

Appendices:
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NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	Finance (to 31 July) and Performance Report to 30 June 2015
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	9th September 2015
Key Decision:	YES
Within Policy:	YES
Policy Document:	NO
Directorate:	Management Board
Accountable Cabinet Member:	Cllr M Hallam
Ward(s)	N/A

1 Purpose

- 1.1 The purpose of this report is to assist Cabinet in monitoring the delivery of the Corporate Plan within the agreed capital and revenue budgets for the General Fund (GF) and Housing Revenue Account (HRA).
- 1.2 To inform Cabinet of the latest forecast outturn position for the Council's capital programme for 2015-16 and changes to the Programme approved under delegated powers

2 Recommendations

- 2.1 That Cabinet reviews the contents of the report and appendices, and identifies actions to be taken to address any issues arising from it.
- 2.2 That Cabinet note the changes to the 2015-16 General Fund Capital Programme as detailed in Appendix 3.

- 2.3 The Cabinet approve the purchase of a Strategic Acquisition within the Enterprise Zone reported in paragraph 3.5.2
- 2.4 That Cabinet approve the re-phasing of capital budgets for the Dallington New Build scheme in the HRA Capital Programme.

3 Issues and Choices

3.1 Report Background

- 3.1.1 This report presents the Council’s key financial and performance exceptions for the year to date, together with changes in the revenue budget and capital programme. It further highlights any emerging issues as identified by service managers.
- 3.1.2 The report also brings forward any capital appraisals and variations for noting and approval.
- 3.1.3 The report takes into consideration the progress of key projects being delivered across the Council, achievement against performance indicators and financial/resource information.
- 3.1.4 Portfolio holders receive detailed information on specific measures monitoring the Corporate Plan within their individual portfolios.

3.2 Exceptions





3.2.1 Performance Exceptions on Corporate Plan Priorities


This section of the report highlights those measures that are under (▲) or over (●) performing by corporate priority against their profiled monthly targets. Appendix 1 provides further detail of the issues and actions being taken by relevant service areas.

YOUR TOWN: RED KPIS				
Measure ID & Name	Portfolio	Performance	YTD ACTUAL	YTD TARGET
ESC01n Total bins/boxes missed in period (M)	Environment	▲	1,078	350
In comparison to May 15 there is over 100 cases increase - Operations can confirm that on two occasions in June the garden service was not able to complete due to vehicle issues, so back up was deployed on Sundays to clear the back log. This would have pushed the figures up, as well as increases in the number of Jus outside of KPI. It is however a positive to see that of all the cases, only 1 remained outstanding by month end compared to previous months, this is the lowest it has been in a long while.				
ESC02 % missed bins corrected within 24hrs of notification (M)	Environment	▲	62.71%	98.00%
May 2015 has decreased from previous month in terms of number JUS put right within target by 2%, but has a higher number of cases, so overall still within overall KPI target.				
ESC04 % household waste recycled and composted (NI192) (M)	Environment	▲	44.22%	48.00%
The month of June sees a percentage increase of 0.20% of KG's sent for recycling, reuse and composting in comparison to May 15. The best performing stream is green waste which has seen an increase of 1.21% in tonnages. The worst performing stream is paper which has decreased slightly.				

MPE01 No. of new businesses locating on NWEZ (Q)	Regeneration, Enterprise & Planning	▲	2	5
Although the profile is below target at the moment, it is anticipated that it will be met throughout the year.				
MPE02 No. of new jobs created on NWEZ (Q)	Regeneration, Enterprise & Planning	▲	25	200
Over 1000 jobs have already been created in the Enterprise Zone and the current target in this financial year will be achieved.				
PP17 % victims/witnesses satisfied with Anti-Social support service (Q)	Community Safety	▲	50.00%	95.00%
During Q1 of 2015/16 there were a total of 3 victims/witnesses involved in cases closed with the Anti-Social Behaviour Unit. Of these, 2 could be contacted for feedback and 1 of these was satisfied with the support and contact they had received.				
The victim/witness who didn't provide a positive response was concerned about the criminal matters that the ASBU case was linked to rather than the support they had received from the unit itself.				

YOUR TOWN: BLUE KPIS				
Measure ID & Name	Portfolio	Performance	YTD ACTUAL	YTD TARGET
CH10 No. of unique visits to Museum Pages (M)	Community Engagement	●	16,741	10,700
ESC06 % of Land and Highways assessed falling below acceptable level - Detritus (NI195b) (4M)	Environment	●	1.33%	5.00%
NI157a % Major Planning applications determined in 13 weeks or agreed extension (M)	Regeneration, Enterprise & Planning	●	100.00%	80.00%
NI157b % of 'minor' planning apps determined within 8 weeks or agreed extension (M)	Regeneration, Enterprise & Planning	●	100.00%	95.00%
PP22 % Hackney Carriage and private hire vehicles inspected which comply with regulations (M)	Community Safety	●	81.25%	70.00%
TCO05n Town Centre footfall (Q)	Regeneration, Enterprise & Planning	●	3,710,504	3,500,000

YOU: RED KPIS				
Measure ID & Name	Portfolio	Performance	YTD ACTUAL	YTD TARGET
HML05 Total no. of people sleeping rough on the streets (A)	Housing		19	12
Of the 19 people observed, 12 were Eastern European with no recourse so very limited housing options are available.				
HML07 Number of households that are prevented from becoming homeless (M)	Housing		38	183
Although the figures for prevention is up marginally on the previous period, the service needs to really drive this forward. There are a range of initiatives being developed at present to enable this to happen successfully therefore improvement should be seen relatively quickly in this area.				
IG03 % FOI/EIR cases responded to within 20 working days (M)	Leader		93.80%	95.00%
Four cases were over the 20 day limit due to issues collating the information required. The worst case was 26 days. (75/79)				
LT01 Total Visits to Leisure Centres (M)	Community Engagement		243,938	267,830
Poor selection of films available for hire by Leisure Trust meant cinema figures were down.				

YOU: BLUE KPIS				
Measure ID & Name	Portfolio	Performance	YTD ACTUAL	YTD TARGET
HMO01 No. HMOs with Mandatory licence	Community Safety		281	94

3.3 Key Financial Indicator Exceptions

Dashboard Indicator Description	Variation from Budget	
	General Fund	Housing Revenue Account
	£000	£000
Controllable Budgets	61	(43)
Debt Financing	(332)	0
Total	(271)	(43)

3.4 General Fund Revenue Budget (Blue)

The following table summarises the major variations from budget for the General Fund.

Service Area	£000
Asset Management	10
Major Projects and Enterprise	61
Head of Planning	(56)
Housing	(4)
Borough Secretary	31
Head of Customer and Cultural Services	42
Director of Customers & Communities, Head of Communities and Environment	(68)
Local Government Shared Services	116
Corporate	(71)
Controllable Total	61
Debt Financing and HRA Recharges	(332)
Total	(271)

Budget Managers are working to mitigate the pressures on their budgets and bring forecasts back in line with budgets.

3.4.1 General Fund Revenue Budget (Blue)

- 3.4.1.1 **Asset Management (Green)** forecast overspend relates to additional staffing costs to help deliver the property projects currently being pursued by the Council offset by higher rental income than expected.
- 3.4.1.2 **Major Projects and Enterprise (Amber)** forecast overspend due to additional staffing costs delivering the demands of the Enterprise Zone and helping to deliver the Council's regeneration and growth agenda.
- 3.4.1.3 **Head of Planning (Green)** forecast saving relating to various small savings including staff savings from vacant posts and additional planning fee income.
- 3.4.1.4 **Housing (Green)** forecast savings reflects a number of small variances across the service.
- 3.4.1.5 **Borough Secretary (Green)** forecast overspend reflects a number of small variances across the service.

- 3.4.1.6 **Head of Customer and Cultural Services (Green)** forecast overspend reflecting additional costs in relation to new cleaning contract, electrical works and CCTV enhancements offset by savings in budgets for NNDR, Utilities and rent.
- 3.4.1.7 **Director of Customers and Communities, Head of Communities and Environment (Green)** forecast saving reflecting additional deductions made through the Environmental Services Contract and additional income on the ground maintenance charge to the HRA.
- 3.4.1.8 **Local Government Shared Services (Red)** forecast overspend relates to the underachievement of budgeted savings for Revenues and Benefits offset by a saving due to the pension auto enrolment not starting in 2015/16.
- 3.4.1.9 **Corporate (Green)** forecast saving reflecting an underspend on Carbon Tax budget as NBC no longer falls within the scope of the scheme.
- 3.4.1.10 **Debt Financing and HRA Recharges (Blue)** forecast saving reflecting lower interest on new borrowing and additional investment interest due to investment balances being higher than budgeted.
- 3.4.2 **Controllable HRA Revenue Budget (Green)**
 - 3.4.2.1 The forecast underspend position on the HRA relates mainly to additional income through Non-Dwelling rents.
- 3.5 **Capital Programme**
 - 3.5.1 **General Fund Capital Programme**
 - 3.5.1.1 Cabinet in July approved carry forwards from 2014/15 of £7.23m. In line with approved processes, the Capital Programme Board has approved changes to the General Fund capital programme as set out in Appendix 3. These additions, totalling £185k, are predominantly funded from section 106 contributions and therefore have no impact on the forecast funding from capital receipts and borrowing. The General Fund Capital Programme now stands at £69.05m.
 - 3.5.1.2 There are no significant forecast variances as at the end of July.
 - 3.5.1.3 Any further additions to the capital programme, including further strategic property purchases, will be subject to the development of a robust business case.
 - 3.5.2 **Strategic Acquisition within the Enterprise Zone (EZ)**
 - 3.5.2.1 The Council has been approached to purchase a parcel of land within the EZ. A plan of the land is shown in Appendix 4. The site is part of the National Grid Gas Holder site at the junction between Towcester Road and St Peter's Way.
 - 3.5.2.2 The Site offers the Council the strategic opportunity to develop the southern corridor of the town centre in a way complementary to the EZ objectives. The Council has the opportunity to develop the site for a range of uses.
 - 3.5.2.3 A purchase price of up to £1.5m is proposed and initial valuations upon current permitted use classes, conducted internally by a RICS registered valuer, are in line with or above this figure. The Council is due to receive a clawback payment in the region of £0.75m due to covenants in place around the disposal of an adjacent plot of land and this could offset the purchase price. The balance of up to £0.75m will be funded from the Strategic Investment Reserve.

3.5.2.4 The site is 5 acres in size with most of the site being cleared already. Further due diligence over ground contaminations, wayleaves and pre-contract enquiries will be undertaken.

3.5.2.5 Cabinet is asked to approve the purchase of this parcel of land within the Enterprise Zone.

3.5.3 HRA Capital Programme

3.5.3.1 The approved HRA Capital Programme includes £9.3m to fund the construction of 100 new dwellings at Dallington. The phasing of the construction programme and the approved borrowing limits set by Central Government requires the budget to be re-phased to be £0.6m in 2015/16 and £8.7m in 2016/17. Cabinet is requested to approve this change. After also taking into account the carry forwards of £7.77m approved by Cabinet in July, the forecast outturn expenditure for the HRA Capital Programme is £35.36m.

3.6 Data Quality

3.6.1 The Council has processes in place to ensure that the data and information it provides to support management decision making is as reliable as possible. The Council has a strategy to improve data quality and service areas are working to achieve the objectives within it. This is closely linked to the Council's risk assessment processes and is monitored each month as part of the Council's Performance Management Framework.

3.7 Choices (Options)

3.7.1 Cabinet is asked to note the reported position financial position.

3.7.2 Cabinet are asked to note the changes to the General Fund Capital Programme for 2015-16 as set out in Appendix 3.

3.7.3 Cabinet are asked to approve the re-phasing of the new build scheme within the HRA Capital Programme.

4 Implications (including financial)

4.1 Policy

4.1.1 The Council agreed a balanced budget for the Capital Programme and Revenue Budgets for both the General Fund and the HRA in February 2015. Delivery of the budget is monitored through the budget monitoring framework.

4.1.2 Corporate measures are monitored regularly to track progress towards delivering our priorities, as detailed in the Council's Corporate Plan. Service areas annually develop objectives, measures and targets to ensure the delivery of the Corporate Plan through the service planning process. The monitoring of progress is through the Performance Management Framework.

4.2 Resources and Risk

4.2.1 This report informs the Cabinet of the forecast outturn positions for capital and revenue, for both the General Fund and HRA, as at the end of July 2015. It also highlights the key risks identified to date in delivering those budgets and where performance measures are significantly over or under performing.

- 4.2.2 There will be an on-going impact in future years if any of the savings within the 2015/16 budget are not achieved, particularly where services move outside the direct control of the Council.
- 4.2.3 All objectives, measures and targets within Service Plans are risk assessed and challenged before final approval. The challenge process includes the agreement of performance targets and the capacity to deliver the plans with appropriate resources set aside to do so.
- 4.2.4 All schemes included in the capital programme, or put forward for approval, are fully funded, either through borrowing, internal resources or external funding arrangements.

4.3 Legal

- 4.3.1 There are no specific legal implications arising from this report.

4.4 Equality and Health

- 4.4.1 There are no specific equalities implications arising from this report.
- 4.4.2 A full Community/Equalities Impact Analysis has been completed for both the Corporate Plan, and the 2015/19 Budget, which are available on the Council website

4.5 Consultees (Internal and External)

- 4.5.1 Heads of Service, Budget Managers and Management Board are consulted as part of the budget and performance monitoring process on a monthly basis.
- 4.5.2 Performance data (financial and non-financial) is published on the Council website.

4.6 How the Proposals Deliver Priority Outcomes

- 4.6.1 Performance monitoring (financial and non-financial) by exception and using it to improve performance is good practice in terms of efficient and effective management. It contributes directly to the priorities of sustaining “effective and prudent financial management” and being “an agile, transparent organisation with good governance”.

4.7 Other Implications

- 4.7.1 There are no other implications arising from this report.

5 Background Papers

- 5.1 Appendix 1 - Corporate Performance Exception Report – June 2015
- 5.2 Appendix 2 - All measures report – June 2015
- 5.3 Cabinet and Council Budget and Capital Programme Reports February 2015