

EAST HERTS COUNCIL

EXECUTIVE – 23 JULY 2013

MONTHLY CORPORATE HEALTHCHECK – MAY 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 May 2013.

| | |
|--|--|
| <u>RECOMMENDATION FOR EXECUTIVE:</u> that | |
| (A) | the change to EHPI 181 that it will only be measuring housing benefit performance as detailed at paragraph 2.6 of the report, be noted. |

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 where relevant quarterly data) 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 and quarterly basis.
Essential Reference Paper 'C' shows detailed information on the capital programme.
Essential Reference Paper 'D' shows explanations of variances on the Revenue Budget reported in previous months.

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 2013 to May 2013.

| | Position as at 31.05.13 | | | | 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) People | | | | | | |
| New Homes Bonus Grant | 20 | 0 | 0 | 0 | 20 | 0 |
| Collection Fund Balance | 55 | 0 | 0 | 0 | 55 | 0 |
| (2) Place | | | | | | |
| (3) Prosperity | | | | | | |
| Development Control income | 298 | 0 | 0 | 0 | 150 | 0 |
| | | | | | | |
| TOTAL: | 373 | 0 | 0 | 0 | 225 | 0 |
| Net Projected Variance | | | | | 225 | |
| Supported by supplementary estimates | | | | | | |
| Total Supplementary Estimates | | | | | | |

- 2.2 Subject to all other budgets being equal, this would result in an underspend of £225k.
- 2.3 A new payroll system has been installed and staff are being 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 budgetary monitoring for April and May.

FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS

People

Financial analysis

- 2.4 The Government has released additional New Homes Bonus grant monies. As a consequence East Herts Council has received a windfall sum of £20k.
- 2.5 Upon finalising the balance on the Council Tax Collection Fund there is a £55k favourable position.

Performance analysis

- 2.6 **EHPI 181 – Time taken to process Housing Benefit new claims and change events.** Performance was 'Green' for May 2013. As from 2013/14 there is a mandatory change for this indicator as the Department for Work and Pensions (DWP) will no longer be providing council tax benefit data. This meant that the service had to introduce its own council tax support scheme from 1 April 2013 and that from the date of the local scheme, EHPI 181 will only measure housing benefit performance. The housing benefit data will continue to be provided by the DWP. The change has been applied on Covalent removing references to council tax benefits from EHPI 181
- 2.7 The following indicator was 'Green', meaning that the target was either met or exceeded for May 2013. It is:
- EHPI 129 – Response time to anti social behaviour (ASB) complaints made to East Herts Council.

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

Place

Financial analysis

- 2.8 The original 2013/14 budget included a planning contingency sum of £600k which allows for unforeseen events to be funded in-year. In the April corporate healthcheck it was agreed that some of this funding will be used to support the new recycling initiative. This left a balance of £575k which if not required during the year will result in an additional favourable variance from the £225k reported this month.

Performance analysis

- 2.9 **EHPI 157a – Processing of planning applications: Major applications.** Performance was 'Red' for May 2013. Three decisions were made in the month. Two were delayed as a result of the timing of Development Control Committee meetings, the third resulted from the requirement to conclude a legal agreement. Additional resources have been agreed to improve performance.
- 2.10 **EHPI 157b – Processing of planning applications: Minor applications.** Performance was 'Red' for May 2013. 8 decisions were outside the target timescale. Three of these were as a result of referral to committee and the longer than usual gap between committee meetings prior to 22 May 2013. In relation to the other 5 delegated decisions delay was caused by a variety of reasons including: resolution of flood risk issue; additional publicity requirements and other priority workload areas.
- 2.11 **EHPI 191 – Residual household waste per household.** Performance in May is consistent with last month waste disposed of is running at 3% above last years level.
- 2.12 **EHPI 192 - Percentage of household waste sent for reuse, recycling and composting.** An improved performance this month, compared to April, due to a 500 tonne increase in composting.
- 2.13 **EHPI 2.1e – Planning Enforcement: Service of formal notices.** There is no performance to report for this month as no notices were served in May.
- 2.14 The following indicators were 'Green', meaning that the targets were either met or exceeded for May 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 157c – Processing of planning applications: Other applications

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

Prosperity

Financial analysis

- 2.15 With income of £125k received from the Bishop's Stortford North Development and the underlying income being maintained for the first two months an extra £150k is expected at this point in time.

Performance analysis

- 2.16 **EHPI 12c – Total number of sickness absence days per FTE staff in post.** Performance was 'Red' for May 2013. As with last month, HR are still working with managers on a number of long term sickness cases which have carried over from last year.
- 2.17 The following indicators were 'Green', meaning that targets were either met or exceeded for May 2013. They were:
- EHPI 6.8 – Turnaround of pre NTO PCN challenges.
 - EHPI 6.9 – Turnaround of NTO Representations.
 - EHPI 8 - % invoice paid on time.

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

CAPITAL FINANCIAL SUMMARY

- 2.18 The table below sets out expenditure to 31 May 2013 against the Capital Programme. Members are invited to consider the overall position. **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.

| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 |
|---------------------------------------|---------------------------------|--------------------------------|--|-------------------------------|------------------------------|
| 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 | 66,418 | 2,307,200 | (49,710) |
| Place | 729,510 | 2,997,270 | 113,657 | 3,020,590 | 23,320 |
| Prosperity | 1,647,540 | 1,808,300 | 44,787 | 1,807,300 | (1,000) |
| Re-profiling potential slippage | (250,000) | (250,000) | 0 | (250,000) | 0 |
| Total | 4,442,020 | 6,912,480 | 224,862 | 6,885,090 | (27,390) |

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>

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