

EAST HERTS COUNCIL

EXECUTIVE – 12 OCTOBER 2010

MONTHLY CORPORATE HEALTHCHECK – AUGUST 2010

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 August 2010.

RECOMMENDATIONS FOR DECISION BY EXECUTIVE: that:	
(A)	the budgetary variances set out in paragraph 2.1 of the report submitted, be noted;
(B)	the reporting of the data for the new local crime indicators (paragraph 2.6) from the September Corporate Healthcheck report, be noted; and
(C)	the capital bid for a supplementary estimate of £65k relating to works at the Southern Country Park (paragraph 2.30), be approved.

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 Council'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 salaries. **Essential Reference Paper 'D'** shows detailed information capital. **Essential Reference Paper 'E1 and E2'** shows explanations of variances on the Revenue Budget reported in previous months. **Essential Reference Paper 'F'** shows the capital project initiation document. **Essential Reference Paper 'G'** shows a summary of Executive 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 2010 to August 2010.
- 2.2 The table below summarises the known position as at the end of August.

	Position as at 31.08.10				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	0	0	0	0	47	0
Meals on Wheels	0	0	0	0	0	67
LAA grant	0	0	0	0	0	33
Hertford Theatre	28	0	11	0	0	35
H Benefits Overpayments	65	0	13	0	50	0
H Benefits Admin Subsidy	0	10	0	2	0	24
Partnership Contribution	0	0	0	0	25	0
Area Based Grant	13	0	3	0	30	0
Thele House Maintenance	0	14	0	0	0	15

	Position as at 31.08.10				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/Managing vacancies	60	0	47	0	0	7
Investment Income	0	375	0	55	0	810
Place Survey	0	0	0	0	14	0
(3) Pride in East Herts						
Car Parks Pay and Display (Sunday/Bank Holiday	0	16	0	3	0	38
Car Parks Pay and Display	0	76	0	19	0	150
Penalty Charge Notices	0	15	9	0	0	10
Car Parks – Advertising	0	2	0	1	0	4
Car Washing-Gascoyne Way	0	4	0	1	0	5
Causeway Car Park Rent	0	0	0	0	0	222
B/S car park season tickets	14	0	0	1	12	0

	Position as at 31.08.10				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)Caring about what's built and where						
Public Conveniences	0	30	0	6	0	68
Recycling Service	0	0	0	0	550	0
Wheeled Bin Delivery Charge	0	21	0	5	0	50
Recycling Publicity	46	0	9	0	22	0
Green Waste collection	42	0	18	0	80	0
Kerbside dry recycling collection	0	18	0	6	40	0
Plastic banks	8	0	0	0	15	0
Kerbside dry recycling income	0	133	0	50	80	0
Recycling contributions	0	0	0	0	3	0
Depot Material Handling	15	0	1	0	35	0
Refuse & Recycling contract	15	0	3	0	37	0
Refuse Collection Contract	40	0	8	0	50	0

	Position as at 31.08.10				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(5) Shaping now, shaping the future						
Housing and Planning						
Delivery Grant	0	0	0	0	0	134
LABGI	0	0	0	0	0	50
Appeals Costs	9	0	1	0	0	18
Enforcement action	0	0	0	0	0	50
(6) Leading the way, working Together						
Members Allowances	16	0	4	0	44	0
TOTAL:	371	714	127	149	1,134	1,790
Net Projected Variance						656

	Position as at 31.08.10				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
Supported by supplementary estimates						
• Investment Income						407
• Housing and Planning Delivery grant						134
• LABGI						50
• Thele House Maintenance						15
Total Supplementary Estimates						606

- 2.3 Subject to all other budgets being equal, this would result in an over spend of £656k.
- 2.4 Executive on the 7 September determined that the loss of funding from the Housing and Planning Delivery grant of £166k would be offset by taking from the general reserve the additional sum received in respect of this grant in 2009/10 of £134k. The Executive further requested CMT to meet the residual short fall of £32k by increasing the target for Management Action Savings by £32k to £55k. **Essential Reference Paper 'C'** shows a projected underspend of £48k on payroll budgets leaving £7k still to be found to meet the target of £55k.

FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS

Promoting Prosperity and well-being, providing access and opportunities

Financial analysis

- 2.5 Executive on the 7 September approved a supplementary estimate of £15k to cover maintenance costs at Thele House until the property is sold.

Performance analysis

- 2.6 The new local crime performance indicators listed below were approved by Executive on 7 September 2010. The performance indicators are in the process of being uploaded on to Covalent. The first set of data will be available in the September Corporate Healthcheck report:
- EHPI 129 - Response time to anti social behaviour complaints made to East Herts Council.
 - EHPI 130 - Number of council endorsed community safety projects that receive positive publicity.
- 2.7 **NI 15 – Serious violent crime rate.** East Herts featured in the highest quartile for serious violence excluding Grievous Bodily Harm (GBH) with 0.059 crimes per 1000 residents (1 May - 31 July 2010).
- 2.8 **NI 16 - Serious acquisitive crime rate.** When compared to the other 9 districts in Hertfordshire East Herts was the second lowest for acquisitive crimes. When compared to other similar partnerships East

Herts featured above the average (bad – the average is 2.100) with 2.446 crimes per 1000 residents (1 May - 31 July 2010)

- 2.9 **NI 20 – Assault with injury crime rate.** East Herts featured below the average for assault with less serious injury with 0.715 crimes per 1000 residents (1 May - 30 June 2010). When compared to the other 9 districts in the county, East Herts was second lowest.

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

Fit for purpose

Financial analysis

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

Performance analysis

- 2.11 **EHPI 6.8 - Turnaround of pre NTO PCN challenges and EHPI 7.0 - % pre NTO PCN challenges responded to within 10 days.** Performances for both indicators were ‘Red’ for August 2010. The combination of the higher number of PCNs and lower staffing levels has reduced performance.
- 2.12 **NI 181 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.** Performance was ‘Amber’ for August 2010 and hence was slightly off target. However performance has improved from the previous month achieving 10.2 days compared with 13.0 days. The cumulative position is currently 13.1 days.
- 2.13 **EHPI 8 – % of invoices paid on time.** Performance was ‘Amber’ for August 2010. The management has taken corrective measures to ensure invoices are paid on time.
- 2.14 The following indicator was ‘Green’, meaning that the target was either met or exceeded for August 2010:
- EHPI 12c - Total number of sickness absence days per FTE staff in post.

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

Pride in East Herts

Financial analysis

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

Performance analysis

- 2.16 **NI 191 - Residual household waste per household (performance data reported one month in arrears – data is cumulative).** The amount of waste requiring disposal continued to be lower and better than the service's expectations, with alternate collections not only encouraging increased recycling and composting but also reducing the amount of waste generated in total.
- 2.17 **NI 192 - Percentage of household waste sent for reuse, recycling and composting (performance data reported one month in arrears).** Performance continued to exceed the service's expectations, although there has been a slight dip for July due to a hot, dry period during which the need for residents to mow their lawns was reduced.

Caring about what's built and where

Financial analysis

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

Performance analysis

- 2.19 **EHPI 2.10(3) - Building sites: 3 months re-inspections.** Performance was 'Red' for August 2010 as a result of a high level of workload (up 20%+ on last year) and reduced staffing levels. This has resulted in a backlog of applications and a temporary suspension of routine 'back-checking' of site inspections.
- 2.20 **EHPI 204 – Planning appeals allowed.** Performance was 'Red' for August 2010. The target was not met as four out of a total of nine appeals were allowed. Of the four allowed, two were delegated decisions and two were committee decisions. The allowed decisions included two householder applications, a legal agreement occupancy restriction and a leisure based proposal. Dismissed appeals included the change of use of a shop unit, the creation of a residential annex and advertisement appeals.

2.21 **EHPI 2.2(45) – Number of collections missed per 100,000 collections of household waste.** Performance was ‘Amber’ for August 2010. Monthly performance has stabilised at just above target. Better performance earlier in the year means year to date performance is still better than target but remedial work will continue to improve performance.

2.22 The following indicators were ‘Green’, meaning that targets were either being met or exceeded for August 2010. They are:

- NI 157a – Processing of planning applications: Major applications.
- NI 157b - Processing of planning applications: ‘Minor’ applications.
- NI 157c - Processing of planning applications: Other applications.
- EHPI 2.1b - Enforcement actions: planning b) formal actions.
- EHPI 2.1c - Enforcement actions: planning c) prosecutions.

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

Shaping now, shaping the future

Financial analysis

2.23 Income from Development Control applications is ahead of the August target by £63k. It is too early to predict the outturn for the year.

Leading the way, working together

Financial analysis

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

Performance analysis

2.25 There are no performance indicators monitored on a monthly basis for this priority.

CAPITAL FINANCIAL SUMMARY

2.26 The table below sets out expenditure to 31 August 2010 against the Capital Programme. Members are invited to consider the overall position.

SUMMARY	2010/11 Original Estimate	2010/11 Revised Estimate	2010/11 Actual/ commit to date	2010/11 Projected spend	Variance Col 4 - Col 2
	£	£		£	£
Promoting Prosperity	3,969,400	4,423,100	532,247	4,229,530	(193,570)
Fit for Purpose	1,799,400	2,202,900	271,307	1,664,360	(538,540)
Pride in East Herts	998,000	1,147,700	532,617	1,144,780	(2,920)
Caring about what's built	284,400	333,900	79,346	313,730	(20,170)
Shaping now	124,300	188,600	7,562	188,600	0
Leading the Way	0	0	0	0	0
Re-profiling potential slippage	(750,000)	(750,000)	0	(750,000)	0
TOTAL	<u>6,425,500</u>	<u>7,546,200</u>	<u>1,423,079</u>	<u>6,791,000</u>	<u>(755,200)</u>

2.27 **Essential Reference Paper 'D'** contains details of the 2010/11 Capital Programme which reflects any decisions made by Executive on 7 September 2010. Comments are provided by Project Control Officers in respect of individual schemes.

2.28 Under Pathfinder a number of proposals have been presented to Hertfordshire Leaders and Chief Executives by the Herts Human Resources Group regarding a HR shared services model. The HR/Payroll system is included in that scope. Therefore, the project has been deferred until 2011/12.

2.29 Work on Wallfields is due to commence in November 2010. The budget has been re-profiled as follows: 60% (£733,500) in 2010/11 and 40% (£489,000) in 2011/12.

2.30 The Head of Environmental Services is submitting a bid for a new capital scheme. Please refer to **Essential Reference Paper 'F'** which contains the PID. The project is for the improvement of works at the Southern Country Park. The Council will spend £10k from the existing Play and Open Spaces development and maintenance budget but would require a supplementary estimate of £65k which would be met from successful bids for external funding.

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:

April 2010 Corporate Healthcheck, Essential Reference Paper C –
For complete list of Executive performance indicators that are being
monitored for 2010/11

Contact Officer:

In terms of performance issues

Ceri Pettit, Head of Strategic Direction (Shared) and Performance
Manager – ext 2240

Lorna Georgiou, Performance and improvement Coordinator – ext
2244

Karl Chui, Performance Officer – ext 2243

In terms of financial issues

Mick O'Connor, Principal Accountant – ext 2054

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>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</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>