

TEWKESBURY BOROUGH COUNCIL

Report to:	Overview and Scrutiny Committee
Date of Meeting:	5 December 2023
Subject:	Council Plan Performance Tracker - Quarter Two 2022/23
Report of:	Director: Corporate Resources
Head of Service/Director:	Director: Corporate Resources
Lead Member:	Leader of the Council
Number of Appendices:	7

Executive Summary:

The Council Plan (2020-24) was approved by Council on 28 January 2020 and is now in its last year. Progress in delivering the objectives and actions within the plan is reported through a Performance Tracker document (Appendix 1). The tracker is a combined document which also reports upon a set of Key Performance Indicators (KPIs).

Supporting the tracker is a suite of key financial reports and overall helps give a rounded view of performance information. Attached is the revenue budget summary statement (Appendix 2), 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.

Financial Implications:

Though the report does not directly impact upon these implications, Finance and Resources is a priority within the current Council Plan.

Legal Implications:

None directly associated with this report.

Environmental and Sustainability Implications:

Though the report does not directly impact upon these implications, sustainable environment is a priority within the current Council Plan.

Resource Implications (including impact on equalities):

None directly associated with this report.

Safeguarding Implications:

None directly associated with this report.

Impact on the Customer:

Performance monitoring provides our residents with a good oversight on the progress being made in delivering the Council Plan priorities, objectives and actions.

1.0 INTRODUCTION

- 1.1** The Council Plan (2020-24) was approved by Council on 28 January 2020 and is now in its last year. Progress in delivering the objectives and actions within the plan is reported through a Performance Tracker document (Appendix 1). The tracker is a combined document which also reports upon a set of Key Performance Indicators (KPIs).
- 1.2** Key financial information is also reported so Members have a rounded view of overall performance information. Attached is the revenue budget summary statement (Appendix 2), capital monitoring statement (Appendix 3), the reserves position summary (Appendix 4).

2.0 PERFORMANCE TRACKER

- 2.1** Each of the priority themes within the Council Plan is supported by a number of objectives and actions. The tracker document has been developed to provide a transparent summary on delivery and in a format that is easy to understand.
- 2.2** For monitoring the progress of the actions within the performance tracker, the following symbols are used:

😊 – action progressing well

😐 – the action has some issues or delay but 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 This report presents the second quarter of the performance tracker. Key successful activities achieved to bring to Members' attention include:

- The Medium Term Financial Strategy is drafted and due to go to Executive Committee on 29 November 2023.
- The Strategic and Local Plan (SLP) consultation document was approved at Council on 21 November 2023.
- Project proposal has now been submitted to the Secretary of State for the transport infrastructure improvements for an all-ways Junction 10.
- The first public engagement on the Tewkesbury Town Centre Masterplan and Design Code was carried out at the Mop Fair.
- Christmas campaigns through Cotswold Tourism and Visit Gloucestershire have commenced.
- 38 Voluntary and Community Sector groups have been supported with in-depth 1-1 support and advice, a further 10 organisations were supported with general queries.
- Seven successful applications have been made to the Health and Wellbeing Fund, totalling over £6,000. This helped fund projects such as water sports, gardening and sports equipment as well as going towards activities for health groups.
- A new officer has been appointed within the Housing Advice Team focusing on migration to help support Homes for Ukraine, Afghan and wider migrant cohorts. The role has already been successful in linking between agencies and customer as a single point of contact.
- The in-cab technology for waste and recycling collections went live in October.
- Procurement is underway for a customer contact system which will integrate with our digital platform Liberty Create to provide a full overview of customer contact.
- The tender is currently being prepared for the introduction for the webcasting project, which will enable the streaming of Council and Committee meetings online.
- An additional resource for the implementation of the borough wide climate emergency objectives was agreed by Executive Committee along with the year four carbon reduction plan.
- Work has commenced on the new air source heating system which will help the Council towards its goal of becoming carbon neutral.

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
<p>Update the Council's asset management plan. (Page No. 2)</p>	<p>☹️ The target date has been amended from November 2023 to January 2024. Commitments within the Asset Management team and the heating system project has resulted in a slight delay with the plan being finalised.</p>
<p>Implement and deliver a project plan for the closure of the trade waste service. (Page No. 3)</p>	<p>☹️ To bring in line with the project plan, the target date has been amended from November 2023 to the end of January 2024. The final collection day is due to take place in December.</p>
<p><u>Strategic Plan actions</u></p> <ul style="list-style-type: none"> • Deliver employment land through allocating land in the Strategic and Local Plan (SLP). • Work with partners to undertake the required review of the SLP. • Ensure adequate land is allocated within the SLP. • Support the garden town planning status through the SLP site assessment process. <p>(Page No. 5, 10, 12, 32 of the Council Plan performance tracker).</p>	<p>☹️ Whilst Council has approved the SLP for consultation in November, the consultation cannot commence until all SLP Councils have approved the document. Cheltenham Borough Council will be the final Council which is scheduled to meet in December. The target date has been amended from October 2023 to December 2023 to reflect this.</p>
<p>Adopt a revised charging schedule for the Community Infrastructure Levy (CIL) (Page No. 15)</p>	<p>☹️ The Contributions Management Group took the decision to align the new charging schedule with the development of the emerging SLP, because of staff availability. It was agreed once the new Strategic and Local Plan Manager was in post the progress of the review will be in line with the timetable set out in the Local Development Scheme.</p>
<p>Deliver an improved planning application validation experience for customers. (Page No. 26)</p>	<p>☹️ The target date has been amended from March 2024 to November 2024. This allows time for more research on other options available but also is due to the complexity of the Plan X project and DLUHC work programme.</p>

Carry out a review of our litter pickers' scheme. (Page No. 39)	☹️ The target date has been amended from December 2023 to June 2024 . This is to allow the Environmental Health team to continue to undertake a data cleanse of the schemes' registration information to ensure that records are accurate and up to date. A new database for capturing this information has been established.
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2.5 It is inevitable that not everything can be delivered at once. Any actions which have yet to commence are 'greyed out' in the tracker with indicative dates for commencement stated.

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 quarter two (September 2023).

3.2 Of the **24** indicators with targets, their status as at the end of quarter two for 2023/24 is:

☺️ (on target)	☹️ (below target but confident annual target will be achieved)	☹️ (below target)
17	6	1

In terms of the direction of travel i.e. performance compared to last year, for all indicators the status is:

↑ (better performance than last year)	↓ (not as good as last year)	↔️ (on par with previous year performance)
19	11	1

3.3 KPIs where the direction of travel is down and/ or KPI is ☹️ are highlighted below:

KPI No.	KPI description	Reason for ☹️ or ↓
10	Total number of new homeless applications opened during the quarter. (page No.17)	↓ The number of new homeless applications at the end of Q2 was 180. Whilst this has reduced since Q1, cumulatively 384, if the figures continued there would be an increase when compared to last year's outturn figure of 664 applications.
11	Total number of homeless relief cases held at the end of the quarter. (Page No. 17)	↓ The number of homeless relief cases held at the end of Q2 was 41 - this is an increase when compared to Q2 last year which was 38. If the figures remain this level each quarter, cumulatively it will not be as good as the outturn of last year, which was 152.

13	<p>Total number of homeless prevention cases held at the end of the quarter. (Page No. 18)</p>	<p>↓ The number of homeless prevention cases held at the end of Q2 was 48. Similar to the above KPI if the figure continues the performance of last year's outturn (179 applications) will be exceeded.</p>
19	<p>Percentage of 'major' planning applications overturned at appeal. (Page No. 19)</p>	<p>↓ Performance this quarter is not as good as last year's outturn of 7.5%. This KPI is measured over a two-year period nationally with data only available online until the end of September 2022. Based on appeal decisions up to June 2023 the council is at 8.6%.</p>
21	<p>Enforcement - Investigate category A* cases within 24 hours (without prompt action, material risk of further harm which could be reduced by early intervention). (Page No. 21)</p>	<p>↓ 0% of cases in Q2 were investigated within the timescale, this is below the outturn of 100% for 2022/23. Note: this was one case so not a significant number.</p>
22	<p>Investigate category B* cases within five working days (development causing, or likely to cause, irreparable harm or damage). (Page No. 22)</p>	<p>↓ In Q2 66.67% of cases (two out of three) achieved the timescales, this is below the outturn of 100% last year.</p>
23	<p>Investigate category C* cases within 10 working days (risk of material harm to the environment or undue harm to residential amenity). (Page No. 22)</p>	<p>↓ In Q2 91.67% of cases (33 out of 36) achieved the timescales, whilst still a good achievement this is below the outturn of 100% last year.</p>
30	<p>Average number of days to process new housing benefit claims. (Page No. 28)</p>	<p>↓ There has been an increase in the number of days when compared to the outturn of last year's figure of 7.4 days to Q2 figure of 11.72 days. However, when compared to Q1 it has reduced and it is hoped this will continue to do so with the new resources within the team. Performance is still positive when compared nationally.</p>

3.4 Key successful KPIs to bring to Members' attention include:

- KPI 6 - the number of visitors to Winchcombe Tourist Information Centre has already met its yearly target with over 11,000 visitors so far this year. (Page No. 9)
- KPI 15 – 94 new affordable housing properties have been delivered by tenure type in Q2, an increase when compared to Q2 in 2022/23 (39). (Page No. 18)
- KPI 36 - Food established hygiene ratings remains good – 2.1% have a rating of two or below which is beneath the 5% target. (Page No. 30)
- KPI 37- 136 Freedom of Information requests were received of these, 100%, were answered on time. (Page No. 31)
- KPI 40- 54.2% of waste was reused, recycled or composted this is above our local target of 52% and the outturn of last year of 51.06%. (Page No. 44)

4.0 FINANCIAL SUMMARY - REVENUE POSITION

4.1. The financial budget summary for Q2 shows a projected surplus of £257,681 for the full year against the approved budget.

The following table highlights the forecast outturn position for service provision, the net position on corporate income and expenditure and the resulting surplus.

	Budget	Full Year Projection	Full Year Variance
<u>Services expenditure</u>			
Employees	£12,827,598	£12,298,592	£529,006
Premises	£697,810	£737,349	-£39,539
Transport	£71,479	£49,409	£22,070
Supplies & Services	£2,462,578	£2,464,647	-£2,069
Payments to Third Parties	£7,705,273	£7,753,918	-£48,645
Transfer Payments – Benefits Service	£59,229	£142,442	-£83,213
Projects Funded Externally	£220,000	£265,089	-£45,089
Income	-£8,780,923	-£8,391,732	-£389,191
Services Sub Total	£15,263,044	£15,319,714	-£56,670
<u>Corporate expenditure</u>			
Treasury – Interest Received	-£1,000,000	-£1,235,127	£235,127
Treasury – Borrowing Costs	£633,641	£427,823	£205,818
Investment Properties	-£3,330,500	-£3,429,525	£99,025
Corporate Salary Savings	-£208,516	£0	-£208,516
Core Government funding	-£2,022,525	-£2,022,525	£0
New Homes Bonus	-£1,240,366	-£1,240,366	£0
Business Rates	-£4,498,258	-£4,665,526	£167,268
Council Tax Surplus	-£160,899	-£160,899	£0
Parish precept	£2,600,442	£2,600,442	£0
Use of reserves & MRP	£1,690,229	£1,690,229	£0
Corporate Sub Total	-£7,536,752	-£8,035,474	£498,722
Transfer to reserves (externally ringfenced funding)			-£184,372
Surplus / (deficit)			£257,681

4.2. Service Expenditure

The quarter two full year projection highlights a full year cost of service provision totalling £15.3m, resulting in a deficit against the approved budget of £56,670.

The following paragraphs highlight the main reasons for this projected deficit. In addition, appendix 2 provides detail at a service level with notes on variances over £10,000.

- 4.3** The full year projection for employees highlights a potential gross surplus of £529,006. It should; however, be noted that within the Council's corporate expenditure is a target to save £209k from employment costs across the Council. The net position is therefore a surplus against target of £315k.

The majority of the overall surplus is being accrued by One Legal. This is matched off by a reduction in third party income.

The national pay award has now been agreed, each employee will receive an increase of £1,925 or 3.88% above scale point 43, Executive Directors were awarded 3.5%. However, at the time of calculating this quarter's forecast it had not been agreed. Therefore, a 4% pay increase has been included in the forecast. Ubico has included the £1,925 pay award in their latest forecast. Any adverse variance arising will be funded from an approved reserve.

- 4.4** There is a projected overspend of £39,539 for premises costs. The main reason for this is due to various unplanned maintenance work carried out across numerous sites. It is anticipated that maintenance costs to the homeless properties will be over budget, some of these costs will be recovered through the rental charges.

- 4.5** A saving of £22k is expected within Transport costs which is due to reduced travel across the Council and only 4 pool cars being used when 5 were budgeted.

- 4.6** Payments to third parties highlights a projected deficit of £48,645.

The Ubico contract is forecast to be overspent by £73k, this is mainly due to the pay award now being reflected in their forecast.

Emergency homeless accommodation is anticipated to be £52k over budget due to the increased demand in temporary housing. 85% of these costs will be recovered from housing benefit which is included within income.

The MRF gate fee is expected to be £233k over budget which is due to a significant increase in the gate fee per tonne being paid, increasing from £38 per tonne to £69 per tonne, this is affected by the declining value of materials and increase in energy prices. We also incurred a one-off fee for increased energy prices.

The third-party payment saving from the cessation of the trade waste service is estimated to be approximately £82k for 2023/24. This is supplemented by further direct employee savings at the Council but is offset by reductions in expected income. The cessation of the trade waste service is predicted to save over £100k annually in net terms from 2024/25, assuming savings from Ubico's corporate support and support services recharge. There will be no saving this year due to Ubico's budget for indirect costs already being set.

Swindon Road Depot running costs are estimated to be £108k less than budget based upon quarter 2 actual expenditure. These costs were previously borne by Cheltenham and are in relation to the day-to-day running costs and maintenance requirements for the depot.

4.7 Income is expected to be below budget by £389k. This is mainly due to the cessation of the trade waste service where income is estimated to be £138k below target. Income from Tewkesbury Leisure Centre will be £78k lower than budget as a reduced management fee has been agreed. Due to vacant space in the council offices, rental income is predicted to be £39k down on budget. In addition, One Legal income is significantly below target, although this is offset against savings within employees. One Legal Management Board is considering income targets for One Legal at its next meeting.

4.8 Corporate Expenditure

The expenditure associated with corporate activities as well as the financing of the Council is shown in the second section and highlights an estimated surplus of £498,722 for the financial year.

4.9 Treasury activities are currently performing above budget expectations. Due to the rise in interest rates the Council will see a gain in investment activities, this will be monitored and reported as the year moves forward. This rise will not impact our borrowing costs as the interest rate was fixed and no additional borrowing is expected.

4.10 The favourable variance within investment properties is due to a reduction in costs associated with managing our portfolio.

4.11 The overall projected position on retained business rates is currently showing a positive position. The position in terms of budget is in line with expectations. The valuation list was reset in 2023/24 financial year, making it more difficult to predict the level income and reliefs for businesses. The gain relates to the tariff, paid to central government, being reduced from what was originally calculated.

4.12 The Q2 report has now separately identified the external grant funding that is unlikely to be spent by year end and must be ringfenced to a particular project or service. This is estimated at £184k and whilst it will increase our year end reserves, we do not have discretion as to where it can be spent. It is therefore excluded from our reported position.

4.13 Bringing together both the deficit on net service expenditure and surplus on net corporate expenditure results in an overall budget surplus projection of £258k for the year. The budget will continue to be monitored, with the Q3 forecast being reported in February.

5.0 CAPITAL BUDGET POSITION

5.1 Appendix 3 shows the capital budget position as at Q2. This is currently showing an underspend of £296k against the profiled budget of £1.3m. The capital programme estimates total expenditure for the year to be circa £1.65m. The main elements of this year's forecast include:

- Vehicle replacement programme
- High street heritage action zone
- Disabled Facilities Grants (DFG)

5.2 The Council has purchased various equipment for the office refurbishment and tablets and mobiles for new Members, which is in line with the capital programme.

5.3 The capital budget for vehicles is currently underspent due to no vehicles being purchased this half of the year. It is planned that new vehicles will be acquired by the end of this financial year.

6.0 RESERVES POSITION

- 6.1** Appendix 4 provides a summary of the current usage of available reserves and supporting notes are provided for reserves where expenditure is high. As at 1 April 2023, these reserves stood at £17.54m which is a decrease of £587k on the previous year. The decrease reflects the fact that expenditure of reserves in 2022/23 exceeded the transfer to reserves at outturn.
- 6.2** Reserves have been set aside from previous years to fund known future costs, Council priorities and the strategic planning of the authority's operation. The information in the appendix reflects only expenditure incurred to date and does not take account of reserves which have been committed but not yet paid or are awaiting capital financing at year end. Such expenditure will include:
- Place Programme Reserve – to support the development of the place planning approach
 - Temporary staff support for Revenues & Benefits
 - Policy and Performance Support – to provide temporary capacity to develop the Council's approach to performance management and ensure the Council is responding to and planning for changes in government policy
 - Upgrade of the income management system
- 6.3** Actual expenditure of £1,090,286 has been made against reserves at Q2. This mostly consists of expenditure relating to the digitalisation team, temporary posts in Revenue and Benefits, community support grants, borough election costs and the second quarter costs of the garden town team. The full breakdown is provided in appendix 4.

7.0 FINANCE KEY PERFORMANCE INDICATORS (KPIs)

- 7.1** As part of the financial management code, approved by the Audit and Governance committee, this report now includes a number of KPI's. The reason for their inclusion is to ensure frequent and meaningful data is reported regularly and therefore allows for further scrutiny of our financial performance. This is part of a range of actions to comply with the CIPFA Financial Management code which is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.
- 7.2** An area that we closely monitor is the Council's aged sundry debt. Service areas receive monthly reports to make them aware of aged debt and focus their attention on collecting those debts where possible. Each service area is responsible for creating their own bad debt policy and updating Finance quarterly with a progress update. Finance review and analyse aged debt annually for the year-end financial statements which allows finance to determine specific and general bad debt provisions.
- 7.3** The table in Appendix 5 shows the level of bad debt for each service area and the percentage that is greater than one year.
- 7.4** The final KPI shows the number of vacancies in each service area. This is also being reported to Leadership Team on a monthly basis. Although vacant posts result in a saving against budget, they can in some circumstances have a negative impact on service delivery. The total number of vacant full-time equivalents (FTE) at Q2 is 38.9 out of a total workforce of 222.2fte. There are various reasons for these vacancies and management team will be working with HR and Heads of Service to help with recruitment to ensure there is minimal impact on services.

8.0 PRUDENTIAL INDICATORS

- 8.1** In December 2021, CIPFA published its revised Prudential Code and Treasury Management Code of Practice following concerns around the commercial activity undertaken by several local authorities and the affordability of borrowing plans.
- 8.2** The Code required the Prudential Indicators (which are approved as part of the Council's Treasury Management Strategy) to be reported quarterly (from semi-annually) as part of the financial updates. The code permitted this reporting to be implemented by the 2023/24 financial year so Appendices 6 and 7 will be a recurring addition to the quarterly financial reports.
- 8.3** The indicators in the appendices are used to monitor our performance against the prudential indicators approved by full Council prior to the start of the financial year.

9.0 CONSULTATION

- 9.1** None.

10.0 ASSOCIATED RISKS

- 10.1** There are no associated risks in relation to the report itself. A number of actions within the performance tracker are included within the Council's Corporate Risk Register. For example, financial sustainability, climate change, delivery of the Garden Town.

11.0 MONITORING

- 11.1** Progress on delivery of actions is monitored on a quarterly basis by the Overview and Scrutiny Committee. Budget monitoring occurs on a monthly basis and is formally reported quarterly.

12.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES

- 12.1** Council Plan 2020-2024 approved by Council on 26 July 2022
Budget monitoring is on the approved annual revenue and capital budget for 2023/24 which has been prepared in line with the Medium Term Financial Strategy

Background Papers: None.

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Appendices: Appendix 1 - Council Plan Performance Tracker Qtr 2 2023/24
Appendix 2 - Revenue Budget
Appendix 3 - Capital Budget
Appendix 4 - Reserves
Appendix 5- Finance Key performance indicators
Appendix 6- Q2 Capital Prudential Indicators
Appendix 7- Q2 Treasury Management Indicators