

Report to Overview and Scrutiny Committee

Date of meeting 18 March 2024

By Director of Resources

INFORMATION REPORT

Not exempt



REPORT ON THE COUNCIL'S FINANCE AND PERFORMANCE IN 2023/24

Executive Summary

This report gives the Overview and Scrutiny Committee information to help it carry out its role of monitoring the internal and external delivery of services. The Council uses corporate performance indicators, financial reporting, and review of progress against key corporate projects to show progress.

The financial performance is forecast for Month 10 of the 2023/24 financial year. Officers currently forecast an operational surplus of £0.73m. Development and Building Control is forecasting a £0.95m loss of income as development decisions remain delayed due to water neutrality, and the impact of the current economic climate on household applications. Legal & Democratic services are forecasting additional expenditure of £0.12m due to staffing pressures, recruiting locum staff at an additional cost. There are also ongoing high maintenance costs of the properties. There are forecast surpluses of £1.4m on our investment income from the impact of increased interest rates and sums invested, as well as £0.36m underspends in Strategic Planning because consultancy works on the Local Plan will now take place in 2024/25, albeit some of this will need to be carried forward at year end, and unexpected grant receipts to complete work on a water neutrality solution. The pay settlement cost an additional £0.35m but this additional expense has been recovered through savings on vacant posts across the Council. The overall funding position is forecast to be £0.35m surplus.

Capital expenditure at Month 10 was £12.2m (70.5%) of the £17.3m capital programme. By comparison, spending on capital was £4.24m (35%) of the £12.1m programme in the same period in 2022/23. However, the high spend on the Local Authority Housing Fund schemes is masking performance slightly. Excluding the £7.4m spent on this, the rest of the capital programme is only tracking at £4.75m (49%) spend of budget, albeit this is better percentage than the outturn in 2022/23 of £5.2m (43%). There is still a lot of room for improvement though. An outturn of £13.5m or 78% is forecast by officers, there are eight schemes due to start in the final quarter.

Three schemes have overspent their budget in 2023/24. These are;

- Purchase of Bramber Brooks, this has exceeded the budget because the legal fees were more than originally budgeted.
- Capitol LED lighting replacements, the cost of some additional lighting included within the project.
- S106 / CIL spend, this is parish council projects funded from s106 contributions, there has been a greater demand for the use of s106 due to the number of projects taking place.

However, each portfolio area has underspends within the budget, so whilst the additional expenditure should technically be individually approved, there is plenty of headroom overall.

An analysis of performance indicators at quarter 3 shows 90% at or close to target and 10% (three) outside of the target. There has been some movement in the red indicators since the last meeting.

This quarter the three outside target are:

- R&B03 quality assurance LA quality assurance error current performance is currently below the threshold but remains a red risk as this is the pre-audit figure and the headroom is limited.
- SSC9a: the number of fly-tipping incidents. An enforcement day has been scheduled with relevant agencies for the district. We are looking into acquiring further CCTV cameras for the identified fly-tipping hotspots.
- HS19: Number of households in B&B accommodation. This KPI has moved from green to red, reflecting the national trend of increasing households in B&B accommodation. The delays in the Page Court scheme have prevented nominations to 40 new homes.

Three of last quarter's red KPIs have now improved, these are:

- CD23: number of voluntary organisations supported. This KPI has changed to amber due to the rescheduling of drop-ins and forum meetings from quarter 2.
- R&B04: collection of business rates. This KPI has changed to amber after an improvement of collection rates following an internal review of processes which were improved.
- OP17: the number of missed bins represents approximately 25 bins per 100,000 which is much better than the industry 'target' of 80. Note this KPI is updated to data per 100,000 bins which will be more easily comparable with other local authorities.

Work on the Corporate Projects progressed through quarter 3. Of the 24 current projects listed, the Horsham Park path and the Athletics track remain future items, but both will have further updates before the end of the year. Following approval by Council, the options appraisal for The Capitol Theatre and the Draft Climate Action Strategy are complete. Also completed, is the laptop device management rollout as all devices are enrolled in the device management system software.

Eighteen projects are progressing with no current issues including work on the local plan which was approved by Cabinet and Council on 11 December 2023, the consultation period ended on 1 March 2024. Cost of living interventions are progressing and Citizens Advice are now informing schools about support during the Universal Credit migration of Child Tax and Working Tax credits.

The Planning Regulatory Service system has moved from progressing to progressing with issues because the building control go-live date has been delayed whilst the supplier finalises development work to meet the original enhanced requirements.

Recommendations

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

Reasons for Recommendations

To enable Overview and Scrutiny to carry out its Constitutional role of monitoring the delivery of internal and external services and scrutinise any part of the Council's work.

Consultation: Senior Leadership Team, Cabinet Members.

Wards affected: All

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Background Papers:

Appendix A: Key Performance Indicators Q3

Appendix B: Budget Monitoring and Forecast Outturn summary April 2023 to January 2024

Appendix C: Capital Budget monitoring and forecast outturn at M10

Appendix D: Revenue Budget monitoring and forecast outturn at M10

Appendix E: Corporate Projects Update Q3