

**BODY:** CABINET

**DATE:** 29<sup>th</sup> May 2013

**SUBJECT:** Corporate Performance - Quarter 4/Year-End 2012/13

**REPORT OF:** Deputy Chief Executive

**Ward(s):** All

**Purpose:** To update Members on the Council's performance against Corporate Plan priority actions, performance indicators and targets for 2012/13.

To inform Cabinet of the Council's provision financial outturn for 2012/13.

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**Recommendations:** Members are asked to:

- i) Agree the performance against national and local Performance Indicators and Actions from the 2010/15 Corporate Plan (2012 refresh).
- ii) Agree the provisional general fund outturn on services expenditure for 2012/13 of £16.2m, a net under spend of (£57,000) against the revised budget.
- iii) Agree the transfers to and from reserves as set out at Appendix 3.
- iv) Agree the provisional balances on non-earmarked revenue reserves as at 31.3.13 as shown in paragraph 5.1.
- v) Agree the provisional housing revenue account surplus for 2012/13 of (£177,000).
- vi) Agree the final Capital Programmed and outturn for 2012/13 of £12.5m, a variance of 0.6% against the final programme.

## **1.0 Introduction**

1.1 The 2010/15 Corporate Plan was refreshed for 2012 and sets out a number of key actions and indicators to deliver and measure progress against key priorities. Throughout the year, performance against these key indicators

and milestones is reported to Cabinet and Scrutiny committees on a quarterly basis.

- 1.2 The information in these performance reports is collected and managed using the Covalent performance management system. Further detail behind the report and evidence providing a full and robust audit trail for the performance information presented is available to view within the online system. Member training sessions dedicated to accessing and using Covalent have been carried out and Members are invited to contact the Strategic Performance Team at any time to arrange individual training support on using the system if required.
- 1.3 In the absence of a National Performance Framework it is important that the authority continues to strengthen its own performance management procedures particularly in relation to the use of robust local indicators and meaningful reporting against actions and activities. The actions, milestones and performance indicators in the Corporate Plan refresh 2012 have been chosen to reflect this year's priority activities and objectives with a view to realising the longer term vision set out in the Corporate Plan.

## **2.0 Performance Overview**

- 2.1 **Appendix 1** is a detailed report on the 2012/13 activities and outturns of the performance indicators listed within the Corporate Plan. This report shows the latest available outturns for the Local Performance Indicators featured in the 2010/15 Corporate Plan broken down into themed areas.
- 2.2 Each project has been allocated a number of in-year actions and milestones to be completed in order to progress the project efficiently. Some projects may be fully completed within the year whereas larger scale priorities will be delivered over a longer period. **The first section of Appendix 1 (pages 2-3) lists all the Corporate Plan priority actions whose in-year milestones were completed in full this year.** Full details of the specific milestones and commentary for these actions is available on request or directly via the covalent Performance Management System.
- 2.3 The second section of Appendix 1 (pages 4-7) lists the milestones that were not completed along with commentary to explain the context behind them. Many of the outstanding milestones are to be carried forward into the refreshed Corporate Plan for 2013/14.
- 2.4 Chapter summary text has been supplied by the relevant Heads of Service to provide added context for the performance reported in each section. This commentary highlights important achievements and challenges for the reporting period and can be found at the start of each chapter.
- 2.5 The PI tables show which indicators related to the priority projects are performing on target (green tick icon), failing to reach target (red octagonal icon) or are "near misses" (amber triangle icon). Relative performance is based on quarterly targets as set by the managers of each area using past performance, available benchmarking and planned service developments.

- 2.6 The actual outturn for each PI is shown on the performance gauges in column 4 – “Year to date”. The gauges show visually how the level of performance compares to targets (green zones) and “near miss” levels (amber zones). Amber zones have been reviewed to reflect appropriate levels of performance expectation and any national targets which are lower than our own local aspirations.
- 2.7 The bar charts in column 6 show comparative performance against previous quarters/years as appropriate. This enables an “at a glance” indication of whether performance is improving or not and will help identify potential trends and seasonality of performance.
- 2.8 Commentary has been included in the action and indicator outturn tables where supplied. This provides some contextual background to the performance and this function and is backed up by the online evidence collation facility of the Covalent system.
- 2.9 Of the 46 Key Performance Indicators reported in the Corporate Plan this year, 6 are showing as “Red,” 28 are showing as “Green,” 5 are showing as “Amber” and 7 are “data only” or contextual PIs. The off target PIs are shown below with their outturn and target figures.

TL_032 Towner educational visits	6,637	8,700	
TL_005 Marketing campaign value for money	£0.88	£0.81	
TL_003 Bandstand patrons	20,065	30,000	
DE_154 Net additional homes provided	160	228	
TL_008 Conference delegates	12,140	13,000	
TL_018 Towner outreach - number of participants	972	1,200	
CD_055 Number of completed adaptations (Disabled Fa...	101	108	

- 2.10 We now have the capability within Covalent to analyse performance data via dashboard reporting. This allows us to look beyond green – amber – red performance reporting and drill down more into the data and what it is telling us. This showed that the following PIs were the best performing:

CD\_008 Decent Homes  
 DE\_007 EBC Carbon Footprint  
 CD\_181 Time taken to process new claims and change of events  
 TL\_014 Towner visitors  
 DE\_005 JSA Claimant Count

Best Performing (PIs)	Value	Target	Gauge
CD_008 2012 / 13 Decent Homes Programme - reduce t...	1.54%	8%	
DE_007 EBC Carbon Footprint - Vehides	34 ton...	106 to...	
CD_181 Time taken to process Housing Benefit/Council ...	9.4 days	13.0 d...	
TL_014 Towner - visitors	121,010	85,000	
DE_005 JSA Claimant Count	2,343	2,700	

  

Improving (PIs)	Value	Target	History
ECSP_002 Reduce shoplifting by 5% from 2011/12	-10.4%	-5%	
CD_051 Number of difficult problem properties remedie...	52	30	
CD_008 2012 / 13 Decent Homes Programme - reduce t...	1.54%	8%	
DE_008 Number of buildings tackled with success	19	12	
CD_156 Number of households living in temporary acco...	12	40	

The dashboard also showed that the following PIs were demonstrating the best relative improvement in performance:

ECSP\_002 Reduce Shoplifting

CD\_051 Number of difficult properties remedied

CD\_008 Decent Homes

DE\_008 Number of buildings tackled with success

CD\_156 Number of households living in temporary accommodation

- 2.11 Devolved Budget spend is reported at the end of the appended performance report. The table lists the projects supported and the individual spend per project and is sorted by ward. Management of Devolved Budget projects is co-ordinated on Covalent and more detail on specific projects and activities is available on request or direct from the Covalent system.

### 3.0 Provisional Outturn

- 3.1 This report provides cabinet with the provisional outturn results for the general fund, the housing revenue account (HRA) and capital programme for 2012/13. Although service accounts have now been closed, other balance sheet and suspense accounts have yet to be finalised so it is possible that there could be some further adjustments that may marginally affect the figures in this report.
- 3.2 The final outturn will form part of the statement of accounts that will be reported to the Audit and Governance Committee at the end of June and the next Cabinet meeting in July.

### 4.0 General Fund Revenue Account

- 4.1 The table at **Appendix 2** shows the Council's provision financial outturn compared to the agreed budget at service level. A more detailed breakdown at code or transactional level is available from Financial Services.
- 4.2 There was a net under spend on service expenditure of £57,000 for the year

analysed over services as follows:

Table 1 – General Fund Service Provision Outturn

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Corporate Services	5,372	5,681	5,786	105
Community Services	27	1	(437)	(438)
Environmental Services	7,086	6,902	7,209	307
Tourism & Leisure Services	3,242	3,426	3,937	511
Contingencies	(138)	308	(221)	(529)
<b>Service Total</b>	<b>15,589</b>	<b>16,318</b>	<b>16,274</b>	<b>(44)</b>
Capital Financing Costs	745	770	770	-
Transfer to/(from) reserves	-	(878)	(891)	(13)
<b>Total</b>	<b>16,334</b>	<b>16,210</b>	<b>16,153</b>	<b>(57)</b>

4.3 The provision outturn variance of (£57,000) shows an improvement of (£43,000) compared to the December projected variance of (£14,000)

4.4 Service expenditure for the year is a variance of £(44,000) mainly as a result of:

- Redundancy costs across the Council 417k, (funded by future savings)
- Theatres, tourism and events increased expenditure and short fall in income (see appendix 2 for details) £531k

These have been offset principally by the following favourable variances:

- final outturn from Housing Subsidy and Benefits overpayment recovery (£396k)
- receipt of additional in year grant support (£251k)
- unused balance on the contingency fund (£248k)
- additional income (sports and leisure and bereavements) (£89k)

4.5 The General Fund Summary figures include the transfers to and from reserves as shown in **Appendix 3**. In many cases these transfers reflect items previously agreed, or at the very least where the principle of a transfer from reserves had been established previously. The figures that have been applied take into account more up-to-date information and anticipated circumstances.

## 5.0 General Fund Reserves

5.1 The effect of the under spend in the outturn and the application of reserves to fund expenditure has resulted in the following balances on the useable revenue reserves:

Table 2 – General Revenue Reserves as at 31.3.13

Reserve	31.3.12 £'000
General Fund (Minimum £2m)	4,425
Specific Earmarked	242
Strategic Change	339
Repairs and Maintenance (Capital Programme)	659
Economic Regeneration	389

5.2 The details of other reserves will be reported as part of the statement of accounts.

## 6.0 Housing Revenue Account

6.1 The table at **Appendix 4** summarises the HRA performance for 2012/13 and shows a surplus of (£177,000). This represents a variance of (£161,000) against the revised budget of (£16,000).

6.2 The principle reasons for this variance are:

- Delay in property disposals and demolitions resulting in additional rental income of (£65k)
- Reduction in provision for bad debts required of (£41k)
- Rent Rebates contribution to the general fund of (£28k) is no longer required due to the average rent now being lower than the CLG prescribed limit rent which means there was no reduction in housing benefit subsidy received by the general fund.

6.3 The HRA balance at 31.3.13 was £2.178m, Against a minimum of £1m.

## 7.0 Capital Programme

7.1 A summary of capital expenditure for the year is shown in **Appendix 5**.

7.2 The revised capital programme for 2012/13 was £12.4m and the outturn £12.5m, representing a variance of £79,000 or 0.6%.

7.3 A detailed reason for the variance against each scheme is shown at **Appendix 5**.

7.4 The capital programmed for 2013/14 has been updated to reflect the re-profiling changes required as a result of the 2012/13 outturn.

## 8.0 Consultation

8.1 Not applicable

## **9.0 Implications**

9.1 There are no significant implications of this report.

## **10.0 Conclusions**

- 10.1 This report provides an overview of performance against the authority's priority actions and indicators as at the end of 2012/13. Progress against the key projects and indicators is updated on the online Covalent system on a regular basis and provides a "live" view of the Council's performance accessible at any time.
- 10.2 Revenue expenditure is in line with budget monitoring predictions and the outturn variance represents less than 0.4% of net budgeted expenditure. Whilst the service revenue and capital accounts are now closed there is still some work to be done on balance sheet and control account which may marginally impact on the final outturn.
- 10.3 The council continues to have general balances in excess of the declared minimum and these balances can therefore be used to invest in corporate plan priorities over the medium term as well as providing funding for invest to save schemes.
- 10.4 The Housing Revenue Account outturn delivered a surplus of £177,000 which represents 1.26% of total HRA turnover. The HRA balance is in line with expectations and is sufficiently robust to support the housing self financing regime introduced on the 1 April 2012.
- 10.5 The Councils 2011/12 capital programme was (100.6%) delivered and in line with the resources allocated.

**William Tompsett**  
**Strategic Performance Manager**

**Pauline Adams**  
**Financial Services Manager**

### **Background Papers:**

The Background Papers used in compiling this report were as follows:

*Corporate Plan 2010/15 (2012 refresh)*  
*Covalent performance management system reports*

*Final Accounts working papers 2012/13*

To inspect or obtain copies of background papers please refer to the contact officer listed above.