

Report to Overview & Scrutiny Committee

Date of meeting 26 March 2018

By the Director of Corporate Resources

INFORMATION REPORT

Not exempt



Horsham
District
Council

REPORT ON HORSHAM DISTRICT COUNCIL'S CORPORATE PLAN PRIORITIES, FINANCE AND PERFORMANCE IN 2017/18

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 by detailing 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 show progress against corporate priorities.

Three projects where the Council has made significant progress in the quarter include the Broadbridge Heath Leisure Centre; the Future Horsham Programme; and preparation for the introduction of GDPR.

The financial performance is slightly below target at M10 of the 2017/18 financial year. Officers currently forecast a year-end revenue overspend of £40k (0.34% of the £11,860k net budget). Officers are working through actions that can be taken to improve the position before the year-end, including revisiting expenditure and income items within the forecast. In addition, the Council intends to write back two ear-marked balance sheet reserves at year-end that are no longer needed for the specific purpose they were intended for. The two balances total £0.6m. This would result in a surplus of £0.56m in 2018/19, sufficient to fund the transformation programme in 2018/19.

Capital expenditure at month 10 was £25.8m which was 56% of the approved £46.1m capital programme including the £15m supplementary budget agreed by Council in July.

An analysis of performance indicators shows 69% within target and 17% close to target, and 14% below target and with no areas of major concern.

The trend of a decrease in complaints from the year 2016/17 has continued into the third quarter of 2017/18.

Recommendations

It is recommended that having reviewed the data provided, Overview and Scrutiny decide whether there is any further work they would like to add to their work programme.

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: SLT, Cabinet members.

Wards affected: All

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Background Papers:

Appendix A: Performance Issues dashboard Q3

Appendix B: 2017/18 Corporate Plan Priorities and Key Tracked Projects reporting
Appendix C: Q3 Monitoring of Key Performance Indicators Report
Appendix D: M10 Financial Highlight report
Appendix E: M10 Revenue Summary
Appendix F: M10 Capital Budget Monitoring

Background Information

1. Reviewing the Internal and External Delivery of the Council's Services

- 1.1. One of the roles of the Overview and Scrutiny Committee is to review the internal and external delivery of the Council's services. The Committee does this by looking at the Council's progress in meeting the Corporate Plan priorities, financial performance, key performance indicators, major projects' progress and complaints and compliments.

2. Monitoring Corporate Plan priorities 2017/18

- 2.1. Appendix A is a dashboard of our Corporate Plan and Performance Monitoring and Appendix B give more detail on the Corporate Plan Priorities monitoring. Council approved the Corporate Plan in February 2016 and updated it for Year 2 in December 2016.
- 2.2. The Hop Oast Depot has been completed on time and on budget and is in use. The change of waste collection arrangements were introduced in February and the roll out to isolated properties, zones 1 and 2 went well. The Future Horsham programme made significant progress in the quarter and the Chief Executive presented to staff and Members in recent weeks. The Broadbridge Heath Leisure Centre, The Bridge, build is underway and the structural steel frame completed cladding to elevations and roof works continue, and the outdoor Multi Use Games Areas opened for daytime use. Progress is being made across the organisation for the introduction of the new General Data Protection Regulations (GDPR) in May 2018.

3. Performance Monitoring

- 3.1. Appendix C is a summary of the Council's key performance indicators at the end of the third quarter of the Council's 2017/18 business year (ending 31 December).
- 3.2. The key performance indicators support the Corporate Plan Priorities 2016-19. Where possible, we measure performance in numbers against set targets. Where we have no control of volume, for example the number of cases or enquiries we receive, we just report the number. This allows management, Cabinet and the Committee to look out for early patterns that might indicate we need more or less resource in the service.
- 3.3. We updated the list of key performance indicators and targets as part of the development of the departmental service plans. We published [Service plans for 2017/18](#) on the Council's website in April 2017 and work is in progress to finalise Service Plans for 2018/19.
- 3.4. In quarter three 69% of indicators met or exceeded targets set; 17% were close to target and 14% fell outside of the target range.
- 3.5. Services management are focusing on at present are:
- 3.5.1. Cost of planning appeals. To improve performance, the Head of Development Management is undertaking a thorough review of all of the appeal decisions received from the Planning Inspectorate to see whether there are any recurring

themes. Council agreed that the Director can require cases which represent such a potential risk to be referred from the Planning Committee to full Council for determination. The Council had no planning appeal cost awarded this quarter.

- 3.5.2. Processing Housing and Council Tax Benefits. Following losses of housing benefit subsidy in previous years the CenSus Joint Committee advised the Benefits Service to focus on quality above speed at their meeting in December 2016. In quarter 3 processing performance of Housing and Council tax benefits remained below target, although the direction of travel in most areas is improving. Management are watching this performance to ensure we have optimal performance between quality and speed during the rest of the year.
- 3.5.3. Planning Income. The down turn in planning fee income continues. The Head of Service has commented that the budget 17/18 has been set against 16/17, a high income year; before the HDPF there were many speculative applications for development and that the one very large site (North Horsham) for £125,000 in 16/17; now the Plan is in place there are no more significant sites to come forward; applications are stable at the moment so fee generation is down.
- 3.5.4. Contamination levels – recycling. Launching a contamination project in Spring 2018 following the changes to bin collections and will involve more messaging, face-to-face contact and crew training. Areas of high contamination will also be targeted.

3.6. Management reports performance improvement in quarter 3 in:

- Number of households in temporary accommodation and B&B;
- employee sickness levels
- number of complaints.

4. Complaints

4.1. In the third quarter of 2017/18 the Council received 31 complaints and the Council's leisure centres received 119.

The trend of a decrease in complaints from the year 2016/17 has continued into the third quarter of 2017/18. The number of complaints received for this period has decreased by 6 complaints from the last period. The total number of compliments (excluding leisure centres) has also decreased, by 28 this quarter, to 166. This is however more than double the number received in the same quarter last year when only 75 were received.

4.2. The Council uses this feedback to prevent recurrence of the same problems, improve Council services and promote good practice.

5. Financial performance

5.1. Appendix D is the Council's Financial Dashboard. At M10 the officers forecast a £40k overspend for the full financial year (0.34% of the £11,860k net budget). Within the overspend, there are services spending more than their budget and

others spending less or where the Council is collecting more money than budgeted. Officers are working through actions that can be taken to improve the position before the year-end, including revisiting expenditure and income items within the forecast.

- 5.2. Appendix E is the Council's Revenue Dashboard containing managers' comments on the more significant differences from budget.
- 5.3. Following a detailed balance sheet review in preparation for the year-end closedown, two balances have been identified, totalling £0.6m that we expect to write back at year end. This is because they are no longer needed for the purpose that they were intended for. One is made up of very old Council Tax appropriations. The second is a provision set up in 2014 when there was a significant change in the NDR system and methodology. If these are written back at year-end, there would be a £0.56m surplus based on the Month 10 forecast. This would be sufficient to fund the transformation programme of £0.5m in 2018/19.
- 5.4. Appendix F is a summary of the Council's capital programme and spend on projects so far this year. Projects had spent £25.8m (56% of the programme) at M10, which compares to £7m (and 28%) at the same time last year. However, the total includes buying the Forum in July 2017. The remainder of the programme had spent £10.5m to the end of M10, which is £3.5m more than the same time last year.
- 5.5. Project Managers currently expect to spend £30.2m or 65% of the total programme by the end of the year. The expenditure percentage is already higher than achieved in previous years (52% in 2016/17) but may be over optimistic with only two months to go. Projects expecting to not complete in the year are the Broadbridge Heath Leisure Centre build, further commercial property investment and two temporary accommodation opportunities.

6. Outcome of consultations

- 6.1. The Chief Executive and Directors together with the individual Cabinet Members have reviewed the reports contained in the appendices to this reports. Sections 3.5 and 5 tell Committee where officers are taking action on points of concern. Action on lesser issues is mentioned in the appendices.

7. Other courses of action considered but rejected

- 7.1. None. The Council must monitor its performance and take corrective action where appropriate.

8. Resource consequences

- 8.1. There are no staffing or direct financial consequences from the Overview and Scrutiny Committee reviewing 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. Overview and Scrutiny reviewing this report

and raising any concerns they have reduces the risk that management or Cabinet have missed any performance or financial trends they need to address.