

ECONOMIC DEVELOPMENT, PLANNING, TOURISM AND LEISURE SERVICES SELECT COMMITTEE – 14 APRIL 2005

QUARTERLY PERFORMANCE MANAGEMENT REPORT – QUARTER 3 2004-05

REPORT OF THE PORTFOLIO HOLDERS FOR ECONOMIC DEVELOPMENT, UK AND EU, REGIONAL ISSUES, SUSTAINABLE DEVELOPMENT, ENVIRONMENT AND PLANNING POLICY AND TOURISM AND LEISURE

REASON FOR SELECT COMMITTEE CONSIDERATION

This Quarterly Performance Management Report is for the period 1st October to the 31st December 2004 and is for the Economic Development, Planning, Tourism and Leisure Services Portfolios. This third report for 2004-05 was presented to the Council's Executive on the 23rd February 2005.

ACTION REQUIRED BY THE SELECT COMMITTEE

1. To receive the Quarterly Performance Management Report and Appendices insofar as it relates to the Economic Development, Planning, Tourism and Leisure responsibilities
2. To request a report and further information from the Portfolio Holder for Sustainable Development, Environment & Planning Policy for the Area to Watch identified in paragraph 4 of this report
3. To request a report from the appropriate Portfolio Holders on the four performance indicators that have been identified in this report (paragraph 4), including an action plan to secure improved performance
4. To determine if a further report is required from the Portfolio Holder for Tourism and Leisure relating to the finance issue detailed in paragraph 4 below
5. To determine whether or not to add any further enquiry to the Select Committee work programme in the light of the information received

Background

1. This Report for Quarter 3, 2004-05 summarises performance for the responsibilities under the Portfolio Holders for Economic Development, Planning, Tourism and Leisure for the quarter ending 31st December 2004. The basket of key performance indicators has been reviewed and one indicator within the Tourism & Leisure Portfolio has been deleted from the report. The indicator referred to Tourism expenditure, this data could not be collected on a quarterly basis.
2. Feedback from the previous Economic Development, Planning, Tourism and Leisure Select Committee when the Performance Management Report for quarter two 2004-05 was discussed, have been incorporated within this report. Performance indicators for Economic Development are to be reviewed for the start of the new reporting cycle in April 2005.
3. Significant progress has been made throughout the previous quarter on the targets and activities within the Portfolio Holders responsibilities including:

- Area Investment Framework (AIF) was signed in mid December allowing access to £800,000. Five projects have been agreed with the Local Strategic Partnership and Island Futures Support Group, including Isle of Wight Branding – Composites training facility, Medina Valley environmental study, Cowes Parade feasibility study and East Cowes marine infrastructure (page-2 QPMR)
- Contract has been signed for the Isle of Wight Economic Partnership to act as the Economic Partnership for the Island and provide regional representation (page-2 QPMR)
- Performance Indicator KPI 1c (page-2/3 QPMR) – total number of long-term claimants (Job Seekers Allowance) has continued to demonstrate a quarter on quarter reduction and for the first time is below the quarterly target
- PSA Target 3a/b (page-3 QPMR) – the Isle of Wight Economic Partnership has assisted with the establishment of 369 jobs since the 1st April 2003 and has helped to establish 21 companies since this date as well
- Identification of Planning Service as ‘fair’ and with ‘promising’ prospects of improvement by Best Value inspectors (page-4 QPMR)
- Performance Indicators KPI 2 and 3c (page-5 QPMR) – percentage of new houses built on previously developed land and the percentage of other planning applications have sustained performance above the quarterly targets
- Increase in the usage of Tourism Information Centres (page-6 QPMR)
- All but one of the Tourism Performance Indicators and one of the Leisure performance indicators has exceeded their quarterly targets (page-7/8 QPMR)

4. However, there are concerns on the following:

Areas to Watch:

- The increasing mismatch between the number of planning applications being received and the staff levels (page-4 QPMR)

Performance Indicators:

- KPI-3a & b (page 4 - QPMR) the percentage of major and minor planning applications determined within the national standards. Both of these national performance indicators have slipped under the anticipated standards
- KPI-4 (page-7 QPMR) Number of visits to the IslandBreaks website, the number of registered hits on the site was short of the expected quarterly target. This was due, in part to problems with the Council's Server being out of action for 12-14 hours and subsequent technical difficulties that affected the reporting of hits for a further 10-14 days
- KPI-6 (page-7/8 QPMR) – Number of visits this quarter to IWC funded and or managed sports and leisure facilities, there were 33,862 fewer visits than had been expected for the quarter (The Heights Leisure Centre was closed for a three week period in this time, as well the on-going issue of car parking charges)

PSA Targets:

- PSA Target 11 (page-2 QPMR) - Performance of the target for unemployment still remains an area of concern. It has been agreed to progress work on the target until the end of March 2005 and review the achievability of this target.

Finance:

- Leisure Revenue Budget – Income from seasonal activities down on 03/04, but this is attributed to poor weather. Car parking charges continue to show an adverse effect on one card & casual use at leisure facilities (page-9 QPMR)

RELEVANT PLANS, POLICIES, STRATEGIES AND PERFORMANCE INDICATORS

Annual Action Statement 2004-05
Quarterly Performance Management Report Quarter 3 2004-05
Previous Quarterly Performance Management Reports Quarter 1 & 2, 2004-05 and Quarters 1-4, 2003-04

CONSULTATION PROCESS

Heads of Service and their staff have supplied the information within the Quarterly Performance Management Report, with Directors being fully consulted on the content.

External consultation has not been necessary for this report as it is concerned with internal financial management arrangements.

FINANCIAL, LEGAL, CRIME AND DISORDER IMPLICATIONS

The report itself does not have any financial implications. However, if Members make any recommendations regarding services identified in this report, these may have financial implications.

It is a requirement of the Local Government Act 1999 to deliver best value in service delivery of which an effective performance management system is a significant part.

APPENDICES ATTACHED

Appendix 1 Quarterly Performance Management Report Quarter 3 – 2004-05
Appendix 2 Isle of Wight Economic Partnership – Managing Director's Report (January 2005)

BACKGROUND PAPERS USED IN THE PREPARATION OF THIS REPORT

Quarterly Performance Management Reports 1 & 2 (2004-05)
Quarterly Performance Management Reports 1, 2, 3 & 4 (2003-04)
Annual Action Statement 2004-05

Contact Point: Ian Lacey, Policy Officer, 823242 - ian.lacey@iow.gov.uk

COUNCILLOR TERRY BUTCHERS
Sustainable Development,
Environment and Planning Policy

COUNCILLOR JOHN FLEMING
Tourism and Leisure

COUNCILLOR HARRY REES
Economic Development, UK and
EU, Regional Issues



APPENDIX 1

Quarterly Performance Management Report 2004-05 Select Committee Report – Economic Development, Planning Policy, Tourism & Leisure

Quarter 3 Report: October - December 2004

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Section 2: Performance Management & Assessment – By Portfolio

Including information on the following areas

- Key Achievements for the Quarter
- Areas to Watch and action to be taken this quarter
- Performance Management information on: – Key Performance Indicators & PSA targets

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Section 3: Finance Report

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Appendix 2 Isle of Wight Economic Partnerships, Managing Director's Report (January 2005)



Section 1: Summary – Quarterly Performance Management Report 2004-05 Quarter 3 (October-December)

1.1 Performance Summary: – Performance Indicators

Performance Indicators by Portfolio – QUARTERLY ACHIEVEMENT OF TARGETS

PORTFOLIO	NO. OF INDICATORS	TARGET ACHIEVED	WITHIN 5% TARGET	TARGET NOT ACHIEVED	NO QUARTER TARGETS
ECONOMIC DEVELOPMENT UK & EU REGIONAL ISSUES	3	2 = (67%)	0	1 = (33%)	0
SUSTAINABLE DEVELOPMENT, ENVIRONMENT & PLANNING POLICY*	15 TOTAL	7 = (47%)	1 = (6%)	3 = (20%)	4 = (27%)
	11 COMPARE QUARTERLY	64%	9%	27%	
TOURISM & LEISURE *	9	7 = (78%)	0	2 = (22%)	0

Please note:

- Tourism & Leisure – has one less performance indicator Tourism Expenditure, deleted due to difficulties collecting data

PSA Targets by Portfolio – QUARTERLY ACHIEVEMENT OF TARGETS

PORTFOLIO	PSA TARGETS	TARGET ACHIEVED	WITHIN 5% TARGET	TARGET NOT ACHIEVED	NO INFO
ECONOMIC DEVELOPMENT UK & EU REGIONAL ISSUES	2	1 = (50%)	0	1 = (50%)	0

1.2 Priority Improvement Areas

- **Planning Services** - The next meeting of the PIA Group will consider the remodelling of the Improvement Plan following the receipt of the Inspector's report in December 2004.

1.3 Best Value Reviews

- **Planning Services** - The Best Value Inspection Report was received and made public in early December. The report concluded that the Planning Service was rated as a Fair Service with promising prospects for improvement.

SECTION 2: PERFORMANCE MANAGEMENT & ASSESSMENT – BY PORTFOLIO
2.3 PORTFOLIO: ECONOMIC DEVELOPMENT, UK & EU REGIONAL ISSUES
CORPORATE OBJECTIVE: Encourage job creation & economic prosperity

KEY ACHIEVEMENTS QUARTER 3 – 2004-05
IWEP has maintained its Investors in People (IIP) Status
The Island's Area Investment Framework (AIF) was signed in mid December allowing access to £800,000. Five projects have been agreed with the Local Strategic partnership and Island Futures Support Group including – Isle of Wight Branding – Composites Training Facility – Medina Valley Environmental Study – Cowes Parade Feasibility Study – East Cowes Marine Infrastructure
The Contract has been signed for IWEP to act as the Economic Partnership for the Isle of Wight and provide regional representation

AREAS TO WATCH – 2004-05			
Quarter Reported	Area to Watch	Action to be taken	Risk Assessment
Q1/Q2 2004-05	PSA Target 11 (Over 50's into employment) - Negotiations are yet to be concluded between the IW Council the Isle of Wight Economic Partnership and the Office of the Deputy Prime Minister to determine the future deliverability of this target	Work on this target has been on hold while issues concerning the target definitions have been investigated with the Council and the ODPM and the IWEP has evaluated the target. A programme of work with a realistic view on the possible outcomes is now being developed as a consequence of this evaluation.	Risk Score = 4 Impact 2 Likelihood 2

PERFORMANCE MANAGEMENT INFORMATION – KEY PERFORMANCE INDICATORS

Please note that the figures in brackets are the quarterly target profile figures for each of the Indicators

Corporate Priority (Corporate Plan 2002-05)	KPI Description	Q1 - 2004 Apr- Jun (Profile)	Q2 - 2004 July-Sept (Profile)	Q3 - 2004 Oct-Dec (Profile)	Q4 - 2005 Jan-Mar (Profile)	Target 2004/05	Comments
		Performance Assessment Actual Against Profile				↗→↘	
Ensuring all residents are able to share in improving prosperity	1a. The total number of claimants (Job Seekers Allowance) this quarter (Local Indicator)	5,020 (5,163)	4,489 (5,163)	5083 (5,163)	(5,163)	5163 per ¼	The quarter has seen a continued fall in the total number of claimants this quarter, 581 less compared with Q3 2003/4 Average = 1,694 per month
		↗	↗	↗		5,859 per ¼	
	1b. The total number of youth claimants (Job Seekers Allowance) aged 18-24 years this quarter (Local Indicator)	1,313 (1,296)	1,145 (1,296)	1,440 (1,296)	(1,296)	1296 per ¼	The number of youth claimants has increased beyond the expected quarterly profile; This is due to seasonal fluctuations. Average 480 youth claimants per month
		→	↗	↘		1,470 per ¼	
	1c. The total number of long-term claimants (Job Seekers Allowance) this quarter (Local Indicator)	853 (681)	760 (681)	635 (681)	(681)	681 per ¼ (13.4%)	12.5% of all claimants are long term unemployed. There has been a continued fall in the quarterly figures, and there are now 215 less long-term unemployed persons compared with Q3 2003/4
		↘	↘	↗		855 per ¼	

PERFORMANCE MANAGEMENT INFORMATION – LOCAL PUBLIC SERVICE AGREEMENT TARGETS

Please note that the figures in brackets are the quarterly target profile figures for each of the Indicators.

Corporate Objective	PSA Target & Summary	Q1 - 2004 Apr- June	Q2 - 2004 July-Sept	Q3 - 2004 Oct-Dec	Q4 - 2005 Jan-Mar	Target 2004-05	Comments
		(Profile)	(Profile)	(Profile)	(Profile)	Actual 2003-04	
Encouraging Job Creation & Economic Prosperity	3a - Employment Create 400 new jobs over 3 years (1 April 03 -31 March 06) via IW Economic Partnership activities	25 (400)	5 (400)	13 (400)	(400)	400 by 31-03-06	The PSA Target suggests that local job creation & therefore elements of the local economy are less buoyant. A number of local redundancies have recently been announced which contrasts with the excellent job creation performance of Island companies in 2003-04. Next years job creation performance will be an indicator of this as a cyclical dip or a negative medium-term trend. Companies such as GKN are predicting employment creation in 2005-06, whilst others are less confident. To date 369 jobs have been created against PSA 3, which accounts for 92% of the target.
		↗	↗	↗		326	
	3b - Establish 21 new businesses over 3 years (1 April 03 – 31 March 06) via the activities of the IWEP	4 (21)	3 (21)	5 (21)	(21)	21 by 31-03-06	Companies assisted have been increased for the first three quarters of 2004/05 with the inclusion, for the first time, of Innovation Centre Virtual Tenants. IWEP has reached this PSA target 15 months ahead of schedule. 21 companies have been established/assisted.
↗		↗	↗		9		
	11 – Unemployment, Increase the employment rates in the over 50's age group, 120 people returned to work – who have been unemployed for 6 months or more (via IW Economic Partnership)	0 (10)	0 (15)	0 (10)	(15)	50	During this quarter a complete review of the options available and the potential outcomes has been carried out. This has been to assess the options available for the project as a whole and to support the request to ODPM for a renegotiation of the definitions of the PSA 11 outputs. This negotiation is under way, but has not yet reached a conclusion. It has been decided to recommence the planned activities with the clients and it is anticipated this will commence in Q4.
↘		↘	↘		14		

2.6 PORTFOLIO: SUSTAINABLE DEVELOPMENT, ENVIRONMENT & PLANNING POLICY
Corporate Objective: Protecting the Island's physical environment

KEY ACHIEVEMENTS QUARTER 3 – 2004-05
Identification of Planning Service as 'fair' and with 'promising' prospects of improvement by Best Value inspectors
Approval by Executive of the Local Development Scheme. The Local Development Scheme is the project plan for the production of the Island's Local Development Framework, which will take the place of the Island's current Unitary Development Plan
Establishment of West Wight landscape partnership office

AREAS TO WATCH – 2004-05			
Quarter Reported	Area to Watch	Action to be taken this quarter	Risk Assessment
Q3/Q4 2003-04 Q1/Q2/Q3 2004-05	An increasing mismatch between the number of planning applications being received and staff levels.	Consultants have now been engaged to project manage the forthcoming wind farm application. An advert will be placed for the replacement of the Major Applications Officer (as modified) with other positions shortly.	Risk Score = 9 Impact 3 Likelihood 3

PERFORMANCE MANAGEMENT INFORMATION – KEY PERFORMANCE INDICATORS

Please note that the figures in brackets are the quarterly target profile figures for each of the Indicators

Corporate Priority (Corporate Plan 2002-05)	KPI Description	Q1 - 2004 Apr- June (Profile)	Q2 - 2004 July-Sept (Profile)	Q3 - 2004 Oct-Dec (Profile)	Q4 - 2005 Jan-Mar (Profile)	Target 2004-05	Comments
		Performance Assessment Actual Against Profile				↗→↘	
Protecting the natural, built, & historic environment	2. % of new houses built on previously developed land ((BVPI 106)	100% (80%)	81% (80%)	84% (80%)	(80%)	80%	These figures indicate an on-going higher than profile achievement on brownfield development
		↗	↗	↗		95.8%	
	3a. Planning - % of major planning applications determined within national standards (13 Weeks) (BVPI 109a/CPA)	20% (60%)	50% (60%)	56% (60%)	(60%)	60%	The continuing trend of improving performance is evident between Q1 – Q3
		↘	↘	↘		59.7%	
	3b. Planning - % of minor planning applications determined within national standards (8 Weeks) (BVPI 109b/CPA)	61.1% (65%)	65.5% (65%)	53% (65%)	(65%)	65%	The decline in performance in Q3 reflects the priority which is being put into major and householder applications
		→	↗	↘		49.5%	
3c. Planning - % of other planning applications determined within national standards (8 Weeks) (BVPI 109c/CPA)	82.3% (80%)	81.9% (80%)	82% (80%)	(80%)	80%	These figures reflect the ongoing success of the household team.	
	↗	↗	↗		68%		
Improving the availability of affordable housing	4a. Affordable Housing – the number of affordable housing units negotiated on qualifying sites identified in the UDP (Policy H14) this quarter (Local Indicator)	19% (20%)	0% (20%)	18% (20%)	(20%)	20%	The out-turn this quarter is largely on profile. Two sites were presented this quarter and four affordable housing units were negotiated.
		→	↘	→		0%	
	4b. Affordable Housing – the amount of commuted payments negotiated through Section 106 agreements this quarter (Local Indicator)	£350,000	£228,250	£0.00		NA	No commuted payments negotiated in this period
4c. Affordable Housing Units approved where Housing	0	0	0		NA	It is not possible to profile this indicator because whether or not a	

Corporate Priority (Corporate Plan 2002-05)	KPI Description	Q1 - 2004 Apr- June (Profile)	Q2 - 2004 July-Sept (Profile)	Q3 - 2004 Oct-Dec (Profile)	Q4 - 2005 Jan-Mar (Profile)	Target 2004-05	Comments
		Performance Assessment Actual Against Profile			↗→↘	Actual 2003-04	
	Association is the developer this quarter (Local Indicator)					NA	Housing Association submits an application is outside the control of the authority.

2.7 PORTFOLIO: TOURISM & LEISURE
CORPORATE OBJECTIVE: Improving Health & the Quality of Life For All
Encouraging Job Creation & Economic Prosperity

KEY ACHIEVEMENTS QUARTER 3 – 2004-05
Launch of new Business Training and Support initiative in conjunction with Tourism South East attended by over 40 businesses
General increase in the usage of Tourism Information Centres – this is also supported by substantial improvements in profitability on sales against forecasts

AREAS TO WATCH –2004-05			
Quarter Reported	Area to Watch	Action to be taken	Risk Assessment
Q1/Q2/Q3 2004-05	Progress on full implementation of the Destination Management System and reliance on VISIT Hampshire and sub contractors to deliver	Agreement in principle with VISIT Hampshire to move to new VISIT 2 system in order to speed up delivery of web integration and online booking by Easter 05. Full financial, technical and contractual issues to be resolved by end of January 05	Risk Score = 6 Impact 2 Likelihood 3
Q2/Q3 2004-05	Securing full contributions from Image Campaign Partners particularly the Chamber of Commerce, Tourism & Industry (CCTI)	All partners have confirmed contributions to level of last year, except CCTI, who is still awaiting the position with regard to membership levels. Meeting in January to discuss discounted services that can be offered to association members	Risk Score = 6 Impact 3 Likelihood 2
Q1/Q2/Q3 2004-05	Potential fall in income and usage of leisure centres caused by changes in their external operating environment.	Arrangements are in place to allow holders of the One Card to park free in the Heights car park with effect from 1 February. This is unlikely to help “recover” income already lost but should protect the budget position for future years. The usage of the Leisure Centres has also been affected by the closure of the “Heights Centre” for 3 weeks due to refurbishment. The end of year financial position will require close review.	Risk Score = 6 Impact 2 Likelihood 3

PERFORMANCE MANAGEMENT INFORMATION – KEY PERFORMANCE INDICATORS

Please note that the figures in brackets are the quarterly target profile figures for each of the Indicators

Corporate Priority (Corporate Plan 2002-05)	KPI Description	Q1 - 2004 Apr- June (Profile)	Q2 - 2004 July-Sept (Profile)	Q3 - 2004 Oct-Dec (Profile)	Q4 - 2005 Jan-Mar (Profile)	Target 2004-05	Comments
		Performance Assessment Actual Against Profile				↗→↘	
Supporting tourism development	1. Number of Tourism Call Centre enquiries dealt with (Local Indicator)	44,838 (42,000)	37,538 (35,000)	18,427 (16,000)	(72,000)	165,000	This figure includes a teachers mailing of 5,100
		↗	↗	↗		NA	
	2. Number of Tourist Information Centre enquiries dealt with (Local Indicator)	148,970 (143,000)	233,040 (197,000)	69,570 (50,000)	(40,000)	430,000	This increase to profile was aided by (i) local interest in our agency agreements with the Mayflower Theatre and Ghost Walks (ii) improved visitor numbers between Christmas and New Year and (iii) the electronic “people counters”.
		↗	↗	↗		425,087	
	3. Number of registered providers on the DMS (Destination Management System) – this system collates all data on the Islands Tourism providers. The information is used by the TIC’s and is also found on the “islandbreaks” web-site (Local Indicator)	21 (20)	18 (25)	31 (25)	(30)	880	Total of 852 providers are now registered onto the Destination System
		↗	↘	↗		780	
	4. Number of visitors to the www.islandbreaks web site (Local Indicator)	186,000 (150,000)	184,455 (180,000)	44,301 (50,000)	(140,000)	520,000	The quarter 3 decline was due to IW Council server downtime. ICT confirm that the server was down for 12-14 hours at the beginning of October for the installation of new software. There were technical difficulties which affected the reporting of visits to Islandbreaks for a further 10-14 days.
		↗	↗	↘		493,000	
	5. Number of businesses advised/assisted with regard to their grading or helped with complaints (Local Indicator)	15 (10)	23 (20)	42 (30)	(25)		This increase on the target profile was aided by IWTourism’s new partnership “Tourism Skills Network” with Tourism South East.
		↗	↗	↗			

Corporate Priority (Corporate Plan 2002-05)	KPI Description	Q1 - 2004 Apr- June (Profile)	Q2 - 2004 July-Sept (Profile)	Q3 - 2004 Oct-Dec (Profile)	Q4 - 2005 Jan-Mar (Profile)	Target 2004-05	Comments
Promoting healthy living	6. Number of Visits this quarter to IWC funded, supported and / or managed Sports & Leisure Facilities (Local Indicator)	322,191 (325,278)	295,528 (299,900)	322,452 (356,314)	 (376,648)	1,358,140	Sports Development – Increased from previous quarter, due to increases in the general use of facilities during winter months & participation in Development programme activities linked to natural sports seasons from the previous two quarters. 9.2% increase from 03/04 Q3 <u>Wight Leisure</u> – an overall reduction of 9.9% on Q3 in 03/04, this is primarily due to a 15.5% decrease at the Heights resulting from the introduction of car park charges and a three week closure in December for refurbishment and a 4% reduction at Medina
		↘	↘	↘		1,362,389	
	7. Percentage of GP Referrals transferring to One Card Membership this quarter (Local Indicator)	31.3% (28%)	32% (23.6%)	25% (22.5%)	 (31.7%)	25%	Improved relationships with health professionals has led to an increase in the number of referrals and subsequently the transfer rate
		↗	↗	↗		NA	
	8. Total number of One Cards in issue this quarter (Local indicator)	2,854 (2,740)	4,189 (3,507)	3,026 (3,025)	 (2,935)	3,000 per Q	Quarterly target has been achieved and slightly over-performing for the year to date. Analysis to be undertaken on breakdown of card types to enable improved targeting of marketing
		↗	↗	↗		NA	
Promoting healthy living	9. Average number of leisure centre visits per One Card holder this quarter (Local Indicator)	13.8 (13.6)	12.4 (11.5)	11.9 (11.0)	 (15.5)	15	Does not include usage of the residents registration card
		↗	↗	↗		NA	

SECTION 3: FINANCE REPORT

3.1: Revenue Budget Monitor by Portfolio – to the end of December 2004

<i>Economic Development, UK and EU, Regional Issues</i>	
Economic Development	Budget on target to date.
<i>Sustainable Development, Environment and Planning Policy</i>	
Planning Policy, Countryside & Planning Management	Budgets on target at present. Planning Delivery Grant of £605,231 received this year to aid service improvement.
Development Control	Development Control budget on target to date. Also benefits from element of Planning Delivery Grant.
<i>Tourism and Leisure</i>	
Tourism	Budget on target to date
Leisure - Parks and Gardens	Budgets on target to date.
Leisure Facilities and Other Leisure Services	Budgets on target to date.
Leisure – Wight Leisure Operations	Income from seasonal activities down on 03/04, but this is attributed to poor weather. Car parking charges continue to show an adverse effect on one card & casual use at leisure facilities.

3.2: Revenue Expenditure Budget Monitor by Portfolio – to the end of December 2004
Portfolio Holder Summary Report - Revenue (Revised) + Commitments

	Revised Budget	Spend To Period	Committed	Left
8A Children's Services	£85,946,479	£54,682,908	£143,952	£31,119,620
8B Adult and Community Services	£34,250,883	£23,115,537	£457,789	£10,677,556
8C Fire, Emergency Planning & Consumer Protection	£9,768,057	£6,442,702	£272,436	£3,052,919
8D Tourism and Leisure	£5,553,235	£2,329,131	£655,589	£2,568,515
8E Economic Development	£293,577	£265,755	£0	£27,822
8F Transport	£8,965,943	£2,640,739	£835,482	£5,489,722
8I Sustainable Development, Environment, Planning	£12,546,623	£6,063,386	£2,844,943	£3,638,294
8Z Resources	£7,688,448	£11,311,169	£392,618	-£4,015,338
	£165,013,245	£106,851,327	£5,602,808	£52,559,109

Notes

- 1) Budgets revised from original to take account of carry forwards from previous year, additional grants etc
- 2) Spend to date represents 64.8% of approved budget and includes expenditure incurred to 31 December 2004
- 3) Spend and commitments represent 68.2% of approved budget
- 4) Spend to date excludes capital financing charges, support service charges and other adjustments and recharges
- 5) Spend to date on Resources Portfolio service areas includes gross expenditure on support services prior to recharges being made
- 6) Spend to date on Resources Portfolio also includes expenditure incurred on Housing Benefits pending receipt of Government grant
- 7) Total figures may not add up exactly due to rounding
- 8) Staff costs account for approximately 73% of the Children's Services budget. The committed figure shown above relates to the purchase of supplies and services only. It is estimated that a further £18m is committed for staff costs from January until the end of the financial year

3.3: Capital Expenditure Budget Monitor by Portfolio – to the end of December 2004
Portfolio Holder Summary Report - Capital + Commitments

		Revised Budget	Spend To Period	Committed	Left
8A	Children's Services	£10,766,403	£7,011,329	£4,226,203	-£471,129
8B	Adult and Community Services	£5,388,447	£1,679,097	£172,309	£3,537,041
8C	Fire, Emergency Planning & Consumer Protection	£290,702	£69,183	£37,820	£183,699
8D	Tourism and Leisure	£243,333	£66,635	£20,079	£156,619
8F	Transport	£7,898,173	£3,194,641	£558,574	£4,144,958
8I	Sustainable Development, Environment, Planning	£3,360,943	£2,657,264	£22,272	£681,407
8Z	Resources	£1,364,082	£944,636	£454,113	-£34,667
		£29,312,083	£15,622,785	£5,491,370	£8,197,928

Notes

- 1) Spend to date represents 53.3% of approved budget and includes expenditure incurred to 31 December 2004
- 2) Spend and commitments represent 72.0% of approved budget (see note 3 below)
- 3) The apparent over-commitment on Children's Services relates to committed expenditure which will not be incurred until next financial year
- 4) Total figures may not add up exactly due to rounding

APPENDIX 2

Managing Director's Report January 2005

Introduction:

The Company has continued with the re-alignment of processes and the integration of the new SEEDA AIF procedures and appraisal criteria. Whilst attempting to streamline our systems with regard to the grant funding streams this has proved increasingly difficult due to the increase in procedures and general bureaucracy stipulated by the Office of the Deputy Prime Minister.

Our AIF contract was signed in mid December, however all monies need to be spent prior to the end of March. We therefore need to deliver 12 months work in 3 months. This has put considerable strain on a number of members of staff and our general operations; we are therefore being very selective with regard to our daily activities.

Investors in People:

With all of our recent activity I am very pleased to announce that after our review we have maintained our IIP status. This is particularly pleasing considering we are going through a re-structure which by its nature is a very unsettling time for people.

Enterprise House:

The Council on behalf of their Highways Department has taken over the lease for Enterprise House. The Partnership's responsibility for Enterprise House has now passed to the Council.

Innovation Centre:

We have attracted two new tenants and one Virtual tenant to the Centre and are expect two further tenants during the first quarter.

Our rent review is now complete with the payments now being, £160k, £165k and £170k respectively for the next three years. The Board may now wish to consider moving forward with the six-point plan approved some months ago.

Company Re-structure:

We will have the new senior management team and the new structure in place by the end of January. This is 2-3 months later than I anticipated, however we are now in phase 2 of the overall re-structure plan. An important element of phase 2 is the need to clarify roles and responsibilities and a 'new' way of working in line with the AIF.

AIF:

The Island's AIF contract was signed in mid December allowing us to access up to £800,000. The projects selected by the LSP and the Island Futures Support Group are;

- IW Branding
- Composites Training Facility
- Medina Valley Environmental Study
- Cowes Parade Feasibility Study
- East Cowes Marine Infrastructure.
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SEEDA- IWEP Agreement 2004-2005:

This contract with SEEDA is for the IWEP to act as the economic partnership for the Isle of Wight and provide regional representation for the Isle of Wight on a regional basis. The contract is now signed and the money received.

SEEDA Performance Plan 2005-2008

Our plan for the next 3 years AIF funding needs to be with SEEDA in draft form by the end of January. The Island's allocation is for £2.8m over 3 years. We are awaiting approval by LSP/IFSG on the projects going forward to meet our investment priorities. A number of projects such as Branding, Cowes Celebration Centre etc will continue to be delivered over the next few years.

Enterprise Hub 2004-2007

We are still awaiting signature of this contract to continue to deliver SEEDA's Enterprise Hub initiative on the Island. I understand this is just a formality; however we now have two quarters to claim and are therefore keen to have this resolved.

Cowes Waterfront:

The master plan for the East Cowes project will be announced during January and February.

The meeting schedule is as follows:

21 st Jan	East Cowes Town Council
15 th Feb	Stakeholders (including IWEP)
24,25,26 th Feb	Public exhibition

PSA Targets. 3&11:

PSA 3, job creation remains on target.

PSA 11, jobs for the over 50s, remains below target.

We have contacted the Office of the Deputy Prime Minister to seek either a change to the criteria or an extension. We do not anticipate a positive outcome. We are therefore continuing to deliver the programme in the knowledge that the final target will be very difficult to achieve. As the trigger point to receive any reward is 60% of target we may not qualify.

The reward for being 100% of target for each PSA is in the order of £250k each. Due to the issues over PSA11, I will only be forecasting the reward for PSA 3.

IW Branding & INSPIRE programme:

Due to the approval process we have now split this into two projects, IW Branding and the INSPIRE programme. The branding aspect will provide all of the groundwork needed including the brand, the brand values and any artwork. The INSPIRE programme will be the delivery of the brand over the next 4-5 years.

We have now established the Branding Group made up of key marketers on the Island and have written the brief for the work to be completed by the end of March. Six companies have responded (three from the Isle of Wight). The work schedule is extremely tight but unavoidable, as the money has to be spent by the end of March.

Small Rural Towns Programme:

Members of the team have just completed their training on the delivery of this programme, which comes into being from April 1st.

Other Grant Programmes:

All other grant programmes are running according to plan