

Report to Cabinet

Subject: Quarterly Gedling Plan Performance and Budget Monitoring.

Date: 31 January 2019

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 three 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 3.

- 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.

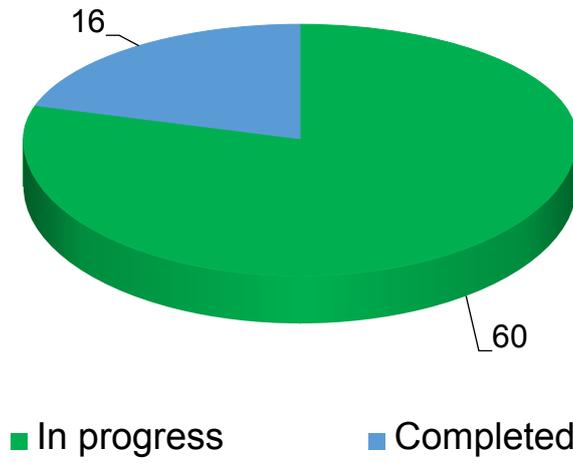
Proposal

2 Quarterly Progress Report

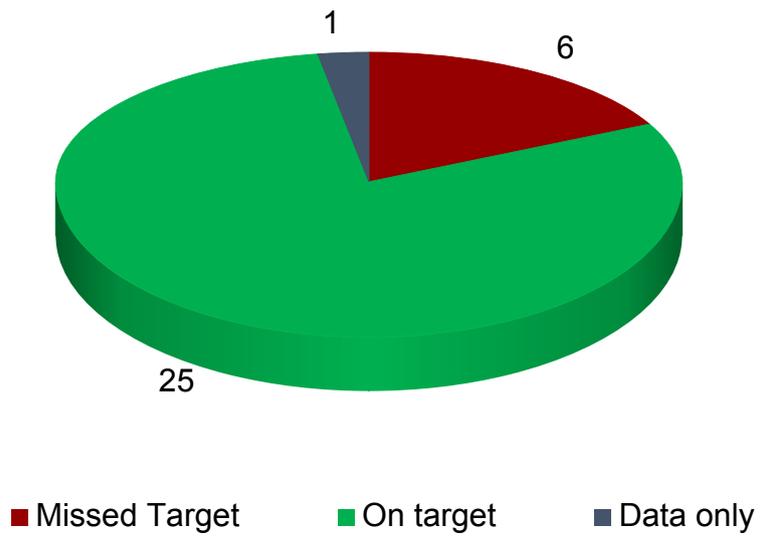
2.1 Current Performance Information

- 2.1.1 Overall performance at quarter 3 against the 2018/19 Gedling Plan actions and indicators shows the following:

2018/19 Quarter 2 Actions Performance



2018/19 Quarter 3 Indicator Performance

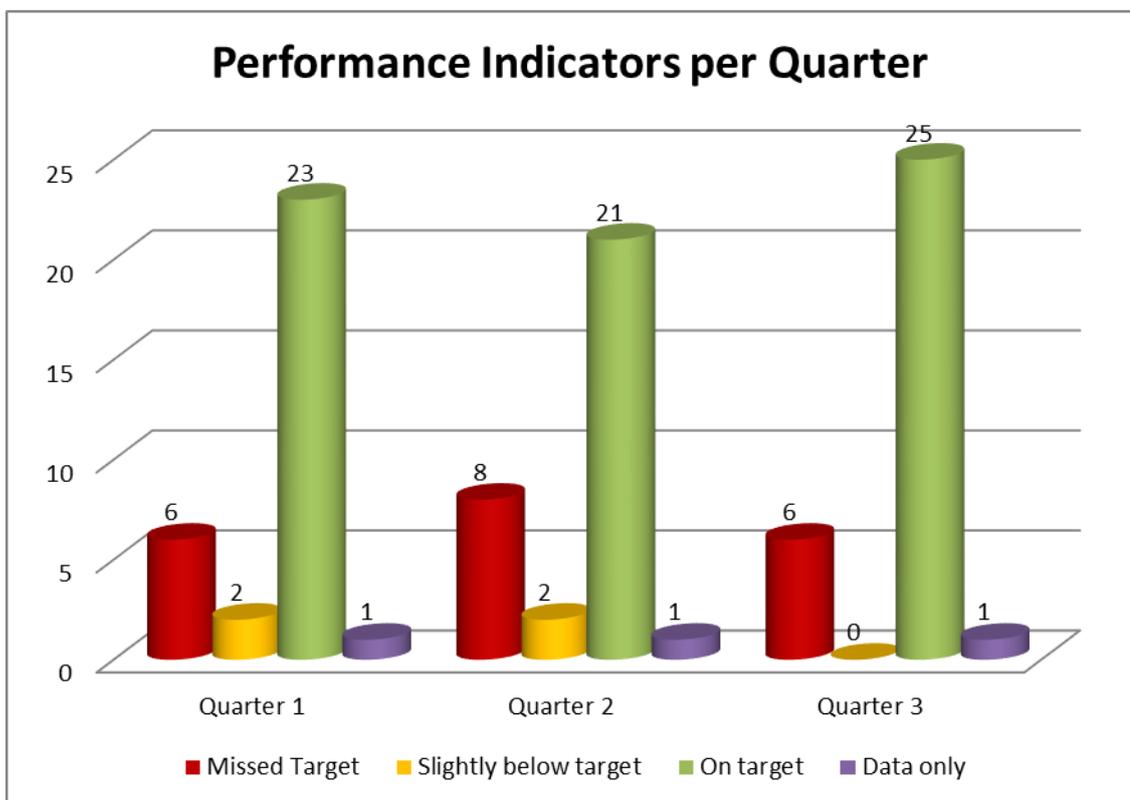


Actions

2.1.2 Sixteen of the 76 Gedling Plan actions are completed, with the remaining either in progress or assigned to an Officer. It must be noted that the data in this report refers to the third 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 3 shows that out of a total of 32 indicators, 25 were on or above target and 6 indicators missed their target. One indicator is for tracking purposes only. There is an improvement from quarter 2, as follows:



2.1.4 Examples of particularly positive performance during quarter 3 include:

- The number of attendances at Bonington Theatre significantly exceeded target with 15,083 attendants against a target of 7,125. In addition the number of theatre events/shows taking place at the Bonington Theatre was 234 against a target of 173 and the number of cinema shows was 124 against a target of 87.
- Number of visits to leisure centres was 286,653 against a target of 234,600.
- Significant drop in level of recorded anti-social behaviour across Gedling Borough (per 1000 population) to 3.4 from 4.5 in quarter 2.

- 93.6% of calls to the customer contact centre were answered, against a target of 90%.
- 8 long-term empty homes in the Borough were returned to use in quarter 3 (against a target of 5) and the yearly target of 20 empty homes has already been exceeded.
- The percentage of planning applications processed for minor and other are well within targets set, with 'other' applications at 93.3% against a target of 85.0% and 'minor' applications at 96.43% against a target of 91%.

2.1.5 The following performance indicators are worth of note at this stage:

Crime

Recorded crime for quarter 3 has shown an increase of 300 incidents (20.2%) compared to the previous quarter however an overall increase of 2.2% compared to the period April to September 2017. This increase is less than South Notts. Community Partnership as a whole. Key priorities for the community safety partnership will be focused upon violence while maintaining existing work to address burglary (year to date 20% decrease); vehicle crime (year to date a 5.7% increase) and shop theft (year to date decrease of 11.6%).

Housing Needs and Welfare Support

During quarter 3 the average time to process new Housing Benefit claims (in calendar days) was 14.7 days against a target of 13 days. The Council sets a challenging target for this indicator and despite not meeting the target for most of the year we maintain high standards of performance that places us in the top 5% of national performance.

The average length of time spent in temporary accommodation (in weeks) met target during quarter 3, but as reported at quarter 2 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. Further, there are not enough properties available in the private rented sector for people to move into from temporary accommodation. The Government reduced tax concessions for landlords causing many of them to leave the market, evict their tenants and sell up. To help with this the Council is working with 5 other Councils to try to intervene with landlords to prevent eviction called the "Call B4 you serve" service.

The council has also taken on two Homelessness Prevention Officers aiming to work with Landlords before the Eviction process to try to secure accommodation in the Private Rented Sector as well as the Social Housing Sector.

Jobs and Employment

The percentage of 18-24 year old claiming Job Seekers Allowance in Gedling in November was 1.8% compared to 0.7% in the East Midlands and 0.6% in Great Britain. The Gedling figure has reduced from 1.9% in September 2018.

While the Borough figure has decreased slightly since the last quarter several wards have seen an increase. However, this only reflects a few additional claimants. Although there is always a spike when the new academic year starts we will have to review at the end of quarter four to see if the ward increases continue and if the Borough figure increases as a result.

The annual apprenticeship fair will take place on 26 February which, whilst not exclusively for young people, is important for this age group.

The employability programme continues to be delivered in the secondary schools to prevent individuals from becoming NEET as well as further work activities delivered through the Gedling Employment and Skills delivery plan.

In addition, the JSA claimant rate for Gedling in November 2018 was 1.2% compared to Nottinghamshire at 0.9%, Great Britain at 0.8% and the East Midlands at 0.9%.

This is the same percentage as quarter two but although there has been no increase it is not decreasing like the Great Britain figure which was 0.9% in quarter two.

During quarter three there is often a temporary spike in the figures due to full time education leavers. We will have to monitor this and review at the end of quarter four to see if the figure decreases.

Economic Growth continues to work with DWP and wider partners to deliver targeted events such as the Carers event on 2 October and the Health and Wellbeing taster sessions on 27 November. Further courses are planned for March. In addition there are work activities being delivered through the Gedling Employment and Skills Group.

Homes

Whilst quarter 1 showed encouraging signs of the anticipated delivery of additional homes, 52 net additional homes were provided against a target of 120 and no affordable homes were delivered during quarter 3.

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. It is anticipated that speed of delivery will increase with the newly adopted Local Plan and the ongoing submission of planning applications for the Local Plan allocations. All future development sites in the five year supply assessment have been identified through the Council's Strategic Housing Land Availability Assessment. Agents, developers and landowners are asked to provide information on the delivery rates through

the SHLAA process. If these are not provided then assumptions about when a site will start to be developed are made based on the strength of the site's sub market area.

To encourage further development we are:

- Preparing a development brief for North East of Arnold which considers three Local Plan sites in Arnold.
- Holding a Housing Delivery Workshop on the 14th February 2019 including discussion of the Developers protocol.
- Introducing a Housing Implementation Strategy which assesses the risk to non-delivery of the Local Plan allocated sites.
- Hosting regular Developers Forum meetings drawing out topical issues for consideration with local representations from the development industry.
- Review of Core Strategy and considering housing need requirements up to 2038 including the review of the Infrastructure Delivery Plan
- Holding monthly meetings with the County Council Property Service to ensure timely delivery and associated infrastructure requirements of County owned Local Plan sites of Rolleston Drive and Top Wighay Farm
- Maintaining a Brownfield Register including sites with Permission in Principle
- Progressing ongoing work with Nottinghamshire County Council and other partners to ensure clarity over infrastructure requirements for Local Planning allocations.

The 8 affordable units mentioned in the quarter 2 performance report will be completed in quarter 4. Discussions are ongoing to progress both Council owned sites and those in the private sector with registered provider partners, to facilitate the delivery of more homes.

Target change requests

2.1.6 There were no target request changes during quarter 3.

Achievements

2.1.7 A separate report is produced highlighting key achievements delivered during quarter 3, 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.

People

Selective Landlord Licensing Scheme - In October the new Selective Landlord Licensing scheme was introduced in Netherfield. This complex programme was introduced on time with all IT and staffing in place. The

number of applications from private sector housing landlords has exceeded all expectations and by the end of December stands at 400. This means that the scheme has already achieved financial stability and that tenants in Netherfield can start to become confident that their homes are of a safe and secure standard.

WWI Commemoration Events – On Saturday 10th November, a full programme of events and activities were planned to commemorate the end of WWI culminating in an event at the Civic Centre.

Gedling Play Forum attended and made poppies dedicated to every fallen soldier in the Borough. Those named on the War Memorial in Arnot Hill Park were planted alongside the memorial ready for Sunday's Remembrance Service. Several Churches, schools and Community Groups requested packs for their local fallen soldiers.

Residents' displays of WWI Memorabilia were on show including a replica WWI machine gun from The Sherwood Yeomanry. Carlton Brass Band and local Schools and choirs entertained with songs from the era performing on the balcony.

Schoolchildren provided letters and poems from the front which were read out by The Prospect Players. Several schools also provided poignant artwork for display during the event.

After a traditional WWI tea complete with bread and dripping, Flying High Dance Group performed an excerpt from their commissioned WWI Dance Project at the Bonington Theatre after which *Blackadder Goes Forth* and *They Shall Not Grow Old* were screened to a nearly full capacity audience.

Craft Club - Carlton Forum LC has launched a Saturday morning kid's craft club for children of all ages, which is very popular and attracts over 20 children each week. The staff at site have shown some real passion to get this club off the ground and contribute to ideas, equipment and materials for the club (recycled products). The Craft club has received more positive comments than any other club the site has run and continues to receive positive remarks all over Facebook. The clubs promotion of a green environment and the message of being more recycling friendly has been well received by parents and children alike.

Under 18 Burial Plan - An 'Under 18 Burial Plan' has been approved by Cabinet members that came into force with immediate effect, such that no cost will be levied against residents who are arranging the burial of a child under the age of 18. The increase in the exemption from paying a burial fee, which is currently offered for burials of anyone aged up to 12 years old, aims to help reduce the burden of a sudden and unexpected cost to families trying to cope with the tragedy of losing a child.

Christmas Lunch at Newstead - In order to establish whether or not there would be support for a regular lunch club in Newstead, the Locality Co-ordinator helped the Miners Welfare Charity to obtain funding to provide a free Christmas lunch for those over 60 in Newstead. Just over 40 attended and had a fabulous time, there was support for a regular lunch club with many

mentioning other people they thought would come. The Locality Co-ordinator had also arranged for the SPRING social prescribing project and the Connect Service to be present to chat to people and leave information about these services.

Christmas Events – a range of successful and well-attended Christmas Fairs and events were held throughout the Borough including the Arnold Christmas Event and Christmas Fairs at Newstead and Killisick.

Faith and Community Leaders Meeting - On 15 November 2018, the Council hosted an inaugural meeting of local Faith and Community Leaders. The meeting chaired by the Leader and Deputy Leader of the Council, included leaders from a broad range of faith and community backgrounds. The meeting arose following a motion at Full Council regarding the emerging issues of intolerance in society in recent times and attendees gave their experiences of current community issues.

Place

Gedling Country Park Local Nature Reserve Status – Approval has been given to ‘designate’ Gedling Country Park as a Local Nature Reserve. A Local Nature Reserve (LNR) status will raise public awareness of the importance of wildlife and nature conservation. The status will help to conserve and enhance wildlife, biodiversity and the landscape of the country park. The Council will continue to manage the site within its existing revenue budget; however an LNR status may enhance future funding applications from organisations such as WREN and DEFRA.

Burton Joyce Neighbourhood Plan - Following the examination of the Burton Joyce Neighbourhood Plan a referendum was held on 29th November 2018 which asked the question ‘do you want GBC to use the Neighbourhood Plan for Burton Joyce to help it decide planning applications in the neighbourhood plan area’. There was a turnout of 20.4% and 94% voted in favour of ‘yes’. As a consequence the Burton Joyce Neighbourhood Plan was approved and therefore forms part of the statutory development plan for Gedling Borough. This means that the Neighbourhood Plan is being used in conjunction with the Aligned Core Strategy (2014) and the Local Planning Document (2018) to determine planning applications in the Neighbourhood Plan (being the parish of Burton Joyce).

Performance

Annual Staff Health Fair and Employee Conference - The annual staff Health Fair took place in December. Staff were able to book prostate, bone density, NHS health checks and Body Stat analysis along with head massages. The commissioned services Everyone Health, SmokefreeNotts and Let’s Talk Wellbeing were there to provide advice and support for staff. Feedback received for the event was largely positive.

Activities provided for the Employee Conference included Hula Hooping and Orienteering delivered by local organisations. Both activities well received by staff that participated.

A special edition of the staff newsletter was sent out on World Mental Health Day. Let's Talk Wellbeing provided 2 drop in sessions for staff and members of the public.

Customer Services Week - A highly successful Customer Services week took place in October, in conjunction with the National Customer Services Week, with the highlight being an advice day where positive outcomes were achieved for a number of our customers through partnership working with partners, including the DWP and Gedling Homes.

Employee awards - In December the annual employee awards were held in front of a lively audience of over 80 of our colleagues. Organised by the STEP's group, this year nearly 100 nominations for 68 individuals across the seven categories were received. The categories were:

- Employee of the year
 - Can do
 - Conscientious
 - Capable and Professional
 - Care and Consideration
- Manager of the year
- Team of the year
- Chief Executive Award

46 long service awards were recognised on the day, including 5 staff reaching 25 years' service and a further 3, 30 years' service.

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 31 December 2018. In summary the Council's General Fund outturn is projected to be underspent by £243,200 against the approved budget. This represents a 2% underspend against the original budget of £12,145,200. The projected underspend will enable a reduction in the contribution required from the General Fund Balance to support the 2018/19 budget, moving it from £1,278,800 to £1,035,600. This will be reflected in the 2019/20 budget process and medium term financial plan.

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 December 2018 expenditure less income totalled	7,826,735
In the remaining 3 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>	4,075,265
Total net revenue spend for the year is currently expected to be	11,902,000
Total Projected Revenue (Under)/Overspend 2018/19	(243,200)

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 three against the approved budget for each Portfolio area. Cabinet is recommended to approve these changes.

The major variances detailed in Appendix 1 include:

Expenditure:

- Leisure Centres – (£45,200) staff saving due to vacancies being temporarily covered by internal secondments and casual staff as lower grades;
- Housing Benefit – (£40,000) savings due to early delivery of efficiencies from vacant posts;
- Rent Allowances – (£58,000) reduced bad debt provision;
- Parks – (£23,900) savings due to vacant apprentice posts;
- Economic Development – (£38,000) saving due to vacant posts;
- Waste – £32,200 cost of the extended Bulky Waste Amnesty.

Income:

- Cemeteries – (£100,000) additional fee income;
- Parks External Works – £40,000 reduced fee income;
- Waste - £30,000 reduced income, bin sales to new housing developments deferred to 2019/20;
- Development Management – £48,000 lower income from CIL administration, due to timing of developments, and S106 monitoring and Street Naming and Numbering fees.

Financing:

- Corporate Interest & Expenditure – (£24,100) additional investment interest and reduced borrowing costs.

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

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 estimate. Of the total programme £2.8m is still to be delivered over the period 2018/19 to 2022/23.

In 2018/19 the original programme for the delivery of efficiencies totalled £1,187,000. Quarter 3 monitoring has identified one proposal, deletion of CDP Smart planning software £3,000, which will not be achieved due to the expected alternative technical solutions for obtaining the data not being available. This reduces the total 2018/19 programme to £1,184,000 which remains within the overall risk provision identified in the Medium Term Financial Plan for the total programme.

During quarters 1 and 2 Cabinet approved amendments to the programme, moving projects totalling £140,100 for delivery in 2019/20. Quarter 3 has identified projects of £85,000 which are now proposed for delivery in 2019/20. These are largely offset by the early delivery of some 2019/20 and 2020/21 projects totalling (£83,600). The detail is set out in the table below. The budget impact of the quarter 3 programme changes are included in Appendix 1 and are accommodated within the current approved 2018/19 budget.

Movements on Efficiencies 2018/19	
	£
Previously Approved Amendments Quarters 1 and 2	140,100

Quarter 3 – Proposed Amendments	
Removal From Programme	
Planning Policy CPD Smart	3,000
Deferred Projects	
New Development Bin Sales	30,000
Tree Teams income	40,000
Street Naming and Numbering income	10,000
Sponsorship of Flowerbeds	5,000
Total Deferred	85,000
Offset by:	
Early Delivery of 2019/20 and 2020/21 Schemes	
Housing Benefit Staffing	(40,000)
Council Tax Staffing	(14,000)

Customer Services Staffing	(19,500)
Corporate Printing	(8,000)
Community Relations Arts – New ways of working	(2,100)
Total Early Delivery	(83,600)
Total Quarter 3 Amendments	4,400
Total Amendments 2018/19 to Date	144,500

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 and 2 monitoring	(647,200)
Current approved budget for 2018/19	9,775,600
<u>Proposed Quarter 3 Amendments to the 2018/19 Programme</u>	
Additional Schemes:	
Additional Disabled Facilities Grant funded by government grant	170,300
Netherfield Cinderpath – funded by revenue contribution	3,000
Scheme identified for deferral:	
Arnold Market – feasibility work undertaken which will inform the detailed redevelopment of the site for delivery in 2019/20.	(980,000)
Carlton Square – design work complete with detailed plans for redevelopment to be advanced in 2019/20.	(790,000)
Affordable Housing – working with partners to identify suitable schemes, expected delivery in 2019/20.	(154,300)

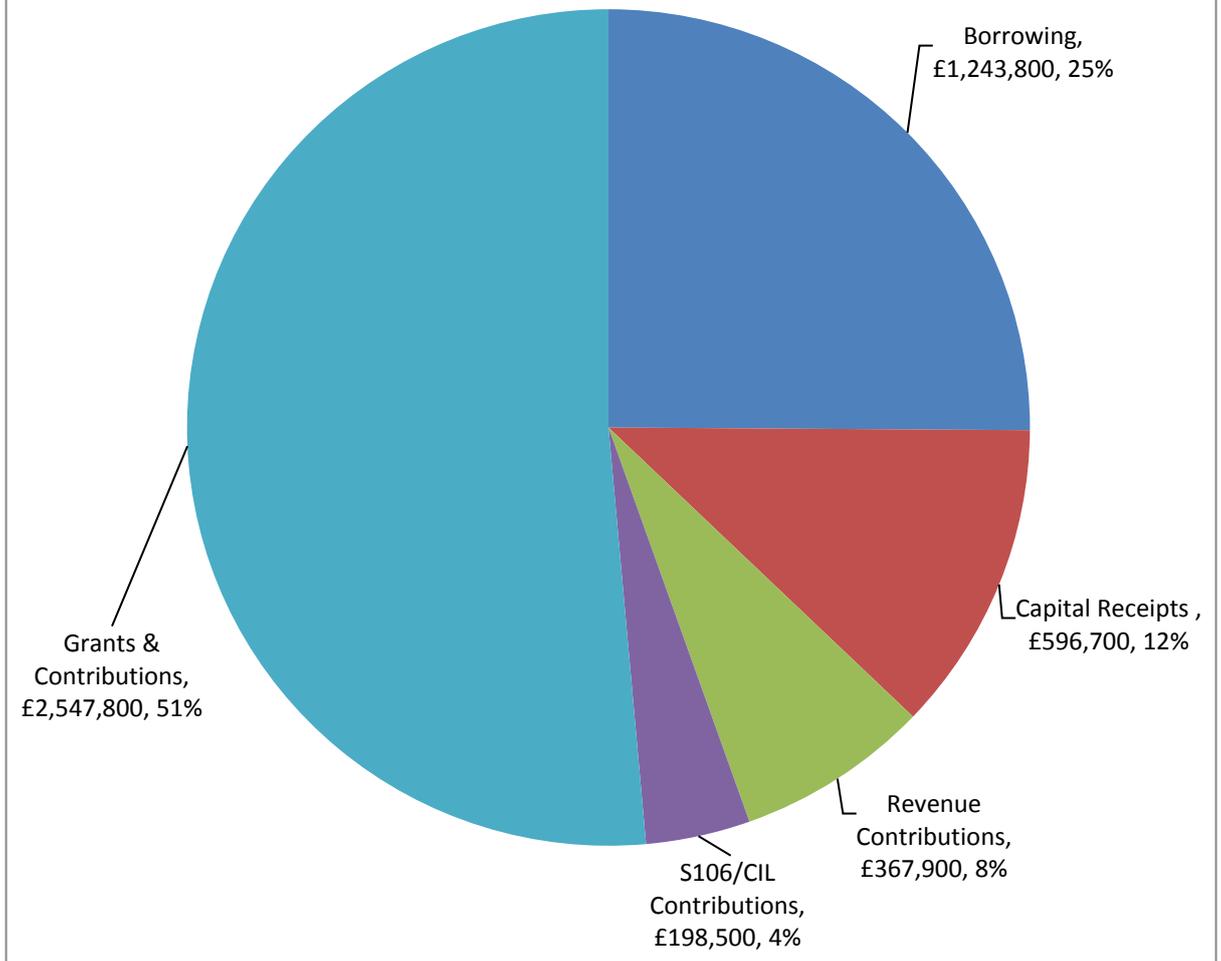
Civic Centre Toilets – to be incorporated into a larger scheme for the upgrade of the meeting room provision.	(22,000)
Vehicle slippage due to extending useful lives.	(32,000)
Gedling Country Park – awaiting outcome of grant application to enable expansion of the scheme to include viewing platforms.	(31,800)
Haywood Road Play Area – contractor not secured during initial procurement exercise.	(95,300)
Carlton Cemetery – awaiting final design of the scheme before preparing the tender.	(268,800)
Commercial Property Investment – awaiting approval of commercial investment strategy.	(2,500,000)
Asset Management Fund – awaiting identification of suitable schemes.	(120,000)
Total Proposed Amendments to the Capital Programme	(4,820,900)
Proposed Revised Capital Programme 2018/19	4,954,700
Actual Expenditure to Quarter 3 2018/19	3,288,540
Estimated Expenditure Quarter 4 2018/19 (<i>including spend expected on major projects including Disabled Facilities Grants and the Vehicle replacement programme</i>)	1,666,160
Projected Outturn 2018/19	4,954,700

There is a quarterly capital monitoring of the projects chaired by the Deputy Chief Executive and Director of Finance and attended by finance officers and project officers. This meeting is pro-active and solution focussed for each individual project to ensure that they are delivered as efficiently and quickly as possible.

Capital Programme Financing

The projected method of financing the current capital programme requirement of £4,954,700 is detailed in Appendix 3 and summarised in the chart below:

Capital Financing 2018/19



Capital Receipt Monitoring

When the Council sells General Fund assets it is permitted to use this income to fund capital expenditure. Quarter 3 monitoring indicates that capital receipts generated during 2018/19 will total £596,700, a reduction of £413,300 compared to the original estimate of £1,010,000. This was due to lower than expected sales of small areas of land and right to buy receipts and a delay in agreeing the sale of Teal Close. The capital receipt from Teal Close £3.1m will still be received in full but the profile for receipt has slipped by one year.

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), 139 liability notices have been issued and 102 Reliefs have been granted either for new dwellings, residential extensions over 100 square metres or residential annexes.

Since 15 October 2015 to 31 December 2018 the Council has received 49 payments across 30 developments totalling £820,669. Of this £122,149 (15%) is to be spent on the locality it has been collected from via Neighbourhood Funding. £41,033 (5%) is to be set aside to cover the administration costs as permitted under the Regulations and the remaining £657,487 is to be spent on the strategic infrastructure projects that are identified on the Regulation 123 list.

Up to 31 December the Council has issued liability notices totalling £2,005,445 of which £1,184,776 is still to be collected. This is reliant upon the developments commencing and the applicants complying with the notice. Each individual case is regularly reviewed and monitored by the CIL officer and appropriate action taken.

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 3 2018/19

Background Papers

6 Detailed Quarterly Budgetary Control Exception Reports

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.