

Report to Cabinet

Subject: Quarterly Gedling Plan Performance and Budget Monitoring.

Date: 8 November 2018

Author: Senior Leadership Team

Wards Affected

Borough-wide

Purpose

- To inform Cabinet of the performance against Improvement Actions and Performance Indicators in the 2018/19 Gedling Plan.
- To update Cabinet on the likely outturn of the Revenue and Capital Budgets for the 2018/19 financial year. The budgets include all carried forward amounts from the 2017/18 financial year.
- To request Cabinet approval for the budget changes outlined in this report.

Key Decision

This is a Key Decision.

Recommendations

Members are **recommended**:

- a) To note the progress against Improvement Actions and Performance Indicators in the 2018/19 Gedling Plan;
- b) To agree the amendments to the performance indicator targets set out in paragraph 2.1.7;
- c) To approve the General Fund Revenue Budget virements included in Appendix 1;
- d) To note the use of reserves and funds during quarter one as detailed in Appendix 2;
- e) To approve the changes to the capital programme included in paragraph 2.2.3.

Background

- 1.1 The Council has made a commitment to closely align budget and performance management. This is in line with accepted good practice.
- 1.2 To deliver this commitment, systems to monitor performance against revenue and capital budgets, improvement activity and performance indicators have all been brought together and are embedded in the way the Council works.
- 1.3 In addition, performance reports focus more directly on the Council's priorities and offer an "early warning" system of instances where targets may not be secured.
- 1.4 As usual, comprehensive details about current performance against the Gedling Plan can be accessed through the following link on the Council's website:-

<http://www.gedling.gov.uk/council/aboutus/prioritiesplansandperformance/howweredoing/>

Members are recommended to view this document which provides valuable background detail to this summary paper. It provides a more in-depth review of indicators, actions and outcomes for quarter 2.

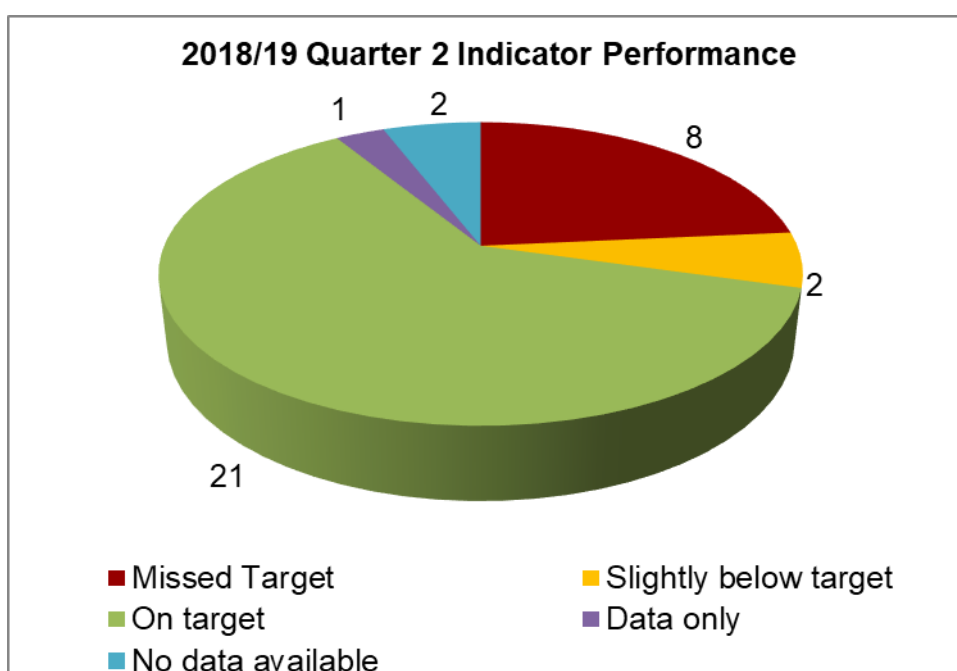
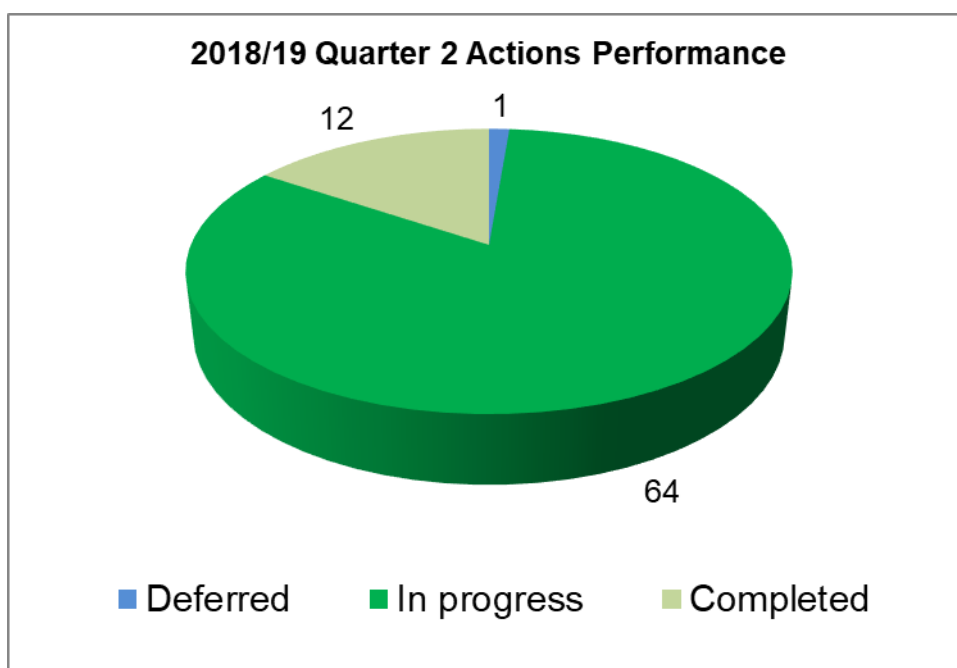
- 1.5 A full set of papers that appear on the website have been printed and these reports are available in the Members' Room. They contain explanations of variances from expected performance together with trend arrows for all the performance indicators within the Gedling Plan (note that an upward arrow indicates improved performance, irrespective of whether improvement is represented by a higher or lower value) and progress bars for all Gedling Plan actions showing progress made against project milestones.
- 1.6 The assessment criteria used for actions and indicators is based on red, amber and green traffic light symbols. To be assessed as green performance indicators must be in line with their expected performance at this stage of the year, whilst actions must be on target against the "completed" or "in progress" milestones determined within the performance management system, Pentana.

Proposal

2 Quarterly Progress Report

2.1 Current Performance Information

- 2.1.1 Overall performance at quarter 2 against the 2018/19 Gedling Plan actions and indicators shows the following:

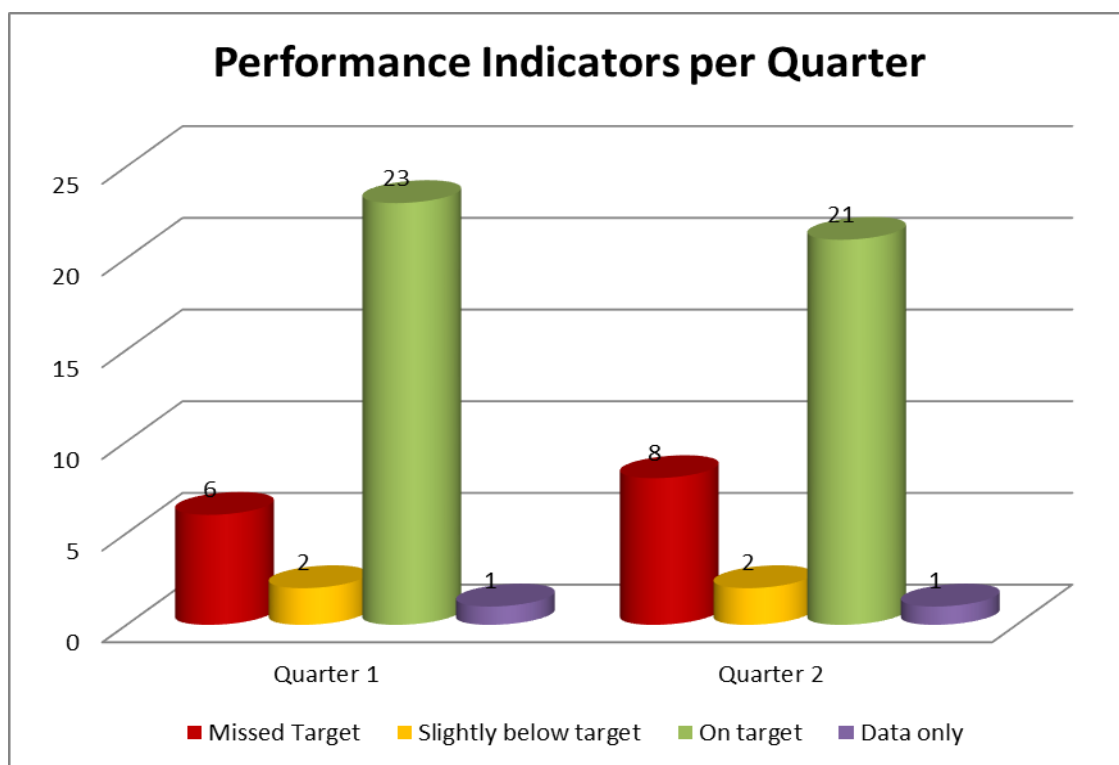


Actions

2.1.2 Twelve of the 77 Gedling Plan actions are completed, with the remaining either in progress, deferred or assigned to an Officer. It must be noted that the data in this report refers to the second quarter of the financial year only and it is expected that actions identified for the year will be met.

Indicators

2.1.3 Overall indicator performance at the end of quarter 2 shows that out of a total of 34 indicators, 21 were on or above target, 2 were slightly below target and 8 indicators missed their target. One indicator is for tracking purposes only and for two indicators the data was not available at the time of drafting this report. There is no significant change in performance from quarter 1:



2.1.4 Examples of particularly positive performance during quarter 2 include:

- The number of theatre events/shows taking place at the Bonington Theatre was 247 against a target of 173 and the number of cinema shows was 150 against a target of 87. This generated an income of £36,530 for Quarter 2 against a target of £19,845.
- 93.9% of calls to the customer contact centre were answered, against a target of 90%. This performance is against a backdrop of the implementation of a restructure, re-profiling of staffing levels and training Customer Services Advisers in new roles.
- The annual target of 6 school-age work experience placements hosted has already been achieved.
- Only 1% of surveyed streets in the Borough had unacceptable levels of litter, against a target of 2%
- 7 long-term empty homes in the Borough were returned to use in quarter 2 (against a target of 5) and the yearly target of 20 empty homes has already been exceeded.

- The percentage of planning applications processed in all categories (major, minor and other) is well within targets set. In particular, 100% of major planning applications were processed within 13 weeks during quarter 2 (against a target of 90%).

2.1.5 Of the 8 indicators shown red at the end of quarter 2, 2 are expected to improve and be on target at the year end. However Service Managers have indicated that 6 indicators are expected to miss or be slightly behind target at year end despite management action. The following indicators are worthy of note at this stage:

Housing Needs and welfare support

During quarter 2 the average time to process new Housing Benefit claims (in calendar days) was 14.3 days against a target of 13 days. Performance continues to be in the top 5% nationally; however performance has temporarily dipped due to the volume and complexity of claims received by the team. Whilst it is expected to miss target at year end, some improvement is anticipated by the end of the year due to changes in processes.

The average length of time spent in temporary accommodation (in weeks) is 19.2 weeks against a target of 8 weeks and is expected to miss target at year end. New legislation introduced on 1 April 2018 (Homelessness Reduction Act) requires the council to provide 56 days for temporary accommodation relief instead of the previous 28 days. This is very much demand led and totally dependent on Gedling Homes, Housing Associations and Private Sector properties being available for temporary accommodation, of which there are very few. The Council has only 11 temporary accommodation properties of its own and these are consistently full. Officers have recently leased 2 further properties from Gedling homes to relieve some of the pressure on bed and breakfast accommodation. In reality the situation will not improve until there are more homes available for either private rental or ownership, and this will be entirely down to affordability.

Housing

Whilst quarter 1 showed encouraging signs of the anticipated delivery of additional homes, 76 net additional homes were provided against a target of 120 and no affordable homes were delivered during quarter 2. Both indicators are expected to miss target at year end.

The adoption of the Local Planning Document at Council on 18th July released additional sites from the green belt for development. The trajectory for housing delivery confirms a five year land supply and an increase in the number of homes to be delivered. Although no affordable homes have been delivered this quarter, 8 discount for sale properties are due to complete in quarter 3 at Spring Farm. There is the potential for more S.106 affordable homes to complete during the remaining quarters and local registered providers are looking at several sites currently.

Waste

The residual household waste per household in Kg has missed target at the end of quarter 2 and is expected to miss target at year end. The increased figure is due to the increase in the number of loads rejected due to contamination of recycling bins by nappies, food, textiles and glass. Work is progressing with the County Council and Veolia to improve the communication around what can and cannot be recycled in order to reduce the contamination levels.

Jobs and Employment

The percentage of working age people on Job Seekers' Allowance and percentage of young people (18-24 year olds) claiming Job Seeker Allowance both show a slight increase from quarter 1 and have missed target at end of quarter 2. The former is expected to miss target at year end but the latter should improve and be on target.

The increase in percentage reflects only a few additional claimants and is not unusual at this time of year when there is often a temporary spike in the figures due to full time education leavers. The Council continues to work with the DWP to develop targeted employment events such as the Careers event held on 2nd October and further Taster Session on 27 November. Training/skills opportunities are also shared and promoted via participants of the Employment & Skills Group.

A date has also been confirmed for the annual Apprenticeship Fair (26 Feb) and preventative employability events have been programmed for the academic year with our secondary schools – including interview skills, Speed Networking and Have a Go Sessions with local employers. These events are aimed at preventing individuals from becoming NEET (Not in Education, Employment or Training).

Crime and Anti-Social behaviour

The level of all Crime across Gedling Borough rate per 1000 population has just missed target at the end of quarter 2 with 13.5 recorded crimes against a target of 13.2 but is expected to be on target at the year end. Recorded crime for quarter 2 has shown a decrease of 152 incidents compared to the previous quarter but an overall increase of 6.6% (204 offences) compared to the period April to September 2017. Members are the note however, this increase is less than South Notts Community Partnership as a whole, which has an overall increase of 9.1% compared to the same period last year.

The level of recorded anti-social behaviour across Gedling Borough (per 1000 population) has missed target at the end of quarter 2 with 4.5 recorded incidents against a target of 3.9, but is expected to be on target at year end. Recorded anti-social behaviour for quarter 2 2018 / 19 has shown a decrease of 19 incidents compared to the previous quarter but reflects an increase of 7.5% (74 incidents) when compared to April - September 2017 the previous year. The Community Safety Partnership have put in place, with police and

community colleagues, targeted plans to address arising issues and concerns in Arnold Town Centre. Currently the Arnold shop watch radio system is being upgraded to increase communication between businesses and partnership organisations. Additional youth work continues to help divert young people from committing anti-social behaviour. There are however increasing concerns that the changes in the operating procedures of Jigsaw and Gedling Homes may result in fewer operational staff based locally to tackle ASB cases. Cases therefore may not be dealt with as effectively as previously. This poses a risk to future performance that will need to be monitored and actively managed.

Change requests

2.1.6 Members will be aware, following a press release from the County Council, that construction of the Gedling Access Road has been delayed until 2019/20, as a result progress against this action in the Gedling Plan will also be delayed and will not be included in further quarterly reports.

2.1.7 The Service Manager has reported that as a result of the introduction of the Homelessness Reduction Act 2017, the Council is required to give advice and relief for a total of 112 days and there is no "homelessness application" as there previously was. As a result data is unavailable for the following performance indicators at quarter 2 and will not be available for future quarterly reports:

- LI 372 - Percentage of households who considered themselves as homeless who approached the Council and for whom housing advice resolved their situation. The Section Manager is currently considering all Housing Needs PI's so that they can better monitor future delivery.
- LI051 - Average time to process homeless applications (number of working days).

The Service Manager is currently considering all Housing Needs performance indicators so that future performance can be monitored effectively. It is therefore proposed that the above Performance indicators are removed from the Gedling Plan and replacement indicators will be recommended in a future report.

Achievements

2.1.8 A separate report is produced highlighting key achievements delivered during quarter 2, focusing on areas where the Council has made a real difference to people's lives. This is attached as Appendix 4 and is available on the Council's website and in hard copy in the Members' Room. The following outcomes are identified for particular attention.

Antisocial Behaviour and Knife Crime – Activity to address antisocial behaviour and public concern about knife crime has been focussed on Arnold. Significant work has taken place in partnership with the Police through patrolling, targeting individuals and increasing the CCTV coverage in the area as well as commissioning targeted youth work in the area and supporting the Nottinghamshire Police Knife Amnesty Event. A total of 53 knives were handed in at Gedling Borough Council's collection point, which was the second highest collection during the campaign. The service has also dealt with 3 traveller encampments through the summer and has successfully used streamlined powers to clear the encampments more quickly.

Disability swimming lessons - In September disability swimming lessons for children over 4 years old were introduced at Carlton Forum LC to compliment the already successful programme at Arnold LC. The new lessons are already proving popular with customers and ensure the facilities continue to cater for all aspects of the diverse community. This contributes to providing a range of leisure activities for young people and providing support to the most vulnerable and improving health and wellbeing.

Syrian Refugees - The Council has achieved 86% of our commitment to rehouse Syrian refugees. This means that to fulfil the requirement we need to accommodate a further 6 people and discussions are currently underway with a family of 4. The commitment runs for the term of the current Government. This contributes to reducing hardship and providing support to the most vulnerable.

Digital

- Public Services Network compliance was achieved on the 23 August.
- Work was completed in Q2 on the employee claims system ready for roll out in Q3, this adds overtime and duty officer claims to items that employees claim online in a paperless system.
- A 'report it' form has been developed for customers to report properties that potentially should be subject to selective licensing.

This contributes to robust data security arrangements and delivery of the Council's Digital Strategy, specifically using technology to enhance the customer experience of dealing with the council.

Well@work E-newsletter - Staff members have received the latest package of healthy lifestyles and wellbeing information through our internal e-newsletter. The latest edition has focused on sun safety, menopause in the workplace, leisure centre membership offers, staff Pilates and mindfulness sessions, tips for physical activity and healthy eating and it also promoted a staff resilience and mindfulness training course. This contributes to providing a positive and productive working environment and strong staff morale.

Erasmus+ - Work on the Erasmus+ came to a close this quarter and has delivered support to 98 SMEs over the 2 year project life and has supported 87 apprenticeship starts. This contributes to ensuring local people are well prepared and able to compete for jobs.

Arnot Hill Park Play Area - Work to refurbish Arnot Hill Park play area in Arnold completed. The new play area was opened by councillors and local school children at the beginning of the summer holidays. The new-look park, which cost of £124,000, now boasts a junior and toddler zone, new swings, climbing walls and a 2.9 metre slide which reflects the shape of the iconic Arnot Hill House located next to the play area. This contributes to providing an attractive and sustainable local environment that local people can enjoy and appreciate.

Natural History Trail - A nature trail has been installed at Gedling Country Park with eight wood carvings of animals native to the park. A trail booklet has also been produced with information about the animals and with space to make rubbings from the plaques attached to each of the sculptures. The trail follows the route of the DDA path at the park to ensure that it is accessible. The trail is part of the Gedling Borough's Heritage Brought Alive project funded by Heritage Lottery Fund. This contributes to providing an attractive and sustainable local environment that local people can enjoy and appreciate.

Advertising and Sponsorship Policy – the policy was approved to provide the framework by which advertising and sponsorship can be accepted. This will enable the Council to generate income from third parties from advertising on and sponsorship of Council-owned assets and media, and to ensure effective promotion of Council Services.

Revised Complaints, Compliments and Comments Policy – A revised policy was approved to enable council to effectively manage and respond to customer feedback. This contributes to improving the customer experience of dealing with the Council.

Temporary Accommodation - Two properties recently leased from Gedling Homes to be used as Temporary Accommodation for homelessness households. This reduces the need to put families in Bed and Breakfast accommodation and is therefore more cost effective.

Gedling conversation - A series of walk wards with senior managers and elected members was carried out in September to see whether people think that their local area has got better or worse to live in over the past two years; how satisfied they are with the local services and amenities in their local area; whether there is enough suitable housing in the borough; how easy it is to find out about jobs available locally etc. Approximately 180 residents were interviewed across 19 wards.

Ombudsman Complaints – During 2017/18 we had the lowest number of complaints made to the Local Government and Social Care Ombudsman in Nottinghamshire, none of which were upheld.

2.2 Financial Information

2.2.1 Appendices 1 and 3 set out details of the current financial position on the Council's General Fund Revenue Budget and the Capital Programme 2018/19.

2.2.2 General Fund Revenue Budget

The following table summarises the overall financial position of the General Fund Revenue Budget and the expected total spend for the year. This information has been compiled using the best information made available to Financial Services by the relevant spending officers as at 30 September 2018. In summary the Council's General Fund outturn is projected to be underspent by £40,100 against the approved budget. This represents a 0.3% underspend against the original budget of £12,145,200.

General Fund Revenue Budget 2018/19 – Change Analysis

	£
Net Council Budget for 2018/19 approved by Council on 5 March 2018 and Cabinet's Maximum Budget is:	12,145,200
Up to the end of September 2018 expenditure less income totalled	4,987,520
In the remaining 6 months of year we expect net expenditure to be <i>(including major spend items of Capital Financing, IT Acquisitions and Use of Transformation Fund)</i>	7,117,580
Total net revenue spend for the year is currently expected to be	12,105,100
Total Projected Revenue (Under)/Overspend 2018/19	(40,100)

Appendix 1 outlines how the General Fund Revenue budget is divided between the Portfolios of the Council and includes a detailed variance analysis identifying the current proposed changes for quarter two against the approved budget for each Portfolio area. Cabinet is recommended to approve these changes.

The major variances detailed in Appendix 1 include:

- Insurance – Environmental Impairment Liability Insurance, required to meet our obligations under the LSVT agreement. £80,000;
- Delay in the budget reduction proposal review of management - £30,000;
- Local Government Structure Gedling Impact - consultation exercise £20,000;

- Development Management – increase in major planning application fee income, partly offset by reduced pre application planning advice fees (£90,000);
- Corporate Income – additional investment interest (£24,000);
- Parks External Works – delay in the introduction of the second commercial tree team £27,400;

Attached at Appendix 2 are details of the budget virements authorising the usage of Earmarked Reserves and Revenue Budget Funds as approved by the Chief Financial Officer and Corporate Director in accordance with Financial Regulations. No virements were approved by Portfolio Holders for amounts of £50,000 or less during quarter two.

Efficiency/Budget Reduction Programme – Progress Update

Since 2014/15 Council have approved three separate budget reduction programmes totalling £5.2m net of risk provision. Progress to date has been positive and budget reductions achieved are in line with the profiled estimate. Of the total programme £2.8m is still to be delivered over 2018/19 to 2022/23.

In 2018/19 the programme for the delivery of efficiencies totals £1,187,000. Quarter 1 monitoring identified that £72,500 would be delayed until 2019/20. Quarter 2 monitoring indicates that a further £67,600 will be delayed until 2019/20, giving a total slippage of £140,100 as detailed in the table below. The budget impact of the quarter 2 deferred projects are included in Appendix 1 and are accommodated within the current approved 2018/19 budget.

Projects deferred to 2019/20:	£
Approved Quarter 1	
Pet Cremation	57,600
Delay in start of first commercial tree team due to recruitment process and training needs (3 months)	8,700
Reduction in hanging baskets	6,200
Proposed Quarter 2	
Delay in second commercial tree team to enable performance review of the first tree team	27,400
Community Safety review	10,200
Review of management	30,000
Total	140,100

Delivery of the programme will continue to be monitored and updates provided in future reports.

2.2.3 Capital Programme

Appendix 3 details the current projected position on the Capital Programme and its' financing for 2018/19, analysed by Portfolio, and this is summarised in the table below. Cabinet is recommended to approve these changes.

Capital Budget 2018/19 - Change Analysis

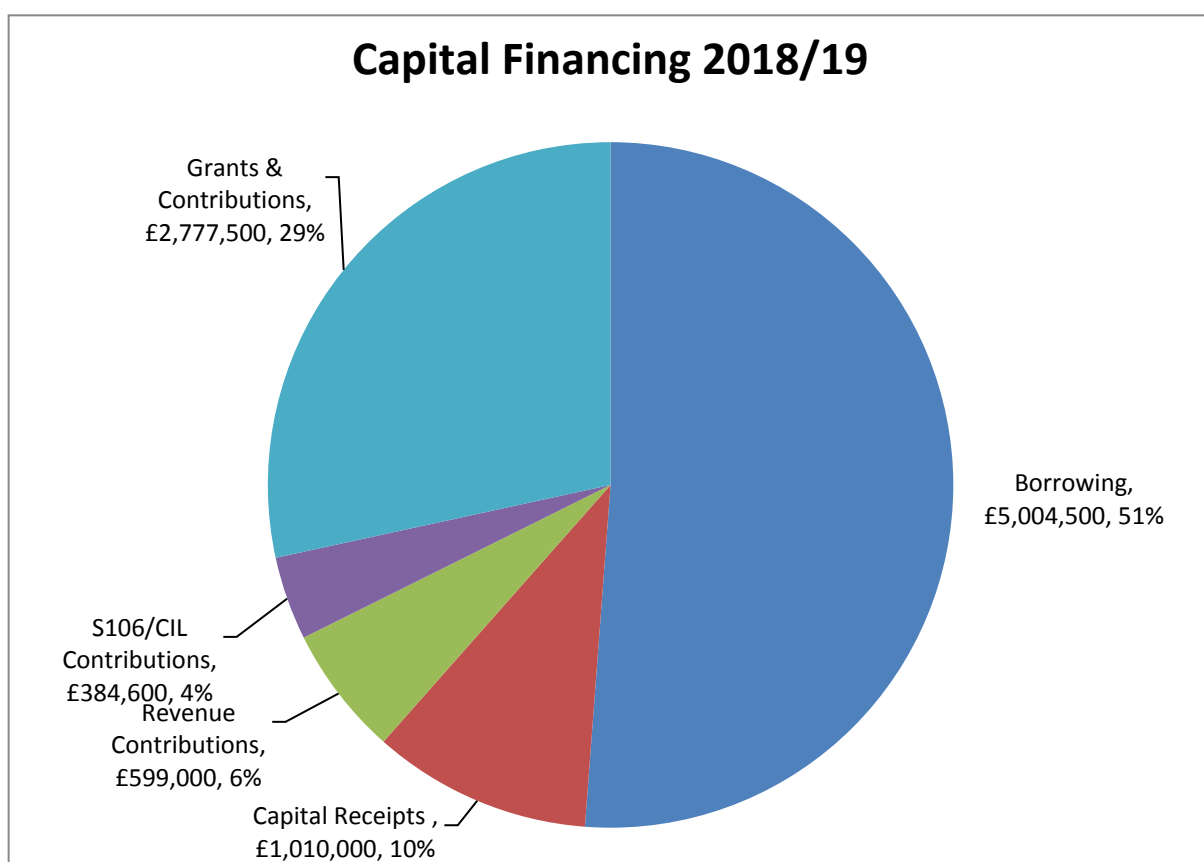
	£
Original 2018/19 budget approved by Council on 5 March 2018	8,374,000
Approved Capital Carry Forwards from 2017/18	2,025,000
Supplement approved by Council 18/07/18 Pet Cremation Vehicle	23,800
Approved amendments from Quarter 1 monitoring	(225,300)
Current approved budget for 2018/19	10,197,500
<u>Proposed Quarter 2 Amendments to the 2018/19 Programme</u>	
Additional Schemes:	
Cinderpath – scheme improved due to additional grant from WREN	38,400
Scheme identified for deferral:	
All Weather Pitch Carlton Le Willows – scheme awaiting outcome of Football Foundation bid, if successful scheme will commence in Spring 2019	(300,000)
Station Road, Carlton – Starter Homes scheme delayed whilst awaiting decision from HCA regarding funding use	(160,300)
Total Proposed Amendments to the Capital Programme	(421,900)
Proposed Revised Capital Programme 2018/19	9,775,600
Actual Expenditure to Quarter 2 2018/19	2,131,257
Estimated Expenditure Quarter 3-4 2018/19 (<i>including spend expected on major projects including Commercial Property Investments, Arnold Town Centre and Carlton Square Developments, Disabled Facilities Grants and the Vehicle replacement programme</i>)	7,644,343

Projected Outturn 2018/19	9,775,600
Projected Capital Programme Variance 2018/19	0

There is a quarterly capital monitoring of the projects chaired by the S151 officer and attended by finance officers and project officers. This meeting is pro-active in ensuring that the existing capital projects are delivered as efficiently and quickly as possible.

Capital Programme Financing

The projected method of financing the current capital programme requirement of £9,775,600 is detailed in Appendix 3 and summarised in the chart below:



Capital Receipt Monitoring

When the Council sells General Fund assets it is permitted to use this income to fund capital expenditure. The initial capital receipts estimate for 2018/19 projected that £1,010,000 will be generated with the whole amount to be used in financing the capital programme in 2018/19. There is no change to the capital receipt estimate projected at quarter 2 monitoring.

Community Infrastructure Levy (CIL) Monitoring

Officers have been requested to report to Cabinet on the progress with the Community Infrastructure awards. In total, since the implementation of CIL (15 October 2015), 122 liability notices have been issued and 95 Reliefs have been granted either for new dwellings, residential extensions over 100 square metres or residential annexes.

Since 15 October 2015 to 30 September 2018 the Council has received 47 payments across 28 developments totalling £807,094. Of this £118,906 (15%) is to be spent on the locality it has been collected via Neighbourhood Funding. £40,355 (5%) is to be set aside to cover the administration costs as permitted under the Regulations and the remaining £647,833 is to be spent on the strategic infrastructure projects that are identified on the Regulation 123 list.

Up to the 30 September the Council has issued liability notices totalling £1,587,107 of which £780,013 is still to be collected. This is reliant upon the developments commencing and the applicants complying with the notice. Each individual case for the outstanding monies is reviewed regularly and where appropriate followed up by the CIL officer.

Alternative Options

- 3 Option – Not to amend the original Council approved budgets during the year to reflect the latest projected outturn position.

Advantages:

- The final outturn position of the Council can be easily compared to its original intentions when the budget was set and areas of budget risk identified.

Disadvantages:

- Budgets not aligned to current budget pressures resulting in increased likelihood of budget overspend and emerging Council priorities not being addressed.
- Restrict the effectiveness of medium term planning process and preparation of the forward budget if pressures and areas of efficiency are not readily identifiable during budget preparation.
- Budget not reflective of latest performance information.

Reason for rejection – the option is not likely to result in the best outcomes in financial management or support delivery of priorities.

Financial Implications

- 4 The nature of the report is such that it has significant resource implications across the Council. The report itself demonstrates how resources are being managed.

Appendices

- 5 Appendix 1 – General Fund Revenue Budget 2018/19 – Budgetary Control Report

Appendix 2 – Use of Earmarked Reserves and Revenue Budget Funds

Appendix 3 - Capital Programme 2018/19 – Budgetary Control Report

Appendix 4 – Examples of Outcomes achieved during Quarter 2 2018/19

Background Papers

- 6 Detailed Quarterly Budgetary Control Exception Reports

Recommendations

Members are **recommended**:

- f) To note the progress against Improvement Actions and Performance Indicators in the 2018/19 Gedling Plan;
- g) To agree the amendments to the performance indicator targets set out in paragraph 2.1.7;
- h) To approve the General Fund Revenue Budget virements included in Appendix 1;
- i) To note the use of reserves and funds during quarter one as detailed in Appendix 2;
- j) To approve the changes to the capital programme included in paragraph 2.2.3.

Reasons for Recommendations

- 7 To align the budgets to the current pressures and priorities and ensure the delivery of Council objectives is supported.

To ensure Members are informed of the performance against the Gedling Plan 2018/19.