

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Overview and Scrutiny Committee
<b>Date of Meeting:</b>	16 June 2015
<b>Subject:</b>	Performance Management – Quarter 4 2014-15
<b>Report of:</b>	Graeme Simpson, Corporate Services Group Manager
<b>Corporate Lead:</b>	Mike Dawson, Chief Executive
<b>Lead Member:</b>	Lead Member for Organisational Development
<b>Number of Appendices:</b>	4

## **Executive Summary:**

Members are asked to consider the Council Plan Performance Tracker (Appendix 1), the Key Performance Indicator set (Appendix 2), the Financial Budget Summary Statement (Appendix 3) and the Capital Monitoring Statement (Appendix 4). These items form the core of the Council's performance management framework.

## **Recommendation:**

**To scrutinise the performance management information, and where appropriate require action or response from the Executive Committee.**

## **Reasons for Recommendation:**

The Overview and Scrutiny Committee's Terms of Reference requires it to review and scrutinise the decisions and performance of the Council's Committees.

## **Resource Implications:**

None directly associated with this report.

## **Legal Implications:**

None directly associated with this report.

## **Risk Management Implications:**

If delivery of the Council's priorities is not effectively monitored then the Council cannot identify where it is performing strongly or where improvement in performance is necessary.

## **Performance Management Follow-up:**

Performance management information is reported to Overview and Scrutiny Committee on a quarterly basis. The outcome of each quarterly review is then reported to Executive Committee.

## **Environmental Implications:**

None directly associated with this report though elements of the Council Plan actions relate to environmental themes, for example, waste and recycling.

## **1.0 INTRODUCTION/BACKGROUND**

**1.1** The Council Plan Performance Tracker was introduced in 2012 and has proven to be an excellent tool to monitor the delivery of actions within the Council Plan. Supporting the tracker is a key set of Local Performance Indicators (LPI). The tracker and LPIs is reported on a quarterly basis to Overview and Scrutiny Committee. The outcome of the review, including any concerns or issues raised, are then reported to Executive Committee.

**1.2** Members are asked to review and scrutinise the following; Council Plan Performance Tracker (Appendix 1), the Key Performance Indicator set (Appendix 2), the Financial Budget Summary Statement (Appendix 3) and the Capital Monitoring Statement (Appendix 4). The majority of information within the Performance Tracker reflects the progress of Council Plan actions as at the time of writing the report. The remaining information, including local performance indicators, is of a financial and statistical type nature so represents the position as at the end of March 2015 (quarter 4).

## **2.0 COUNCIL PLAN PERFORMANCE TRACKER**

**2.1** The Council Plan has five priorities on which action is focussed to deliver the Council's vision:

- Use resources effectively and efficiently
- Promote economic development
- Improve recycling and care for the environment
- Provide customer focussed community support
- Develop housing relevant to local needs

Each of the five priorities is supported by a number of objectives and actions which will focus activity on delivery of the priorities. The tracker has been developed and contains a set of key performance measures to support delivery of each Council Plan action.

**2.2** For monitoring the progress of the Council Plan actions the following symbols are used:

☺ – action progressing well

☹ – the action has some issues or delay by there is no significant slippage in the delivery of the action

☹ – significant risk to not achieving the action or there has been significant slippage in the timetable or performance is below target

White – project has not yet commenced

✓ – action complete or annual target achieved

**2.3** Performance for the year confirms the completion of a number of key actions and ongoing progress of longer term actions. Since reporting the quarter 3 information items of interest include:

- The good progress of the build of the new leisure centre.



- The transfer of Operational Services to Ubico.
- The Revenues and Benefits improvement programme is complete with the identification of significant savings and processing performance now in the top quartile nationally. The methodology for this can be replicated across other service areas. A review of Customer Services has commenced and the scope for the review of Development and Environmental Health agreed.
- The governance arrangements to support the £1.4 million LEADER European rural funding are now being implemented.
- Delivery of nearly £400k of Repair and Renew Grants to provide flood protection to premises.
- In partnership with Gloucestershire County Council the successful delivery of the Families First programme has resulted in the County being chosen as an early adopter of the new programme.
- ICT improvements such as a new test environment and hardware.
- Establishment of a Community Funding Officer post.
- Examination of the JCS is currently underway.

Overall, the tracker reflects a positive outlook on the delivery of the Council Plan actions.

### 3.0 KEY PERFORMANCE INDICATORS (KPIs)

3.1 The set of Key Performance Indicators (KPIs) can be found in Appendix 2 and are a combination of contextual indicators and target related indicators. The set of KPIs must remain flexible to ensure they meet our needs. The data reported is the position at the end of quarter 4.

3.2 Of the 20 indicators with targets, their end of year status is (quarter 3 status in brackets) :

 (target not achieved)	 (target achieved)
8 (6)	12 (14)

In terms of the direction of travel i.e. performance compared to last year, the status for the 20 indicators are (quarter 3 status in brackets);

↑ (better performance than last year)	↓ (not as good as last year)
(12)	(8)

Note: the direction of travel for KPI 4, 5 - antisocial behaviour and crime incidents. These are both positive as both show a decrease. There are no targets for these indicators.

3.3 The eight KPIs which have not met target are:

KPI 11 – average number of sick days. Outturn of 8.67 days against target of 7 days.

KPI 12 – major planning applications. Outturn of 53.85% against target of 60%.

KPI 14 – minor planning applications. Outturn of 59.19% against target of 65%.

KPI 16 – other planning applications. Outturn of 74.37% against target of 80%.

KPI 26 – visitors to Winchcombe TIC. Outturn of 9,131 against target of 11,200.

KPI 27 - % of waste recycled. Outturn of 51.08% against target of 52%.

KPI 29 – number of reported enviro crimes. Outturn of 1012 against target of 850.

KPI 32 – broadly compliant food establishments. Outturn of 90.44% against target of 94%.

The indicators not performing as strongly as last year are KPI 11, 26, 29, 32 mentioned above plus KPI 28 – residual waste collected.

Of the indicators showing improved performance or above target, particular reference should be given to the following:

- KPI 12-17 – planning processing times. All 6 indicators are reporting improved performance on the previous year, albeit 3 are not currently achieving target.
- KPI 18-19 - processing new benefit claims and change of circumstances. Taking purely quarter 4 outturn, new claims were processed on an average of 13.02 days, compared to 27.17 days for the previous year and change of circumstances processed on an average of 4.36 days compared to 13.41 days previously.
- KPI 33 – affordable housing. 159 houses delivered in the year. For the third year running, the target of 100 new homes has been achieved.

#### **4.0 FINANCIAL POSITION STATEMENT**

**4.1** The Financial Budget Summary statement shows a £207,442 saving against the annual budget (£37,906 in qtr3) which equates to 2.42% of the budget (0.18% in qtr3). This represents an increase of the surplus by £169,536 from the quarter 3 position. This positive position is due to income targets being exceeded in areas such as planning, land charges and garden waste.

**4.2** Alongside the positive position on income there has been less expenditure on benefit payments than budgeted. Given the size of the figures involved, what is a small percentage underspend translates to a significant surplus on the budget position statement. This is however netted off against a reduced housing subsidy claim to Central Government.

**4.3** The position for employee cost since quarter 3 has seen a continuing deficit against budget. The trend over the second half of the financial year has been increases in payments on agency staff to cover staff vacancies and sickness. Also from January onwards we have seen more recruitment which has reduced savings from holding vacancies.

**4.4** Other areas which have seen a deficit against budget include increased expenditure on premises costs which is mostly a result of a one off creditor in respect of the release of the rent for the Cheltenham Depot as part of the move to Ubico, although the Council is negotiation this with the Borough Council. Also income being realised from Treasury Management activity is below target as interest rates have continued to stay very low and funds available to invest have reduced. Finally, unbudgeted costs associated with various investigations are also putting pressure on the budget position in relation to Third

Party payments.

**4.5** Whilst we have a saving against budget, there are a number of significant pressures on the Council's financing streams. The financing of the Council's net revenue position has been impacted following the revaluation of a major business within the retained Business Rates scheme. The Council has incurred a safety net payment of £3.95m from the Gloucestershire Business rates Pool to Tewkesbury Borough Council, with the individual Council's contributing to fund this loss. This has led to total losses for this Council, as previously reported of over £600,000 within this scheme.

**4.6** The Council expended £3.68m on capital projects in 2014/15 utilising £2.88m of capital reserves and £0.80m of capital grants. Over £819,000 of capital was expended during the year on the office refurbishment project which was completed in September 2014. Overall, the project was completed ahead of schedule, included extra works and came in at £28,870 under the total budget allocation. The new leisure facility build project commenced in February 2015 with the initial groundworks and saw expenditure of £1.25m by the 31st March. A total of £275,450 was expended during the year on community grant whilst £778,000 was spent on Disabled Facilities Grants, partly offset by Government grant of £442,000. Monies set aside for investment purposes were held back in the second half of the year resulting in a substantial underspend against the capital investment programme. This was in response to the losses suffered from Virgin Media, in particular the refunds of over £10m to the business. This impact saw treasury balances fall by circa 50% hence the reason to hold back further investment.

**4.7** A further report, outlining the Council's Financial outturn position for 2014/15, will be presented to Executive Committee in July. In addition, the Council's Statement of Accounts for the financial year will be presented to Audit Committee in September following the external audit by Grant Thornton. The financial performance reporting for the 1st quarter of 2015/16 has been revised to provide greater detail for Members and will be presented in September.

## **5.0 OTHER OPTIONS CONSIDERED**

**5.1** None

## **6.0 CONSULTATION**

**6.1** None

## **7.0 RELEVANT COUNCIL POLICIES/STRATEGIES**

**7.1** The performance information supports delivery of the Council Plan.

## **8.0 RELEVANT GOVERNMENT POLICIES**

**8.1** None directly.

## **9.0 RESOURCE IMPLICATIONS (Human/Property)**

**9.1** None directly.

## **10.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**

**10.1** Linked to individual Council Plan actions.

## **11.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health**

**And Safety)**

**11.1** Linked to individual Council Plan actions.

**12.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS**

**12.1** Council Plan 2012-16 (Year 3) approved at Council 13 May 2014

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**Background Papers:** None

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**Appendices:** Appendix 1 – Council Plan Performance Tracker quarter 4 2014/15  
Appendix 2 – Local Performance Indicator Set quarter 4 2014/15  
Appendix 3 – Financial Budget Summary Statement quarter 4 2014/15  
Appendix 4 – Capital Monitoring Statement quarter 4 2014/15