

EAST HERTS COUNCIL

THE EXECUTIVE – 7 FEBRUARY 2012

MONTHLY CORPORATE HEALTHCHECK – DECEMBER 2011

REPORT BY THE LEADER OF THE COUNCIL

WARD (S) AFFECTED: All

Purpose/Summary of Report:

- **To set out an exception report on the finance and performance monitoring for East Herts Council for December 2011/Quarter 3.**

<u>RECOMMENDATION FOR THE EXECUTIVE: that:</u>	
(A)	the budgetary variances set out in paragraph 2.1 of the report be noted;
(B)	£100,000 of the Drill Hall capital budget be re-profiled from 2011/12 into 2012/13, as detailed at paragraph 2.25 of the report submitted;
(C)	£62,500 of the Capital Grants capital budget covering 2009/10 to 2011/12 be re-profiled from 2011/12 into 2012/13 as detailed at paragraph 2.26 of the report submitted;
(D)	£11,400 of the Village Hall Community Challenge capital be re-profiled from 2011/12 into 2012/13 as detailed at paragraph 2.27 of the report submitted;
(E)	£15,470 of the Partnership Investment Fund capital budget be re-profiled from 2011/12 into 2012/13 as detailed at paragraph 2.28 of the report submitted;
(F)	£22,700 of the Community Planning Grants capital budget be re-profiled from 2011/12 into 2012/13 as detailed at paragraph 2.29 of the report submitted;

(G) £16,800 of the Historic Buildings Grants capital budget be re-profiled from 2011/12 into 2012/13 as detailed at paragraph 2.30 of the report submitted.

1.0 Background

1.1 This is the monthly finance and performance monitoring report for the Council.

1.2 Each month the report will contain a breakdown of the following information by each corporate priority where remedial action is needed:

- Salary, Capital and Revenue variance.
- Performance information (based on the performance indicator suite that is reported on a monthly basis) and also the Directorate's position in respect to payment of invoices and sickness absence.

1.3 **Essential Reference Paper 'B'** shows the full set of performance indicators that are reported on a monthly/quarterly basis.




Essential Reference Paper 'C' shows detailed information on salaries.



Essential Reference Paper 'D' shows detailed information capital programme.

Essential Reference Paper 'E' shows explanations of variances on the Revenue Budget reported in previous months.

Essential Reference Paper 'F' shows a Summary of CMT actions made within the financial year.

The codes used in relation to performance indicator monitoring are as follows:

Status	
	This PI is 6% or more off target.
	This PI is 1-5% off target.
	This PI is on target.

Short Term Trends	
	The value of this PI has changed in the short term.
	The value of this PI has not changed in the short term.

2.0 Report – Directorate Position

REVENUE FINANCIAL SUMMARY

- 2.1 The financial aspects of this report are based on budgetary information from April 2011 to December 2011.

	Position as at 31.12.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(1) Promoting prosperity & well being; providing access & opportunities						
Concessionary Fares	19	0	0	0	19	0
Taxi Licensing income	0	1	0	1	0	8
Hillcrest Rental income	38	0	5	0	40	0
Environmental Pollution	57	0	0	2	12	0
Housing Grants	0	9	4	0	0	9
Renovation Grants	20	0	0	0	20	0
Emergency Planning	0	22	3	0	0	20
Transport/ Bus Subsidy	14	0	0	0	9	0
Animal Control	5	0	0	0	3	0
Pest Control	6	0	0	0	6	0

	Position as at 31.12.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(2) Fit for purpose						
Turnover	0	390	0	35	0	456
Print/Desk Top Publishing	0	40	0	5	0	53
Hartham Land Sale	50	0	0	0	50	0
Office Moves	0	52	0	10	0	55
Investment Income	0	245	0	25	0	325
Insurance	0	0	0	0	80	0
Corporate Training	33	0	4	0	25	0
IT Licences	15	0	37	0	105	0
Legal Fees income	147	0	3	0	115	0

	Position as at 31.12.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(3) Pride in East Herts						
Parking Enforcement Cont	187	0	86	0	0	0
Pay and Display machines	0	0	0	0	0	16
Car Parks legal fees	0	4	1	0	0	6
Car Parks advertising	10	0	3	0	0	5
CCTV Contributions	0	13	0	6	0	9
Recycling Materials Handling	33	0	7	0	40	0
Waste Contract (various bud)	0	0	0	0	125	0
Hydro Electric plant	0	8	0	2	0	11
Bulky waste collection income	0	11	0	0	0	15
Waste Contract	200	0	0	0	200	0
Kerbside dry recycling income	0	160	8	0	0	155
Recycling banks maintenance	5	0	1	0	8	0
Textile Banks	0	2	3	0	0	6
Car Park ticket advertising	0	2	0	1	0	2
Elm Road car park income	0	5	0	0	0	5
Trade Waste	63	0	60	0	0	0
Grange Paddocks Security	0	0	0	0	0	1

	Position as at 31.12.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
Kerbside Dry Recycling Exp	76	0	97	0	0	28
Trade Waste sacks Income	0	4	0	1	0	4
Leaf Clearance	0	0	0	0	0	23
Street Cleansing	183	0	67	0	13	0
Recycling Misc Income	6	0	0	0	8	0
Dog Waste Bins	5	0	0	0	5	0
Clinical Waste	11	0	0	0	5	0

	Position as at 31.12.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(4) Shaping now, shaping the future						
New Homes Bonus Grant	415	0	0	0	207	0
Discharge of Conditions	20	0	0	0	20	0
Development Control income	0	56	21	0	0	55
Dev Cont Pre App advice	18	0	1	0	20	0
Local Dev Framework	99	0	9	0	88	0
Planning Appeals	0	91	0	31	0	81
Building Control income	0	61	0	0	0	30
(5) Leading the way, working Together						
Member's Allowances	48	0	5	0	45	0
Audit Fees	65	0	0	30	25	0
TOTAL:	1,848	1,176	425	149	1,293	1,378

	Position as at 31.12.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
Net Projected Variance						85
Supported by supplementary estimates Car Park Pay and Display Machines						17
Total Supplementary Estimates						17

- 2.2 Subject to all other budgets being equal, this would result in an overspend of £85k.
- 2.3 Salary budgets are constantly monitored and **Essential Reference Paper 'C'** shows a projected overspend of £456k.

FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS

Promoting Prosperity and well-being, providing access and opportunities

Financial analysis

- 2.4 There is an anticipated under spend of £9k on the Bus Subsidy budget as the County contact with Arriva has terminated earlier than expected.
- 2.5 An underspend of £3k is anticipated within the Animal Control budget as stray dogs are re-homed more quickly this year thus saving on kennelling services.
- 2.6 There has been less need to use an external contractor in the Pest Control Service to cover peak workloads and staff absence thereby saving £3k.

Performance analysis

- 2.7 The following indicator was 'Green', meaning that target was either being met or exceeded for December 2011. It is:
- EHPI129 - Response time to anti social behaviour (ASB) complaints made to East Herts Council.

Please refer to **Essential Reference Paper 'B'** for full details.

Fit for purpose

Financial analysis

- 2.8 There are no new financial issues this month regarding this priority.

Performance analysis

- 2.9 **EHPI 6.8 - Turnaround of pre NTO PCN challenges.** Performance

was 'Red' for December 2011. Performance has slipped below target following the Christmas holidays and stewarding undertaken by the team in support of Christmas shoppers. Turnaround of formal representations remains within target.

- 2.10 **NI 181 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.** Performance is 'Red' for December 2011. The data extract for the period 5 December 2011 to 16 January 2012 is 11.44 days. Giving a cumulative position as 11.83 days. Caseload continues to rise and upgrading work for April changes has commenced.
- 2.11 The following indicators were 'Green', meaning that target were either being met or exceeded for December 2011. They are:
- EHPI 12c - Total number of sickness absence days per FTE staff in post.
 - EHPI 6.9 – Turnaround of NTO Representations.
 - EHPI 8 - % of invoices paid on time

Please refer to **Essential Reference Paper 'B'** for full details.

Pride in East Herts

Financial analysis

- 2.12 Additional Recycling miscellaneous income of £8k is expected, largely from the sale of broken bins and equipment for recycling/scrap.
- 2.13 There will be a small underspend of £5k on the Dog Waste Bins budget.
- 2.14 Within certain budgets of the Clinical Waste Service there will be a small net underspend of £5k.

Performance analysis

- 2.15 **NI 191 – Residual household waste per household.** Waste levels are marginally above expected levels for this month.
- 2.16 **NI 192 - Percentage of household waste sent for reuse, recycling and composting.** Performance data is not available during the writing of this report. The data will be made available in the Executive healthcheck report.

2.17 The following indicator was 'Green', meaning that the target was either met or exceeded for December 2011:

- EHPI 2.4 – Fly-tips: Removal

Please refer to Essential Reference Paper 'B' for full details.

Shaping now, shaping the future

Financial analysis

2.18 Building Control income is expected to be £30k less as the number of applications has drastically fallen since November.

Performance analysis

2.19 **NI 157a - Processing of planning applications: Major applications.** Performance was 'Red' for December 2011. Target not achieved. Six major application decision notices were issued. All three which were beyond the target timescale required the completion of legal agreements. Those achieved within the timescale either did not, or were refused. For the three which required agreements, one was particularly protracted, primarily because of land ownership issues raised by a third party.

2.20 The following indicators were 'Green', meaning that target were either being met or exceeded for December 2011. They are:

- EHPI 2.2(45) – Number of collections missed per 100,000 collections of household waste.
- NI 157b - Processing of planning applications: Minor applications.
- NI 157c - Processing of planning applications: Other applications.

Please refer to Essential Reference Paper 'B' for full details.

Leading the way, working together

Financial analysis

2.21 There are no new financial issues this month regarding this priority.

Performance analysis

2.22 **EHPI 3a - Usage: number of swims (under 16).** Performance was 'Amber' for Quarter 3. Figures for Quarter 3 show the normal

seasonal drop and are comparable with previous Quarter 3 figures for 2010/11, just falling short of the Quarter 3 2011/2012 target.

2.23 The following indicators were 'Green', meaning that the targets were either met or exceeded for Quarter 3:

- EHPI 3b - Usage: number of swims (16 - 60)
- EHPI 3c - Usage: number of swims (60 +)
- EHPI 4a - Usage: Gym (16 - 60)
- EHPI 4b - Usage: Gym (60 +)

Please refer to **Essential Reference Paper 'B'** for full details.

CAPITAL FINANCIAL SUMMARY

2.24 The table below sets out expenditure to 31 December 2011 against the Capital Programme. The Executive are invited to consider the overall position. **Essential Reference paper D** contains details of the 2011/12 Capital Programme. Comments are provided by the Project Control Officers in respect of individual schemes.

SUMMARY	2011/12 Original Estimate	2011/12 Revised Estimate	2011/12 Actual Commit to date	2011/12 Projected spend	Variance Col 4 - Col 2
	£	£	£	£	£
Promoting Prosperity	2,144,940	2,916,060	1,670,133	2,675,890	(240,170)
Fit for Purpose	1,385,550	2,165,170	1,887,833	2,189,130	23,960
Pride in East Herts	2,326,200	1,881,740	643,529	1,505,530	(376,210)
Shaping now	380,500	347,600	25,634	340,500	(7,100)
Leading the Way	0	0	0	0	0
Re-profiling potential Slippage	(750,000)	(750,000)			750,000
TOTAL	<u>5,487,190</u>	<u>6,560,570</u>	<u>4,227,129</u>	<u>6,711,050</u>	<u>150,480</u>

2.25 The Executive is asked to support a request to re-profile £100,000 of the Drill Hall budget from 2011/12 into 2012/13 as tenders for work were only returned in December. Therefore it is estimated that only 50% of the budget will be spent in 2011/12.

2.26 The Executive is asked to support a request to re-profile £62,500 of the Capital Grants budget covering 2009/10 to 2011/12 from 2011/12 into 2012/13. Of the £8,050 balance relating to 2009/10 there are no

outstanding claims.

- 2.27 The Executive is asked to support a request to re-profile £11,400 of the Village Hall Community Challenge budget from 2011/12 into 2012/13. The deadline for the 2012 Challenge was the 14 January 2012.
- 2.28 The Executive is asked to support a request to re-profile £15,470 of the Partnership Investment Fund from 2011/12 into 2012/13. Applicants have until August 2012 to claim. Two applications were received in December and if successful would utilise the remaining budget.
- 2.29 The Executive is asked to support a request to re-profile £22,700 of the Community Planning Grants from 2011/12 into 2012/13.
- 2.30 The Executive is asked to support a request to re-profile £16,800 of the Historic Buildings Grants from 2011/12 into 2012/13. Fewer applications are being received and no Buildings at Risk grants have been confirmed this year.
- 2.31 The above proposed to re-profile expenditure are not reflected in the separate report in the capital programme pending approval by the Executive.

3.0 Implications/Consultation

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers:

2010/11 Estimates and future targets report, Essential Reference Paper B – For complete list of performance indicators that are being monitored for 2011/12

Contact Officer:

In terms of performance issues

Lorna Georgiou, Performance and improvement Coordinator – ext 2244

In terms of financial issues

Mick O'Connor, Principal Accountant – ext 2054

In terms of risk issues

Graham Mully, Insurance Officer – ext 2166

ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives:</p>	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improving standards of the built neighbourhood and environmental management in our towns and villages.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
<p>Consultation:</p>	<p>Performance monitoring discussions have taken place between, Chief Executive, Directors and Heads of Service.</p>
<p>Legal:</p>	<p>There are no legal implications.</p>
<p>Financial:</p>	<p>There are no financial implications.</p>
<p>Human Resource:</p>	<p>There are no Human Resource implications.</p>
<p>Risk Management:</p>	<p>There are no Risk implications.</p>