

**BODY:** **SCRUTINY**

**DATE:** **2 June 2014**

**SUBJECT:** **Corporate Performance and Provisional Outturn-  
Quarter 4 2013/14**

**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

To inform Members of the Council's provisional financial outturn for 2013/14

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**Recommendations:** Members are asked to:

- i) Note the performance against national and local Performance Indicators and Actions from the 2010/15 Corporate Plan (2013 refresh).
- ii) Note the provisional general fund outturn on services expenditure for 2013/14 of £14.593m, a net over spend of £25,000 against the revised budget.
- iii) Note the transfers to and from reserves as set out at Appendix 4.
- iv) Note the provisional balances on non-earmarked revenue reserves as at 31.3.14 as shown in paragraph 3.1
- v) Note the provisional housing revenue account surplus for 2013/14 of (£274,000).
- vi) Note the final Capital Programme and outturn for 2013/14 of £16.2m, a variance of 3.7% against the final programme

## **1.0 Introduction**

1.1 The 2010/15 Corporate Plan was refreshed for 2013 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 and to Scrutiny monthly.

- 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 2013 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 2013/14 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 lists all the Corporate Plan priority actions whose in-year milestones have already been fully completed 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 lists the ongoing actions showing all milestones that were scheduled for completion in 2013/4 that have not been completed with commentary to explain the context behind them.
- 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 current 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 38 Key Performance Indicators reported in the Corporate Plan this quarter, 9 are currently showing as "Red," 16 are showing as "Green," 4 are showing as "Amber" and 9 are "data only" or contextual PIs. The off target PIs are...

- TL\_060 Online accommodation referrals made
- DE\_009 Increased allotment plot numbers
- ECSP\_004 Violent crime in a public place
- CD\_052 Number of homes where Category 1 hazards have been remedied
- CD\_055 Number of completed adaptations
- CD\_056 Average number of days for assistance with adaptations
- CD\_156 Number of households living in temporary accommodation
- CS\_003 Sickness absence – average days lost per employee
- CS\_011 Telephone call abandonment rate

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:

Best Performing (PIs)	Value	Target	Gauge
TL_005 Marketing campaign value for money	£0.60	£0.88	
ECSP_016 Serious Acquisitive Crime (robbery, car crime...)	-18.6%	-3%	
DE_005 JSA Claimant Count	1,958	2,500	
CD_181 Time taken to process Housing Benefit/Council ...	6.3 days	10.5 d...	
CD_050 Empty privately owned homes returned to occu...	228	120	
TL_017a Redoubt visitors - paying visitors	10,629	5,600	

2.11 Devolved Budget spend is reported at the end of the appended performance report. The table lists the projects supported and the overall spend per 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 2013/14

- 3.1 This report provides members with the provisional outturn results for the general fund, the housing revenue account (HRA) and capital programme for 2013/14.
- 3.2 Although service accounts have now been closed, other balance sheet and suspense accounts have yet to be finalised and a change in the accounting policy for valuing the provision for bad debts is implemented. So it is possible that there could be some further adjustments that may marginally affect the figures in this report.
- 3.3 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 spend on service expenditure of £14.593m 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	11,737	11,367	11,305	(62)
Community Services	(146)	247	(129)	(376)
Tourism & Leisure Services	2,832	3,169	3,417	248
<b>Service Total</b>	<b>14,423</b>	<b>14,783</b>	<b>14,593</b>	<b>(190)</b>
Contingencies	194	362	-	(362)
Capital Financing Costs	1,650	1,924	1,924	-
Transfer to/(from) reserves	1,123	544	1,121	577
<b>Total</b>	<b>17,390</b>	<b>17,613</b>	<b>17,638</b>	<b>25</b>

- 4.3 The provision outturn variance of £25,000 shows an movement of £65,000 compared to the December projected variance of (£40,000)
- 4.4 Service expenditure for the year is a variance of £(190,000) mainly as a result of:
- Catering Service £182k
  - Grounds Maintenance settlement of disputed sum £122k
  - Housing Benefits Administration £77k
  - Dotto Train £71k
  - Settlement of Land Charges Claims 48k

These have been offset principally by the following favourable variances:

- Housing Benefit Subsidy and recovery of HB Overpayments (290k)
- Refuse Collection Contract (£154k)
- Savings and additional income in Bereavement Service (£130k)
- Bed and Breakfast (69K)
- Downlands income and grant (61k)

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 as part of the overall budget strategy. 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 over 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 – Provisional General Revenue Reserves as at 31.3.14

Reserve	31.3.14 £'000
General Fund	3,576
Earmarked Reserves	514
Strategic Change Reserve	1,212
Regeneration Reserve	431

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 2013/14 and shows a surplus of (£274,000). This represents a variance of £41,000 against the revised budget of (£314,000).

6.2 The principle reason for this variance is due to a reduction in income from rents and services changes due to the delay in the expected completion of the sheltered accommodation remodelling schemes, offset by expected savings in the provision for Bad Debts

6.3 The difference between the budget figure for depreciation based on the 30 year Business Plan and the actual calculated amount of £545,000 is transferred into the Housing Regeneration and Investment reserves in line with the Budget Strategy to provide flexibility for funding future major

projects or the repayment of debt.

6.4 The HRA balance at 31.3.14 is expected to be £2.453m

## **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 2013/14 was £16.2m and the outturn £15.6m, representing a variance of £597,072 or 3.7%.

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

7.4 The capital programme for 2014/15 will be updated to reflect the re-profiling changes required as a result of the 2013/14 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 2013/14. 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 0.14% of net budgeted expenditure. There is still some work to be done on balance sheet, suspense and control accounts which may marginally impact on the final outturn.

10.3 The council continues to have general balances in excess of the declared minimum which provides flexibility for future investment in corporate plan priorities over the medium term as well as providing funding for invest to save schemes and asset management requirements.

10.4 The Housing Revenue Account outturn delivered a surplus representing 1.8% over turnover. The HRA balance is in line with expectations and is sufficiently robust to support the housing self-financing 30 year business plan.

10.5 96% of the capital programme was delivered in year and in line with resources allocated.

10.6 Work is still continuing in finalising the council accounts and the final statement of accounts will be reported to the Audit and Governance Committee at the end of June and Cabinet in July.

**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 (2013 refresh)*  
*Covalent performance management system reports*

*Quarters 1, 2 and 3 monitoring to Cabinet September, December and February*  
*Final Accounts working papers 13/14*

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