

TEWKESBURY BOROUGH COUNCIL

Report to:	Overview and Scrutiny Committee
Date of Meeting:	5 September 2017
Subject:	Performance Management – Quarter 1 2017/18
Report of:	Graeme Simpson, Head of Corporate Services
Corporate Lead:	Mike Dawson, Chief Executive
Lead Members:	Councillor Mrs G F Blackwell, Lead Member for Organisational Development
Number of Appendices:	4

Executive Summary:

New Council Plan priorities (2016-20) were approved by Council on 19 April 2016. Supporting the priorities is a set of objectives and actions. Progress in delivering the objectives and actions are reported through a Council Plan Performance Tracker (Appendix 1). The tracker is a combined document which also includes performance on a key set of performance indicators. The report also includes the Revenue Budget Summary Statement (Appendix 2), the Capital Monitoring Statement (Appendix 3) and the Reserves Position Summary (Appendix 4). This performance information is reported to the Overview and Scrutiny Committee on a quarterly basis and the outcome is then reported to the Executive Committee by the Chair of the Overview and Scrutiny Committee.

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 the Overview and Scrutiny Committee on

a quarterly basis. The outcome of each quarterly review is then reported to the Executive Committee.

Environmental Implications:

None directly associated with this report.

1.0 INTRODUCTION/BACKGROUND

- 1.1** New Council Plan priorities (2016-20) were approved by Council on 19 April 2016. Supporting the priorities is a set of objectives and actions. Progress in delivering the objectives and actions are reported through a Council Plan Performance Tracker (Appendix 1). The tracker is a combined document which also includes performance on a key set of performance indicators. The report also includes the Revenue Budget Summary Statement (Appendix 2), the Capital Monitoring Statement (Appendix 3) and the Reserves Position Summary (Appendix 4). This performance information is reported to the Overview and Scrutiny Committee on a quarterly basis and the outcome is then reported to the Executive Committee by the Chair of the Overview and Scrutiny Committee.
- 1.2** This is the first quarterly monitoring report for 2017/18. The majority of information within the performance tracker reflects the progress of Council Plan actions as at the time of writing the report. The key performance indicator information is of a statistical type nature so represents the position as at the end of June 2017 (Qtr 1).

2.0 COUNCIL PLAN PERFORMANCE TRACKER

- 2.1** The Council Plan (2016-20) has four priorities which contribute to the overall Council Plan vision “Tewkesbury Borough, a place where a good quality of life is open to all”. The priorities are:
- Finance and Resources
 - Economic Development
 - Housing
 - Customer Focused Services

Each of the four 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 monitor delivery of each Council Plan action. The actions are reviewed and where appropriate refreshed on an annual basis.

- 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

Grey – project has not yet commenced

✓ – action complete or annual target achieved

For monitoring of key performance indicators the following symbols are used:

↑ - PI is showing improved performance on previous year

↔ - PI is on par with previous year performance

↓ - PI is showing performance is not as good as previous year

2.3 The majority of actions are progressing well and key activities to bring to Members' attention include:

- Installation of signage for three walks in Tewkesbury is now complete.
- Introduction of a new business grants scheme – with a new online form being made available.
- Thinking Places has been appointed to create a vision for the J9 area, and consultation with community representatives, business and infrastructure groups is being arranged.
- Consultants BDP have been appointed to produce a masterplan for the J9 area.
- A successful business event (60+ attendees) was held at Porsche at J9, including the launch of a new business video.
- 59 affordable homes built across the borough – 12 social rent, 36 affordable rent, 11 shared ownership.
- Four successful fly-tipping/duty of care prosecutions.
- A tenant has been secured for a third of the Public Services Centre top floor.

2.4 Due to the complex nature of the actions being delivered then inevitably some may not progress as smoothly or quickly as envisaged. Actions with either a ☹ or ☹ are highlighted below:

Action	Status and reason for status
Undertake a discretionary trade waste service to ensure it is operating on a viable commercial level.	☹ The APSE review commissioned by Ubico is in the final stages and should be with the Council by the end of August.

3.0 KEY PERFORMANCE INDICATORS (KPIs)

3.1 The set of Key Performance Indicators (KPIs) 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 end of June 2016.

3.2 Of the 16 indicators with targets, their status as at the end of Q1 is :

☹ (achievement of target is unlikely)	😊 (on target)	☹ (target likely to be achieved by the end of the year)
0	15	1

And in terms of the direction of travel i.e. performance compared to last year, the status for the 16 indicators are:

↑ (better performance than last year)	↓ (not as good as last year)
13	3

3.3 Key indicators of interest include:

- KPI 12 – A very successful quarter for preventing homeless applications and homeless acceptances.
- KPI 13 – Percentage of major applications determined within 13 weeks – Improved performance on last year, exceeding target. There is now a senior officer focus on major applications so this improvement should be maintained.
- KPI 14 – Percentage of minor applications determined within eight weeks – significantly below target, due to senior officer focus on major applications, and reduced capacity at planning officer level. Two planning officer posts currently being advertised should improve this.
- KPI 15 – Percentage of ‘other’ applications – excellent performance, the speed of decisions has been improved thanks to new technical officer post.
- KPI 22 – Average number of days to process new benefit claims – an excellent start to the year with new claims being delivered in 13.22 days compared to national average of 21 days.
- KPI 27 – Number of overall crime incidents – a 15% increase in overall crime compared to Q1 last year.
- KPI 28 – Average number of sick days per full-time equivalent – a fall in longer term sickness levels means our overall total working days lost has reduced by 75.5%.

4.0 FINANCIAL SUMMARY - REVENUE POSITION

4.1 The financial budget summary for Q1 shows a £225,836 surplus against the profiled budget. Below is a summary of the expenditure position for the council split out between the main

expenditure types:

Services expenditure	Full Year Budget £	Budget £	Actual £	Underspend/ (overspend) £
Employees	8,563,502	1,994,232	1,927,082	67,150
Premises	518,412	261,264	263,289	(2,025)
Transport	169,250	41,896	26,833	15,063
Supplies & Services	1,886,616	412,568	400,608	11,959
Payments to Third Parties	4,981,682	1,428,891	1,411,082	17,809
Transfer Payments - Benefits Service Income	19,627,180	5,756,863	5,756,863	0
	(25,883,278)	(1,508,601)	(1,556,183)	47,582
Support Services	(17,954)	0	0	0
Capital Charges	992,592	0	0	0
	10,838,002	8,387,113	8,229,575	157,537
Corporate Codes				
Investment Properties	(1,194,467)	(298,546)	(284,845)	(13,701)
Corporate Savings Targets	(60,000)	(15,000)	0	(15,000)
New Homes Bonus	47,300	0	0	0
Business rates	0	0	97,000	97,000
	9,630,835	7,073,567	7,944,731	225,836

Note: With regards to savings and deficits, items in brackets and red are overspends

- 4.2** The budget position in relation to the Heads of Service responsibility shows an underspend of £157,537 as at the end of June. As can be seen, there are three main areas of savings: employees of £67,150, payments to contractors of £17,809 and income of £47,582.
- 4.3** Employee costs savings are generated mainly through staff vacancies and maternity leave. Services have managed vacancies in the short term with limited use of agency staff and help from current staff to cover work.
- 4.4** The underspend on payments to contractors is generated from small savings across all services, with the most significant saving being on the current MRF recycling contract as a result of a lower than anticipated gate fee per tonne. This is a new contract from April 2017 and will be monitored closely over the next quarter to see if the underspend is carried forward as the market price of recyclable materials fluctuates.
- 4.5** Planning income continues to be providing a significant income for the Council in line with the budget. Car parking and licencing are performing well so far this financial year; however, garden waste is struggling to hit budget which appears to be as a result of the changes to the charging structure whereby customers are making pro rata payments for this financial year. There is not an indication that the number of users has dipped, but will need monitoring over the next quarter to confirm if it is a result of this one-off move to a single renewal date.
- 4.6** In terms of overspends being reported at the first quarter there are no significant overspends which need to be reported to Members at this stage.
- 4.7** Attached at Appendix 2 is a summary of the position for each Head of Service, which shows the current variance against their budget. Where the main types of expenditure headings within the Head of Service's responsibility have a variance over £10,000, a short explanation for the reason for the variance has been provided.

4.8 Although the Head of Service's position is underspent, the budget report also recognises the need to achieve savings from the base budget in terms of salaries and procurement savings. These savings targets are currently held on the corporate budget codes on the ledger. No savings are recognised against these plans as they accumulate through the year within service groupings.

4.9 Also detailed under corporate budgets is the retained income from the Business Rates Scheme. This is showing a surplus of £97,000. This is a prudent prediction of the year end position, although it should be noted that there has so far been very little activity with regards to processing appeals, either from past appeal listings or ones against the new 2017 list. The Council has set aside a significant provision to cover additional appeals which is hoped to be sufficient in meeting successful appeals, therefore allowing the Council to benefit from wider increases in business rates income.

4.10 The Council also has a target for the acquisition of additional investment property. The Council has bid on a property but, unfortunately, was unsuccessful on this occasion. Lambert Smith Hampton has been appointed to assist the Council in sourcing new property and will continue to bring properties to our attention through the next quarter.

4.11 Taking into account the deficits on the corporate accounts, the overall position of the Council at the end of Q1 is a surplus of £225,836.

5.0 CAPITAL BUDGET POSITION

5.1 Appendix 3 shows the capital budget position as at Q1. This is currently showing a significant underspend against the profiled budget.

5.2 The underspend is as a result of certain projects such as purchase of new waste vehicles not being completed in the expected timescales. There is also consistent underspend against expectations on disabled facilities grants.

6.0 RESERVES POSITION

6.1 Appendix 4 provides a summary of the current usage of available reserves.

6.2 Reserves have been set aside from previous years to fund known future costs and the strategic planning of the authority's operation. The information in the appendix does not take account of reserves which have been committed, but not yet paid.

6.3 Whilst the Q1 position shows that there remains a significant balance on the reserves, the expectation is that the balances will be spent in the future. Finance has asked for updates from all departments about their plans to ensure that earmarked reserves are either used for their intended purpose, or released back to the general fund.

7.0 OTHER OPTIONS CONSIDERED

7.1 None

8.0 CONSULTATION

8.1 None

9.0 RELEVANT COUNCIL POLICIES/STRATEGIES

9.1 Council Plan 2016-2020.

10.0 RELEVANT GOVERNMENT POLICIES

- 10.1 None directly.
- 11.0 **RESOURCE IMPLICATIONS (Human/Property)**
- 11.1 None directly.
- 12.0 **SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)**
- 12.1 Linked to individual council plan actions.
- 13.0 **IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)**
- 13.1 Linked to individual council plan actions.
- 14.0 **RELATED DECISIONS AND ANY OTHER RELEVANT FACTS**
- 14.1 Council Plan 2012-16 approved by Council 19 April 2016.

Background Papers: None

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Appendices: Appendix 1 – Council Plan Performance Tracker Qtr 1 2017/18
Appendix 2 - Revenue Budget
Appendix 3 - Capital Budget
Appendix 4 - Reserves