

EAST HERTS COUNCIL

EXECUTIVE – 4 JUNE 2013

MONTHLY CORPORATE HEALTHCHECK – APRIL 2013

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 April 2013 and risk monitoring for the period February 2013 to April 2013.

<b><u>RECOMMENDATIONS FOR EXECUTIVE: that:</u></b>	
<b>(A)</b>	<b>the sum of £24,606 be vired from the planning contingency for the recycling service as detailed at paragraph 2.5;</b>
<b>(B)</b>	<b>carry forward requests of £4,900, £6,690, £2,410, £2,500, £15,000, £8,550 and £40,480 as outlined in paragraphs 2.18 to 2.25 are approved;</b>
<b>(C)</b>	<b>the controls and scores listed in the strategic risk register for the period February 2013 to April 2013, as detailed at paragraph 2.26, be approved; and</b>
<b>(D)</b>	<b>2013/14 monthly/quarterly performance indicator targets, as detailed at paragraphs 2.29 to 2.33 and Essential Reference Paper 'E', be approved.</b>

1.0 Background

- 1.1 This is the monthly finance and performance monitoring report for the council and the risk monitoring report for February 2013 to April 2013.
- 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 where relevant quarterly data).

1.3 **Essential Reference Paper 'B'** shows the full set of performance indicators that are reported monthly.




**Essential Reference Paper 'C'** shows detailed information on the capital programme.



**Essential Reference Paper 'D'** shows the strategic risk register for the periods February 2013 to April 2013.

**Essential Reference Paper 'E'** shows the 2013/14 monthly/quarterly targets for the performance indicators that are monitored in the Corporate Healthcheck report.

**Essential Reference Paper 'F'** shows the changes to financial profiles of the new recycling service.

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 year has only just commenced and at present there is limited information about actual spending/income streams and as a consequence there is nothing of significance to report.

2.2 A new payroll system has been installed and staff were successfully paid. However, the output from the system has yet to be tested for interfacing into the General Ledger (financial system). As a consequence there is no information on salary budgetary monitoring

for April.

## **FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS**

### **People**

#### **Financial analysis**

- 2.3 There are no financial issues this month regarding this priority.

#### **Performance analysis**

- 2.4 The following indicators were 'Green', meaning that the targets were either met or exceeded for April 2013. They were:
- EHPI 129 – Response time to anti social behaviour (ASB) complaints made to East Herts Council.
  - EHPI 181 – Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.

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

### **Place**

#### **Financial analysis**

- 2.5 The 2013/14 budget includes a planning contingency sum of £600k which allows for unforeseen events to be funded in-year. The changes that were agreed in February 2013 to the current recycling provision in East Herts have now been financially evaluated and a paper is included at **Essential Reference Paper 'F'** that details the latest available financial information. Due to changes in funding available from County, a reduction in the value achievable through sale of the vehicles and reductions in expenditure, £24,606 is required from the planning contingency to allow the scheme to remain affordable.
- 2.6 The current assumptions are that the remainder of this budget is also fully utilised in 2013/14 but if no further call is made on this budget, then the council will have an underspend of £575k. Future Healthchecks will consider if there are further calls on this sum.

#### **Performance analysis**

- 2.7 **EHPI 157a – Processing of planning applications: Major**

**applications.** There is no performance to report for this month as Development Control Committee was not held in April, therefore no major decisions were determined. This means that some applications may get carried over to May's committee meeting which could affect May's performance.

- 2.8 **EHPI 191 – Residual household waste per household.** Waste disposed of in April 2013 was 36 kg. This is at the same level as April 2012.
- 2.9 **EHPI 192 - Percentage of household waste sent for reuse, recycling and composting.** The April performance data for this indicator was not available for inclusion in this report, however the data for this period will be verbally reported by the Chief Executive and Director of Customer and Community Services at the Executive meeting on 4 June 2013.
- 2.10 **EHPI 2.1e – Planning Enforcement: Service of formal notices.** There is no performance to report for this month as no notices were served in April.
- 2.11 The following indicators were 'Green', meaning that the targets were either met or exceeded for April 2013. They were:
- EHPI 2.2(45) – Number of collections missed per 100,000 collections of household waste.
  - EHPI 2.4 – Fly-tips: Removal.
  - EHPI 2.1d – Planning Enforcement: Initial Site Inspections.
  - EHPI 157b – Processing of planning applications: Minor applications.
  - EHPI 157c – Processing of planning applications: Other applications

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

## **Prosperity**

### **Financial analysis**

- 2.12 There are no financial issues this month regarding this priority.

### **Performance analysis**

- 2.13 **EHPI 12c – Total number of sickness absence days per FTE staff**

**in post.** Performance was 'Red' for April 2013. The service is working with managers on a number of long term sickness cases which have been carried over from last year. It is hoped that the sickness level will reduce over the next few months.

2.14 The following indicators were 'Green', meaning that targets were either met or exceeded for April 2013. They were:

- EHPI 6.8 – Turnaround of pre NTO PCN challenges.
- EHPI 6.9 – Turnaround of NTO Representations.
- EHPI 8 – % of invoices paid on time.

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

### **CAPITAL FINANCIAL SUMMARY**

2.15 The table below sets out expenditure (including capital creditors) to 30 April 2013 against the Capital Programme which reflects a recommendation to Executive on 4 June 2013 seeking slippage approval of £270,460 from 2012/13 into 2013/14 (this assumes the recommendation in the February to March Healthcheck report is agreed). **Essential Reference paper 'C'** contains details of the 2013/14 Capital Programme. Comments are provided by the project Control Officers in respect of individual schemes.

	<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>	<b>Column 4</b>	<b>Column 5</b>
Summary	2013/14 Original Estimate	2013/14 Revised Estimate	2013/14 Actual Commit to date	2013/14 Projected spend	Variance Col 4 – Col 2
	£	£	£	£	£
People	2,314,970	2,356,910	15,660	2,307,200	(49,710)
Place	729,510	2,997,270	80,860	3,022,420	25,150
Prosperity	1,647,540	1,808,300	48,207	1,807,300	(1,000)
Re-profiling potential slippage	(250,000)	(250,000)	0	0	0
<b>Total</b>	<b>4,442,020</b>	<b>6,912,480</b>	<b>144,727</b>	<b>6,886,920</b>	<b>(25,560)</b>

- 2.16 There is no capital provision made for Buildings at Risk grant within the 2013/14 Historic Building Grant budget. Therefore any grant payments will create pressure on the budget. Indications are that additional budgetary provision of circa £21k may be needed. Following further clarification a recommendation will be brought to a future meeting.
- 2.17 The Herts County Council backlog of Discretionary Disabled Facilities grant has nearly cleared. Therefore, the £50k that had already slipped to 2013/14 is no longer needed.

### **CARRY FORWARD REQUESTS**

- 2.18 Heads of Service were asked to identify any carry forward requests from unspent 2012/13 budgets along prescribed guidelines. The Section 151 Officer administers the scheme and reports to the Chief Executive. Proposals on any underspends to be carried forward will be made in the context of the Council's overall financial position and reported to the Executive and submitted to Council for approval.
- 2.19 Seven areas of underspend have been identified by certain Heads of Service.
- 2.20 The Head of Communications, Engagement and Cultural Services has requested that £4,900 of Councillor Engagement budget be carried forward as this was a new grant product that took longer than anticipated to market. Now that the Localism agenda has embedded and community engagement and leadership has been given a higher profile following the stimulus of peer challenge, the carry forward will be of benefit.
- 2.21 The Head of Information, Customer and Parking Services has requested that £6,690 of the Customer Service Equipment budget be carried forward as the work on the 'web front page template' was commissioned in 2012/13, but not yet completed/delivered.
- 2.22 The Head of Community Safety and Health Services has requested that £2,500 of the Landfill Gas Survey budget and £2,410 of the Contaminated Land Survey budget be carried forward as the Council has purchased a number of historical maps and it has become evident that a large number of potentially contaminated sites have been missed. As a consequence the department would like to engage a consultant to add these sites to the Council's list of potential sites and prioritise them according in the strategy. The cost is likely to be more than the 2013/14 budgets available.

- 2.23 The Head of Community Safety and Health Services has requested that £15,000 of the CCTV Running Costs budget be carried forward as one of several CCTV servers suffered a catastrophic failure in the control room. This has necessitated a replacement which is subject to this request.
- 2.24 The Head of People and Property Services has requested that £8,550 of the Contract Cleaning at Wallfields budget be carried forward. This under spend in 2012/13 is due to unforeseen delays in the retendering of the contract. East Herts had intended to go out to tender in 2011/12, with the new contract starting early 2012, but this was before it had been agreed that East Herts should jointly procure cleaning services with Stevenage BC and North Herts DC. The consolidation of our cleaning requirements meant that we had to procure under OJEC which has extended the tender process; which means the new contract won't start until October 2013. The reason for this year's underspend is because the current contract only provides for basic cleaning at a cost of £21,450. Whereas the new contract will be against a higher specification and is expected to cost in the region of £30k to £35k per annum.
- 2.25 The Head of People and Property Services has requested that £40,480 of the Wallfields Toilet Refurbishment budget be carried forward. This budget was earmarked by the previous Director of Internal Services. However, on receipt of the quantity surveyors figures it became apparent that this budget would only permit a partial refurbishment and as a consequence the matter was referred to CMT.

### **STRATEGIC RISKS**

- 2.26 Controls have been updated for all risks for the period February 2013 to April 2013.
- 2.27 Scoring remains unchanged.
- 2.28 Please refer to **Essential Reference Paper 'D'** for the Strategic Risk Register.

### **MONTHLY/QUARTERLY PERFORMANCE INDICATOR TARGETS**

- 2.29 Heads of Service have set out their monthly/quarterly performance indicator targets in **Essential Reference Paper 'E'**. The Executive is requested to agree these targets and note the exceptions detailed in paragraphs 2.29 to 2.31.

2.30 The new ICT performance indicators listed below currently do not have any targets as the Acting Head of IT wishes to consult ITSG before they are set. Targets are expected to be available before the first quarter performance data upload in June 2013:

- EHPI 9.3 - Percentage Reduction in the Number of Incidents
- EHPI 9.5 - Percentage of Calls Resolved at First Point of Contact
- EHPI 9.7 - Delivery of Key ICT Projects
- EHPI 9.8 - Delivery of Key Milestones in the ICT Strategy

2.31 The Head of Environment Services has advised that is difficult to set targets for:

- EHPI 191 - Residual household waste per household
- EHPI 192 - Percentage of household waste sent for reuse, recycling and composting

2.32 This is because the factors governing the amount of waste produced by residents are largely outside the Council's control. While publicity to encourage waste minimisation and recycling has some impact (and is needed to reinforce behaviour), overall changes in tonnages collected have been largely as a result of economic activity and other social factors. For example the:

- recession has had a major influence on consumption with falling tonnages of waste presented
- increasing use of the internet has seen a sharp drop in newspapers and junk mail and paper recycled has fallen nationally
- increasing use of internet shopping and changes in retailers use of packaging has resulted in an increase in cardboard.
- changeable weather patterns - the recent prolonged cold spell in Spring has reduced the amount of garden waste produced

2.33 Therefore instead of analysing performance against a target, it is proposed that performance analysis is based on trend data and comparison with the previous year.

### 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:

2012/13 Estimates and Future Targets Report, Essential Reference Paper B – For complete list of performance indicators that are being monitored for 2012/13

<http://online.eastherts.gov.uk/moderngov/ieListDocuments.aspx?CId=119&MId=1792&Ver=4>

Contact Officer:

In terms of performance issues

Ceri Pettit – Corporate Planning and Performance Manager, Ext 2240  
[ceri.pettit@eastherts.gov.uk](mailto:ceri.pettit@eastherts.gov.uk)

In terms of financial issues

Mick O'Connor – Principal Accountant, Ext 2054  
[mick.oconnor@eastherts.gov.uk](mailto:mick.oconnor@eastherts.gov.uk)

Report Author:

Karl Chui – Performance Monitoring Officer, Ext 2243  
[karl.chui@eastherts.gov.uk](mailto:karl.chui@eastherts.gov.uk)