

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	21 November 2018
Subject:	Performance Management – Quarter 1 2018/19
Report of:	Chair of Overview and Scrutiny Committee
Corporate Lead:	Chief Executive
Lead Members:	Lead Member for Organisational Development
Number of Appendices:	Five

Executive Summary:

New Council Plan priorities (2016-20) were approved by Council on 25 April 2018. 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. The Tracker is a combined document which also includes a key set of performance indicators. The report also includes the Revenue Budget Summary Statement, the Capital Monitoring Statement and the Reserves Position Summary.

At Overview and Scrutiny Committee on 4 September 2018, consideration was given to the 2018/19 quarter one performance management information. The observations made by the Committee can be found in Appendix 1. The performance management documents presented at Overview and Scrutiny Committee can be found in Appendices 2-5.

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 examine the work of the Executive Committee and hold it to account in order to help the Council achieve its priorities.

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.

1.0 INTRODUCTION/BACKGROUND

- 1.1** New Council Plan priorities (2016-20) were approved by Council on 25 April 2018. 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. The Tracker is a combined document which also includes a key set of performance indicators. Also reported is financial performance, and this is reported through the Revenue Budget Summary Statement, the Capital Monitoring Statement, and the Reserves Position Summary.
- 1.2** At Overview and Scrutiny Committee on 4 September 2018, consideration was given to the 2018/19 quarter one performance management information. The observations made by the Committee can be found in Appendix 1. The performance management documents presented at Overview and Scrutiny Committee can be found in Appendices 2-5.

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.
- Promoting and Supporting Economic Growth.
- Growing and Supporting Communities.
- 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 since the last performance report include:

- Executive Committee on 11 July 2018 approved disposal of MAFF site.
- Additional two property investments have been secured and once completed the Council's portfolio will stand at £39.5m producing an annual gross income of £2.4m.
- Garden waste project has been a success with 17,302 licenses purchased generating an income of £778,590. Nearly 70% of these were purchased online.
- The Public Service Centre (including Growth Hub) refurbishment is fundamentally complete.
- Remaining two zones of the top floor have been let. One occupied as of 1 July and the final zone scheduled to be occupied in September. Rental income for the top floor area is £125K making the total rental income for the Public Service Centre £265k.
- Business Transformation Manager and Technical Planning Manager have been appointed and will now take forward the improvement plan for Development Services.
- Community services restructure was approved by Council on 24 July 2018 and consultation with staff and trades union is underway.
- A development advisor has been appointed for the Spring Gardens project.
- Proof of concept is underway for the implementation of a Customer Relationship Management (CRM) system.
- A new target of supporting the delivery of affordable homes has been set at 200 within Q1 79 properties have been delivered.




- 2.4** Due to the complex nature of the actions being delivered 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 review of discretionary trade waste service to ensure it is operating on a viable commercial level.	☹ A summary of the APSE report is being prepared for Overview and Scrutiny Committee. Potential collaborative working around trade waste will be initially discussed at Senior Management Group of Joint Waste Team on 20 September.
Develop and launch a business growth hub in the Public Services Centre.	☹ Slight slippage on launch date from July 2018 to October 2018. Works on the wider refurbishment need to be completed in order for the official launch to take place.
Deliver employment land through the Joint Core Strategy (JCS) and Tewkesbury Borough Plan.	☹ Original date of Spring/ Summer 2019 has been amended to December 2019. Delays presenting the Preferred Options plan to Council. This is anticipated to go to Council in September 2018.
Develop a programme with partners to progress Healings Mill and other key development opportunity sites to support the regeneration of Tewkesbury.	☹ Amended date from September 2018 to March 2019. Discussions are being sought with the developer to explore options.
Explore with partners- including the Battlefield Society- the potential to increase the heritage offer at the Battlefield site.	☹ Original target date has been extended from September to December 2018 to enable discussion to take place with University of Gloucestershire and Virtual Reality Lab around the potential to film the re-enactment.
Develop the Tewkesbury Borough Plan.	☹ Revised target date of Autumn 2019 from Spring/ Summer 2019. It is anticipated the Preferred Options Borough Plan will take place in Autumn 2018 which will then go to consultation.
Ensure adequate land is allocated within the JCS and Tewkesbury Borough Plan to meet housing need.	☹ Tewkesbury Borough Plan target date has been amended to Autumn 2019 due to slight delays with the preferred options stage of the plan.

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 2018.

3.2 Of the 16 indicators with targets, their status as at the end of quarter 1 is:

 (target achieved)	 (target likely to be achieved by the end of the year)	 (target not achieved)
7	7	2

In terms of the direction of travel i.e. performance compared to last year, for all indicators (not all indicators have a target e.g. crime) the status is:

↑ (better performance than last year)	↓ (not as good as last year)	↔ (on par with previous year performance)
8	8	2

3.3 Key indicators of interest include:

- Three new KPI's have been included these are; number of visitors entering the Growth Hub (KPI 7), percentage of Freedom of Information requests answered on time (KPI 31) and percentage of formal complaints answered on time (KPI 32).
- KPI 8- Total number of homeless applications presented has increased significantly this is a result of the new homelessness legislation changes and how we record homeless cases.
- KPI 12- Percentage of 'major' applications determined within 13 weeks or alternative period agreed with the applicant- both the target and last year's outturn have been exceeded with 100% of applications being determined in the agreed timescale.
- KPI 18- Number of reported enviro crimes- There has been a decrease in the number of reported enviro crimes from the previous year.
- KPI 21- Average number of days to process new benefit claims- performance of 21 days is below the target of 15 days but remains marginally better than the national average of 22 days.
- KPI 22- Average number of days to process change in circumstances- number of days is 5 days, this is slightly above the national average and our target of 4 days.
- KPI 28- Percentage of waste recycled or composted- figures are positive with an increase in tonnages for garden waste therefore providing a boost and exceeding last year's outturn and this year's target.

4.0 FINANCIAL SUMMARY - REVENUE POSITION

4.1 In August 2018, the financial budget summary for Q1 shows a £81,867 surplus against the profiled budget. Below is a summary of the expenditure position for the Council split out between the main expenditure types.

4.2 General Fund outturn summary

Services expenditure	Budget £	Budget Q1 £	Actual Q1 £	Variance £
Employees	9,319,411	2,282,692	2,206,362	76,330
Premises	610,297	272,010	272,174	(164)
Transport	165,777	40,958	26,124	14,834
Supplies & Services	1,913,446	460,816	453,061	7,755
Payments to Third Parties	5,358,570	1,510,975	1,510,164	811
Transfer Payments - Benefits Service	20,276,485	0	58,754	(58,754)
Income	(27,082,098)	(2,174,536)	(2,194,476)	19,940
	10,561,888	2,392,915	2,332,162	60,753

Corporate Codes

Treasury activity	117,260	29,315	11,715	17,600
Investment Properties	(1,928,859)	(512,567)	(513,929)	1,362
Corporate Savings Targets	(67,500)	(16,875)	0	(16,875)
New Homes Bonus	50,000	0	0	0
Business rates	(2,694,620)	0	(19,027)	19,027
	6,038,169	1,892,788	1,810,921	81,867

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

- 4.3** The budget position in relation to the Heads of Service responsibility shows an underspend of £60,753 as at the end of June. As can be seen there are two main areas of savings - employees of £79,330 and income of £19,940.

Employee costs savings are generated mainly through staff vacancies, particularly in property and development services, although the saving in development is being offset by a deficit on the income budget for that service in Q1. Services have managed vacancies during the recruitment period with limited use of agency staff and help from current staff to cover work. Democratic services have a vacant post which is maintained to offset overtime and other pressures during elections. Savings are being made against this post as there have been no significant elections so far this year.

In relation to the surplus on overall income for the Council, there is a £70,289 surplus on the Community Services income budget. This is mostly in relation to the new Garden Waste service bringing in income above target as a result of the implementation of the new sticker system and the fixed renewal date of 1 April. There is also additional income showing in Corporate Services. This relates to additional grant income for the Benefits team, received from central government, which had not been budgeted for. This money is to help with any cost of transition of claimants to Universal Credit. One area of concern remains the Planning application income budget. This is a significant income stream for the Council but is currently in a deficit of £87,092 against target for Q1. This is a continuing trend over the last 12 months where actual planning income has been below levels expected and trends seen in previous periods. Pre-application income is slightly ahead of budget, which is expected to then generate further application income during the next half of year to close the budget deficit.

- 4.4** In terms of deficits being reported at the first quarter there is an overspend being shown against Benefit Claimant payments. Q1 monitoring has identified that the Housing Benefits team has processed higher than predicted level of overpayments going back over several years. Claimants not informing the Council of changes in their circumstances cause these overpayments. This reduces the amount of subsidy that the Council can claim for operating this service. This will be monitored during the coming months to see if this is a trend. Team resources have been realigned with specific officer resource allocated to the recovery of overpaid Housing Benefit. Whilst we can't always avoid the overpayment from occurring we are focussing efforts to make sure we recover the overpayment from the recipient. In addition, the first quarter outturn position for the Ubico contract has indicated a forecast full year deficit of £84,000. A pro-rata sum has been included within the Q1 figures
- 4.5** Attached at Appendix 3 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.
- 4.6** Below the Service Expenditure lines are detailed the other sources of financing which are needed to balance the budget. Currently Business Rates income, the returns we are receiving from our investment portfolio and treasury management activities are all positive, delivering a surplus of £37,989 against budget and helping deliver the overall reported surplus of £81,867.
- 5.0 CAPITAL BUDGET POSITION**
- 5.1** Appendix 4 shows the capital budget position as at Q1. This is currently showing a small underspend against the profiled budget.
- 5.2** The underspend is because of the refurbishment of the Council Offices being slightly behind the budget profile. However, it should be noted that work was delayed, and the overall costs increased, due to issues such as the discovery of asbestos. This will put pressure on the overall budget as it moves to completion in Q2 although additional contributions have been identified from partners to offset this.
- 6.0 RESERVES POSITION**
- 6.1** Appendix 5 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 2016-20.

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 25 April 2018.

Background Papers: None.

Contact Officer: Head of Corporate Services (Appendix 1-2) Tel: 01684 272002
Email: graeme.simpson@tewkesbury.gov.uk
Head of Finance and Asset Management (Appendix 3-5)
Tel: 01684 272005 Email: simon.dix@tewkesbury.gov.uk

Appendices: 1 – Overview and Scrutiny Committee Review.
2 – Council Plan Performance Tracker Qtr 1 2018/19.
3 - Revenue Budget.
4 - Capital Budget.
5 – Reserves.