

# TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Executive Committee
<b>Date of Meeting:</b>	14 October 2015
<b>Subject:</b>	Performance Management – Quarter 1 2015-16
<b>Report of:</b>	Councillor P W Awford, Chairman of Overview and Scrutiny Committee
<b>Corporate Lead:</b>	Mike Dawson, Chief Executive
<b>Lead Member:</b>	Councillor Mrs E J MacTiernan, Lead Member for Organisational Development
<b>Number of Appendices:</b>	Five

## **Executive Summary:**

At the Overview and Scrutiny Committee meeting held on 8 September 2015, consideration was given to the 2015-16, quarter 1 performance management information. The observations made by the Committee can be found in Appendix 1. The documents reviewed at the meeting consisted of the Council Plan Performance Tracker (Appendix 2), the Key Performance Indicator set (Appendix 3), the Revenue Budget Summary Statement (Appendix 4), the Capital Monitoring Statement (Appendix 5) and the Reserves Position Summary (Appendix 6). These items form the core of the Council's Performance Management framework.

## **Recommendation:**

**To review and, if appropriate, take action against the observations of the Overview and Scrutiny Committee resulting from its review of the 2015-16, quarter 1 performance management information.**

## **Reasons for Recommendation:**

Monitoring reports are part of the Council's performance management framework.

## **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 the 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 are 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 the Executive Committee.

**1.2** At Overview and Scrutiny Committee held on 8 September 2015, consideration was given to the 2015-16, quarter 1 performance management information. The observations made by the Committee can be found in Appendix 1. The documents reviewed at the meeting consisted of the Council Plan Performance Tracker (Appendix 2), the Key Performance Indicator set (Appendix 3), the Revenue Budget Summary Statement (Appendix 4), the Capital Monitoring Statement (Appendix 5) and Reserves Position Summary (Appendix 6). These items form the core of the Council's Performance Management framework. 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 is of a financial and statistical type nature so represents the position as at the end of June 2015 (Qtr 1).

**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** The majority of actions are progressing well, for example, since reporting the quarter 4 information, items of interest include:

- Business transformation savings of £171k included within the 2015/16 budget.
- A total of 2016m2 office space available for rental.
- In terms of service reviews, customer services review is now complete, the review of Development and Environmental Health has commenced and following the success of the Revenues and Benefits review, the team has successfully been short listed for the prestigious IRRV award.
- Ongoing partnership work with Cotswold Tourism, which is now a stand-alone company.
- Development of projects such as the Heritage Walks & Interpretation with the Tewkesbury Town Centre Partnership.
- Formalising the governance arrangements to support the £1.4 million LEADER project – a Tewkesbury Borough Local Action Group has been formed.
- Implementation of a client monitoring framework for the Ubico contract.
- Additional 26 volunteer litter pickers have joined the scheme – 180 in total.
- The repair and renew grant scheme closed at the end of June – a total of £572k was awarded to residents with flood affected properties.
- In partnership with GRCC and through the employment of a support worker the introduction of initiatives to build community resilience within areas prone to flooding.
- A new community funding officer has been appointed.
- Establishment of Tewkesbury Parkrun which attracts over 100 weekly runners and 30 volunteers.
- The build of the new leisure centre remains on target for completion by July 2016.

Due to the complex nature of the actions being delivered then inevitably some may not progress as smoothly or quickly as envisaged. From the information obtained from services actions with either a ☺ or ☹ are highlighted below: -

Action	Status and reason for status
Rationalise office accommodation through new ways of working – generate £235k through additional rental by end of 2015/16	☹ - partner to rent top floor not yet confirmed
To review the asset portfolio and develop a strategy to maximise potential from the portfolio	☹ - slippage in development of asset strategy from summer 2015 to autumn 2015

Improve handling, including learning from complaints received to improve service delivery	☹ - fundamental review of complaints framework to be undertaken
Deliver year four of the business grant scheme	☹ - no grants awarded in quarter 1
Promote waste minimisation	☹ - increase in tonnage to landfill and reduction in % recycled
Agree approach and programme of work for Community Infrastructure Levy	☹ - impacted by work and timescale of JCS
Support the delivery of projects agreed by the Community Safety Partnership	☹ - refresh of the CSP
Delivery of JCS and Tewkesbury Borough Plan	☹ - slippage in milestones as a result of additional examination phase

### 3.0 KEY PERFORMANCE INDICATORS (KPIs)

3.1 The set of Key Performance Indicators (KPIs) can be found in Appendix 3 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 1 (June 2015).

3.2 Of the 17 indicators with targets, their status as at the end of quarter 1 is :

☹ (target will not be achieved)	☹ (below target but likely to achieve target by end of year)	☺ (on course to achieve target)
1	7	9

And in terms of the direction of travel i.e. performance compared to last year, the status for the 17 indicators are:

↑ (better performance than last year)	↓ (not as good as last year)	↔ (on par with last year)
11	5	1

Note: the direction of travel for KPI 4,5 - anti-social behaviour and crime incidents. There are no targets for these indicators.

3.3 It is early days for the data reported and a clearer picture will emerge at the end of quarter 2. Key indicators of interest include:

KPI 5 – number of overall crime incidents. The 12 month rolling total confirms an increase of 8.44% overall.

KPI 11 – average number of sick days. Outturn of 1.23 days is a significant improvement on the previous year.

KPI 15 & 16 – average time to process benefit applications. Processing times are the best ever and show continued improvement from 2014/15.

KPI 26 – number of reported enviro crimes look like they could well be on the same level as reported during 2014/15.

#### 4.0 FINANCIAL SUMMARY - REVENUE POSITION

4.1 The Financial Budget Summary for Quarter 1 shows a £109,849 saving against the profiled budget. The table below is a summary of the expenditure position for the Council split out between the main expenditure types.

4.2 **Table 1**

	Full Year Budget	Q1 Budget Position	Q1 Actual Position	Savings / (Deficit)	Budget Variance %
<b>Group budget Summary</b>					
Employees	7,860,135	1,915,685	1,858,351	57,334	3.0
Premises	720,394	269,643	269,092	551	0.2
Transport	169,560	40,849	32,599	8,250	20.2
Supplies & Services	2,353,733	508,949	502,583	6,366	1.3
Payments to Third Parties	4,197,592	1,257,418	1,275,156	(17,738)	(1.4)
Benefits Service	19,665,790	4,040,177	4,039,317	860	0.0
Income	(25,616,801)	(1,846,393)	(1,969,816)	123,423	(6.7)
Support Services	(185,501)	0	0	0	0.0
Capital Charges	443,878	0	0	0	0.0
Treasury Mg Activity	(188,835)	(47,209)	(28,898)	(18,311)	38.8
	<b>9,419,945</b>	<b>6,139,119</b>	<b>5,978,384</b>	<b>160,735</b>	<b>2.62</b>
<b>Corporate budgets</b>					
Salary & Procurement savings	(203,379)	(50,886)	0	(50,886)	100.0
New Homes Bonus	109,606	0	0	0	0.0
	<b>9,326,172</b>	<b>6,088,233</b>	<b>5,978,384</b>	<b>109,849</b>	<b>1.80</b>

- 4.3** Looking at the budget position of all the Group Managers there is an underspend of £161k being shown. This is being achieved through:
- i) £57k underspend on Employees. These costs savings have been achieved through vacant posts, rather than through reduction in staff numbers.
  - ii) £123k of additional income above budget projection. The income position for the Council has started the year with a positive position, with additional income from planning applications contributing significantly to this. Other sources such as Garden Waste, Car Parking and Legal Services work for third parties has helped achieve the underspend in the first quarter.
- 4.4** Attached on Appendix 4 is a summary of the position for each Group Manager, which shows the current variance against their budget. Where the main types of expenditure headings, within the Group Manager's responsibility, has a variance over £10k, a short explanation for the reason for the variance has been provided.
- 4.5** Although the Group Managers position appears to be significantly 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.
- 4.6** The Council's positive income position is important as there remains a significant amount of risk relating to other costs that the Council may face. Reserves identified for planning appeals have already been significantly utilised and, if appeals continue to be made, additional income will be required to cover any future potential costs. On top of this is the potential impact of appeals on Business Rates which saw a spike in applications in March as a result of changes in government policy on backdating appeals. The impact of the appeals is uncertain as it remains with the Valuation Office to process appeals, although an estimated impact of successful appeals has been allowed for. The first quarter position for Business Rates retention is in line with expected levels of income following the Virgin Media reassessments in 2014-15. A full year deficit of £110,000 is currently predicted. Finally the Council continues to monitor its debts and establish appropriate levels of provision to cover any bad debts that may arise. This area may require the future allocation of additional revenue resources to cover these.

## **5.0 FINANCIAL SUMMARY – CAPITAL POSITION**

- 5.1** Appendix 5 shows the capital budget position as at the end of Quarter 1. This is currently showing an overspend against the profiled budget of £182,672.
- 5.2** Community grants are underspent which is due to slippages in approved programmes, however monitoring by the Working Group highlights that all schemes are continuing and budgets are expected to be spent.
- 5.3** The overspend on Housing and Business grants is due to the fact that the grants have been awarded for flood relief but we have not yet recovered the money from central Government. Monies outstanding for this scheme at the end of the previous financial year have been recovered in the first quarter with reimbursement of quarter one expenditure due in quarter two. The reimbursement will be the last action of this scheme.

## **6.0 FINANCIAL SUMMARY – RESERVES POSITION**

**6.1** Appendix 6 contains a summary of the current usage of available reserves. Reserves have been set aside from previous years to fund known future costs. At present the reserves are beginning to be utilised, and only show actual payments made. The information in the Appendix does not take account of reserves which have been committed, but not yet paid. As at the end of the first quarter, £485,853 has been expended against the opening reserves of £10,567,814. Details of significant movements are contained in the notes on the Appendix.

## **7.0 OTHER OPTIONS CONSIDERED**

**7.1** None.

## **8.0 CONSULTATION**

**8.1** None.

## **9.0 RELEVANT COUNCIL POLICIES/STRATEGIES**

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

## **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 (Year 4) approved at Council on 14 April 2015.

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**Background Papers:** Overview and Scrutiny report 8 September 2015 – Performance Management Qtr 1 2015-16.

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**Appendices:**

- 1 – Observations of O&S Committee – 8 September 2015
- 2 – Council Plan Performance Tracker Qtr 1 2015/16.
- 3 – Local Performance Indicator Set Qtr 1 2015/16.
- 4 – Financial Budget Summary Statement Qtr 1 2015/16.
- 5 – Capital Monitoring Statement Qtr 1 2015/16.
- 6 - Reserves Position Summary Qtr 1 2015/16.