

EAST HERTS COUNCIL

EXECUTIVE – 24 MAY 2011

MONTHLY CORPORATE HEALTHCHECK – FEBRUARY 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 February 2011.

RECOMMENDATIONS FOR EXECUTIVE: that:	
(A)	the budgetary variances set out in paragraph 2.2 of the report, be noted; and
(B)	the capital re-profiling, including the acquisition of Apton Road and Baldock Street Car Parks, as identified in Essential Reference Paper ‘D’, 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 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




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 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 February 2011.
- 2.2 The table below summarises the known position as at the end of February.

	Position as at 28.02.11				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	0	0	0	0	12	0
Meals on Wheels	0	99	0	0	0	67
LAA grant	0	0	0	0	0	33
Hertford Theatre	50	0	65	0	0	49
H Benefits Overpayments	380	0	59	0	450	0
H Benefits Admin Subsidy	0	22	0	2	0	24
Partnership Contribution	0	0	0	0	25	0
Area Based Grant	34	0	3	0	36	0
Thele House Maintenance	0	19	0	0	0	20
Critical Ordinary Watercourse	0	87	0	48	0	16
Hostel Rent	43	0	5	0	50	0
Leisure-Utilities	0	0	0	0	0	21
LAA grant	0	0	0	0	51	0
Private Sector Housing	31	0	5	0	31	0
Pest Control	6	0	6	0	4	0
Housing Options	36	0	36	0	15	0

	Position as at 28.02.11				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/Managing vacancies	176	0	22	0	81	0
Investment Income	0	760	0	50	0	830
Place Survey	0	0	0	0	14	0
Print/Document handling	0	0	0	0	0	56
Office Moves ('Churn') Costs	0	0	0	0	0	15
Hartham Land sale	0	0	0	0	50	0
IT Licences	17	0	0	14	34	0
Legal Litigation fees	49	0	4	0	40	0
Legal fees recovered	2	0	0	13	0	0
Corporate Training	31	0	31	0	20	0

	Position as at 28.02.11				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						
Car Parks Pay and Display (Sunday/Bank Holiday	0	35	0	3	0	38
Car Parks Pay and Display	0	133	0	12	0	139
Penalty Charge Notices	0	12	8	0	0	10
Car Parks – Advertising	0	4	0	1	0	4
Car Washing-Gascoyne Way	0	9	0	1	0	10
Causeway Car Park Rent	0	0	0	0	0	222
B/S car park season tickets	56	0	41	0	12	0
Car Parks P&D VAT	0	0	0	0	0	19
Un/Locking Bircherley Green	7	0	0	0	5	0
CCTV Running costs	0	11	0	2	0	6
Pay & Display machines	0	0	0	0	0	16

	Position as at 28.02.11				Projected Position year end	
	Favour-able £000	Adverse £000	Favour-able Variance since last month £000	Adverse Variance since last month £000	Favour-able £000	Adverse £000
(4)Caring about what's built and where						
Public Conveniences	0	67	0	4	0	68
Recycling Service	0	0	0	0	664	0
Wheeled Bin Delivery Charge	0	46	0	4	0	50
Recycling Publicity	30	0	4	0	22	0
Green Waste collection	87	0	5	0	98	0
Kerbside dry recycling collection	0	43	0	4	0	0
Plastic banks	21	0	3	0	22	0
Kerbside dry recycling income	59	0	0	6	208	0
Recycling contributions	0	0	0	0	26	0
Depot Material Handling	33	0	3	0	36	0
Refuse Collection Contract	74	0	22	0	0	20
Commercial Waste	59	0	0	40	25	0
Cleansing Contract	0	36	14	0	18	0
Grounds Maint. Contract	55	0	0	10	0	35
Waste contract – specialist support	13	0	0	0	14	0
Banks site maintenance	3	0	0	1	4	0
Clinical Waste income	14	0	14	0	14	0
Glass/Can/Paper Banks	39	0	39	0	27	0
Tree Replacement Prog	10	0	10	0	9	0

	Position as at 28.02.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(5) Shaping now, shaping the future						
Housing and Planning Delivery Grant	0	0	0	0	0	134
LABGI	0	0	0	0	0	30
Land Charges Income	43	0	5	0	48	0
Development Plans Studies	0	0	0	0	34	0
LDF upkeep/review	57	0	7	0	62	0
Pre- Application advice	13	0	0	2	10	0
HCC DC advice	9	0	1	0	10	0
Development Control income	27	0	0	7	30	0
Building Control income	0	60	0	60	20	0
Personal Search Fee Grant	0	0	0	0	34	0
Habitats Grant	0	0	0	0	17	0

	Position as at 28.02.11				Projected Position year end	
	Favourable £000	Adverse £000	Favourable Variance since last month £000	Adverse Variance since last month £000	Favourable £000	Adverse £000
(6) Leading the way, working Together						
Members Allowances	43	0	4	0	48	0
By-Elections	0	15	1	0	0	20
Audit Fees	38	0	1	0	48	0
Street Naming	0	7	0	1	0	7
TOTAL:	1,645	1,465	418	285	2,478	1,959
Net Projected Variance					519	
Supported by supplementary estimates						
• Investment Income						407
• Housing and Planning Delivery grant						134
• LABGI						50
• Thele House Maintenance						15
• Pay and Display machines						19.6
Total Supplementary Estimates						625.6

- 2.3 Subject to all other budgets being equal, this would result in an under spend of £519k.
- 2.4 Salary budgets have been constantly monitored and **Essential Reference Paper 'C'** shows a projected under spend of £81k on payroll budgets.

FINANCIAL ANALYSIS AND PERFORMANCE ANALYSIS

Promoting Prosperity and well-being, providing access and opportunities

Financial analysis

- 2.5 An additional £100k of Housing Benefit overpayments is anticipated to be recovered.
- 2.6 Within the Pest Control service there has been less demand for the service resulting in a saving of £4k of contractor support.
- 2.7 The Housing Options service shows savings of £15k materialising on the Temporary Accommodation budget as a result of the Council's utilisation of Hillcrest Hostel.

Performance analysis

- 2.8 **EHPI 130 - Number of council endorsed community safety projects that receive positive publicity.** There have been no planned partnership supported activities this month, and therefore no publicity.
- 2.9 The following indicator was 'Green', meaning that the target was either met or exceeded for February 2011:
- EHPI - 129 - Response time to anti social behaviour complaints made to East Herts Council. Based on the 2010/11 estimates the annual target of 100% is expected to be met.

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

Fit for purpose

Financial analysis

- 2.10 There is a projected under spend of £40k on legal litigation budgets as a result of lower demand on these budgets.
- 2.11 There is a projected under spend of £20k on the Corporate training budget due to a increase of training provided in house and discounted trainers fees negotiated.

Performance analysis

- 2.12 **EHPI 6.8 - Turnaround of pre NTO PCN challenges.** Performance was 'Red' for February 2011. Although performance has not met the target it is an improvement from last month with a reduction from 21 to 18 days. Based on the 2010/11 estimates the annual target of 14 days is not expected to be met with an estimated end of year 2010/11 outturn of 22 days.
- 2.13 **EHPI 7.0 - % pre NTO PCN challenges responded to within 10 days.** Performance was 'Red' for February 2011. Although performance has not met the target the service retained performance at 21%.
- 2.14 The relevant Directors should continue to take action to ensure timely payment of invoices.
- 2.15 The following indicator was 'Green', meaning that the target was either met or exceeded for February 2011:
- EHPI 12c - Total number of sickness absence days per FTE staff in post.
 - EHPI 8 - % of invoices paid on time.
 - NI 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.

Pride in East Herts

Financial analysis

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

Performance analysis

- 2.17 **NI 191 - Residual household waste per household (performance data reported one month in arrears – data is cumulative).** Waste continues to be lower than expected so outturn will be better (lower) than target. Based on the 2010/11 estimates the annual target of 595 is expected to be met with an estimated end of year 2010/11 outturn of 470.
- 2.18 **NI 192 - Percentage of household waste sent for reuse, recycling and composting (performance data reported one month in arrears).** The year to date performance continues to better the target and expected outturn with high levels of recyclables collected through the kerbside service in January. Based on the 2010/11 estimates the annual target of 48.00% is expected to be met with an estimated end of year 2010/11 outturn of 49.30%.

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

Caring about what's built and where

Financial analysis

- 2.19 There is a reduction in funding of circa £59k received from Herts County Council for transporting waste to their disposal points (previous Edmonton and Ugley and now Ware), reflecting the shorter distance to travel; and part due to the transfer of £20K to the Recycling budget, which is associated with the disposal of organic waste. The overall effect is now showing an adverse £20k on the Refuse Service.
- 2.20 There is less spend on glass, can and paper banks of circa £27k due to diversion to kerbside collections following ARC.
- 2.21 Expenditure of £9k has been delayed on the replacement of trees in a high profile area of the Waytemore Castle Gardens until the Autumn of 2011. A carry forward request will be made at the appropriate time.

Performance analysis

- 2.22 **EHPI 2.10(3) - Building sites: 3 months re-inspections.** Performance was 'Red' in February 2011. Performance in this area remains constant, reflecting priority given to plan checking and

reactive site inspection areas of service.

2.23 The following indicators were 'Green', meaning that targets were either being met or exceeded for February 2011. They are:

- EHPI 2.1b - Enforcement actions: planning b) formal actions.
- EHPI 2.1c - Enforcement actions: planning c) prosecutions.
- EHPI 2.2(45) – Number of collections missed per 100,000 collections of household waste.
- EHPI 204 – Planning appeals allowed.

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

Shaping now, shaping the future

Financial analysis

2.24 Savings of £34k are now expected on the Development Plans studies as further costs for Stansted that had been envisaged will not now materialize.

2.25 Further savings totalling £62k on the Local Plan/upkeep review have been generated by using more cost effective methods such as electronic documents resulting in less expenditure than has historically been the case.

2.26 The Building Control income from the partnering with Everest has remained buoyant generating an additional £20k of income.

2.27 The Government is to pay a one off revenue grant of £34k following the revocation of the Personal Search Fee of the Local Land Charges Register to cover both potential restitutionary claims and loss of fees foregone in 2010/11. Going forward the loss of income is said to be taken into account in the annual revenue support fund settlement.

2.28 The Government is to pay a Habitats Grant of £17k, which is paid to all local planning authorities which have European site within their area.

Performance analysis

2.29 **NI 157b - Processing of planning applications: 'Minor' applications.** Performance was 'Red' in February 2011. Eight applications were determined outside the target timescale, of these eight; five decisions were made by the committee. The committee

decision making route extends the timescale but was necessary either because of member referrals, as it was considered that proposals could be supported despite policy requirements or because they were successor applications to previously committee determined matters. Based on the 2010/11 estimates the annual target of 80.00% is expected to be exceeded with an estimated end of year 2010/11 outturn of 85.00%.

2.30 The following indicators were 'Green', meaning that targets were either being met or exceeded for February 2011. They are:

- NI 157a – Processing of planning applications: Major applications.
- NI 157c - Processing of planning applications: Other applications.

Leading the way, working together

Financial analysis

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

Performance analysis

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

CAPITAL FINANCIAL SUMMARY

2.33 The table below sets out expenditure to 28 February 2011 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	3,680,930	2,618,731	3,223,010	(457,920)
Fit for Purpose	1,799,400	1,291,160	593,378	825,210	(465,950)
Pride in East Herts	998,000	1,371,080	1,667,799	1,799,380	428,300
Caring about what's built	284,400	230,030	181,923	185,670	(44,360)
Shaping now	124,300	170,600	26,901	31,000	(139,600)
Leading the Way	0	0	0	0	0
Re-profiling potential Slippage	(750,000)	0	0	0	0
TOTAL	<u>6,425,500</u>	<u>6,743,800</u>	<u>5,088,732</u>	<u>6,064,270</u>	<u>(679,530)</u>

2.34 **Essential Reference Paper 'D'** contains details of the 2010/11 Capital Programme. Comments are provided by Project Control Officers in respect of individual schemes.

2.35 **Essential Reference Paper 'D'** has highlighted a significant number of capital schemes this month that indicate that there will be a large amount of slippage by the 31 March 2011. In order to offset the slippage it has been possible to re-profile the acquisition of Apton Road and Baldock Street Car Parks from 2011/12. Expenditure of £670k is included within the Projected spend figure reported. Therefore, Members are asked to consider approval for those schemes that require re-profiling.

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 CMT 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>