

## **Report to Finance and Performance Sub-Committee**

Date of meeting 11<sup>th</sup> August 2016

By the Head of Finance

### **INFORMATION REPORT**

Not exempt



**Horsham  
District  
Council**

## **REPORT ON HDC'S CORPORATE PLAN PRIORITIES, FINANCE AND PERFORMANCE IN QUARTER 1 OF 2016/17**

### **Executive Summary**

This report shows how successful the Council has been in delivering against identified Corporate Plan Priorities. The Council uses corporate performance indicators; financial reporting and review of progress against key corporate projects to demonstrate progress against corporate priorities.

The key projects where there has been significant progress over the quarter including the removal of the Shelley Fountain; plans for the Broadbridge Heath Leisure Centre; the redevelopment of Hop Oast Depot; and the Future Horsham Programme.

Financial performance is slightly behind target for the first quarter of 2016/17. Although we are projecting an overspend of £187k, it is likely that the overspend will be recovered during the course of the year. Capital expenditure is £1.8m against £24.7m programme (7%).

Monitoring of Key Performance Indicators that demonstrate progress towards delivery of the Corporate Plan are showing 69.5% within target and 25% close to target, with no areas of major concern.

### **Recommendations**

It is recommended that Members note the contents of this report.

### **Reasons for Recommendations**

Performance Indicators are provided as part of the duty of Best Value to drive up service improvement.

**Consultation:** SLT

**Wards affected:** All

**Contact:** Gillian Bloomfield ext. 5450

### **Background Papers:**

Appendix A: 2016/17 Corporate Plan Priorities and Key Tracked Projects reporting

Appendix B: Q1 Monitoring of Budget and Key Performance Indicators Report and full Key indicator basket by Portfolio Holder

Appendix C: Q1 Capital Budget Monitoring

Appendix D: Q1 Revenue Summary

## **Background Information**

### **1. MONITORING OF PERFORMANCE**

**1.1** The sub-committee meets on a quarterly basis to deal with the main items of regular business for both finance and performance matters. The sub-committee reviews progress in meeting the Corporate Plan priorities, financial performance and key performance indicators and progress reporting for major projects.

### **2. MONITORING OF CORPORATE PLAN PRIORITIES 2016/17**

**2.1** The Corporate Plan Priorities monitoring report for 2016/17 is appended to this report at Appendix A. The Corporate Plan for the three years 2016-19 was agreed by Cabinet on 28 January 2016 and approved at Council in February 2016.

**2.2** Priorities where there has been significant progress over the quarter include the removal of the Shelley Fountain; plans for Broadbridge Heath Leisure Centre; the redevelopment of Hop Oast Depot; and the Future Horsham programme.

**2.3** The two key capital building projects, Hop Oast and Broadbridge Heath Leisure Centre, both complex and high profile, are broadly on programme. Key tracked projects monitoring is included within Appendix A.

### **3. FINANCIAL PERFORMANCE**

**3.1** The first quarter financial expenditure is largely in line with forecast budgets. The revenue position on a service by service basis can be found in Appendix D. At this stage in the financial year we are projecting a small overspend of £187k, notwithstanding £240k of additional income and savings across a variety of schemes such as a higher level of interest £90k from a change in the investment strategy by using some corporate funds, and a £24k vacancy saving in community safety where a post won't be filled.

**3.2** The £187k overspend forecast includes a reduction in income of £60k reflecting lower estimated levels of ICT services provided to Adur and Worthing outside of the Census arrangements, a longer than anticipated closure at Billingshurst leisure centre for tiling repair works £20k, the increased cost of casuals (as a result of the move to the same pay scales as permanent staff) at the Capitol £30k, a delay in the Bishopric temporary housing development causing a reduction of budgeted income and savings against B&B totalling nearly £50k and higher than expected costs in the development service due to higher level of public enquiries and demand which even after taking an increase in planning advice fees in account, results in a net total of £100k. We would expect though that the overspend will be recovered during the course of the year.

**3.3** Expenditure on capital in Q1 amounted to £1.8m (7%) of the £24.7m capital programme. Most items in the programme are expected to progress although a full spend of the Housing enabling budget (£1.3m) is doubtful and the Saxon Weald Loan (£7m) is being discussed in the light of changes to the Winterton Court development housing mix in the submitted planning application. The new vehicles programme (£1.3m) may also be revised in view of current review of operations. Spend of an appreciable proportion of the commercial property fund (£3.2m) is

expected in the next quarter but plans to spend the remaining commercial property fund budget are dependent on suitable assets being available. The detailed capital programme and expenditures to date are provided at Appendix C.

#### **4. Performance Monitoring**

- 4.1** Key Performance data are provided for discussion at this meeting at Appendix B, covering the Quarter 1 2016/17 period. The Key Performance Basket of Indicators form part of the measures to demonstrate delivery of the [Corporate Plan Priorities 2016-19](#).
- 4.2** Where possible, performance is measured against set targets. A target is not appropriate for a small number of volumetric (ie data only) performance indicators which identify the number of cases/enquiries.
- 4.3** Revisions of performance indicators and targets are undertaken annually as part of the development of the departmental service plans. Service plans for 2016/17 were published on the website in April 2016 and a revised Key Basket of Indicators agreed with SLT and shared with Cabinet Members, and attached as part of Appendix B.
- 4.4** An analysis of performance demonstrates that 69.5% of indicators met or exceeded targets set; 25% were close to target, and 5.5% fell outside of the target range.
- 4.5** The cost of planning appeals had been an area of concern, with one cost awarded this quarter. There has been an improvement in performance over the previous year as a result of Constitutional changes and member training programme. It is envisaged that this will reduce now the HDLP has been approved and land allocations determined. The other indicator that fell out of range, parking capacity, is measured against the annual target of 60%. Peak time is November, December and January and it is anticipated that the target will be met by the year end.
- 4.6** Positive improvement was seen: call centre performance remains consistently above target; processing of planning applications, 'minor', 'major' and 'other'. Many income indicators achieving and exceeding targets, particularly parking, local land charges, and trade waste; and levels of sickness, at below 8 days, continue to improve.
- 4.7** The Council is continuing work with other local authorities and the Local Government Association (LGA) to develop a common set of indicators for benchmarking across councils, from which local authorities could select. As a result a small set of indicators has been set up for voluntary completion. For more information on this, please refer to [Inform and Knowledge Hub](#):
- 4.8** HDC has contributed to two indicators over the year covering waste and complaints and from 2016/17 will add fly tipping data.

#### **5 OUTCOME OF CONSULTATIONS**

**5.1** SLT have considered the review of Financial Monitoring and Key Performance Indicators; the Corporate Plan Priorities and Tracked Key Projects Report for Q1 in 2016/17.

**6. OTHER COURSES OF ACTION CONSIDERED BUT REJECTED**

**6.1** Not appropriate; Council needs to be seen to effectively monitor its performance.

**7. STAFFING CONSEQUENCES**

**7.1** There are no staffing consequences associated with this report.

**8. FINANCIAL CONSEQUENCES**

**8.1** There are no direct financial consequences as a result of this report

**9. CONSEQUENCES OF THE PROPOSED ACTION**

**9.1** This report does not impact on Crime & Disorder; Human Rights; Equality & Diversity and Sustainability matters and there are no risks associated.