઇન્ટરપ્રિટિંગ સેવાની ગોઠવણ કરી આપીશું.

Punjabi

ਜੇਕਰ ਤੁਹਾਨੂੰ ਇਸ ਪਰਚੇ ਨੂੰ ਸਮਝਣ ਵਿਚ ਮੁਸ਼ਕਲ ਪੇਸ਼ ਆਉਂਦੀ ਹੈ ਤਾਂ ਹੇਠਾਂ ਦਿੱਤੇ ਗਏ ਪਤੇ ਉੱਪਰ ਰਿਸੈਪਸ਼ਨ 'ਤੇ ਆਓ 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 استقبال پر جا کر ملیئے، جہاں ہم آپ کیلئے ٹیلیفون انٹریپریٹنگ سروس (ٹیلیفون پر ترجمانی کی سروس) کا انتظام کر سکتے ہیں۔



Please
affix a
stamp

Director of Finance and Corporate Services
London Borough of Richmond upon Thames
York House
Richmond Road
Twickenham
TW1 3AA