

Cabinet

7 November 2012

Mid-year Performance Monitoring Report

1 April 2012 – 30 September 2012



Lead Member: Councillor Margaret Smith, Leader of the Council

Lead Officer: Maureen Wood, Director of Corporate Governance

Introduction

The Council's corporate plan was agreed in September 2011 following extensive engagement with councillors after May's elections.

To ensure the Council's performance is managed effectively regular reports are provided to the Scrutiny Committee and Cabinet.

The corporate plan is a two-year plan in-line with the local government finance settlement and as it has only recently been agreed many of the projects and actions are underway and therefore show an on-track status. We have also colour-coded the progress on the actions in Appendix 1 to show those achieved and reported previously (in green) and the progress made in the first six months of the year (in blue).

The performance management landscape has changed significantly with the ending of nationally driven performance framework and assessments. To help the Council manage its performance effectively and continue to meet the challenges and aspirations of Members and residents, a comprehensive review of performance management is underway.

A key element of this review is the way we assess the satisfaction levels of our residents. As this review impacts on the measurement of the customer satisfaction level success measures in the corporate plan it has not been possible to report on these targets at the present time. Cabinet and the Scrutiny Committee has already been involved in the initial parts of the review of performance management to ensure our re-freshed framework helps us to drive improvement and improve the quality of life of residents in South Ribble.

Our Achievements

In addition to maintaining frontline services, limiting employee redundancies and achieving this year's efficiency target of £643,000 (£1.8M in 2011/12) we have achieved the following highlights during our current corporate plan:

1. We have exceeded the target for recycling and composting, achieving 48.22% in 2011/2012.
2. The number of missed bins remains low with a collection rate of 99.97%.
3. We have supported the retail economy of Hough Lane with Leyland Market achieving 100% occupancy rate and 92% of retail units being fully occupied.
4. Our parks and open spaces continue to be improved with Worden Park, Gregson Lane and Farington Park playgrounds completed.

5. Worden Park, Longton Brickcroft and Hurst Grange Park have retained the prestigious Green Flag awards.
6. Netmums have awarded Worden Park gold status and Withy Grove Park silver status.
7. £100,000 has been secured with South Ribble Partnership and the Brothers of Charity to invest in the Worden Park's walled garden.
8. The weekly food waste collection has been implemented borough-wide and the pilot bulky waste recycling scheme has been well-received.
9. Our proactive approach to environmental enforcement has been reviewed and re-freshed which has led to 208 fixed penalty notices being issued in 2011/2012 compared to 95 for the same period in 2010/11. In the current year from April to September 2012 a total of 112 fixed penalty notices have been issued (3 dog fouling, 20 litter, 64 dog off leads, 2 dog ban areas, 3 fly tipping, 14 fly posting, 6 waste carriers licence/note). This compares to 73 for the same period in 2011/12.
10. The My Neighbourhood Forums have been launched and transformed the way we involve communities with 'My Neighbourhood' actions plans developed and agreed to meet local priorities. These action plans are being implemented with Members and the local communities, with positive feedback received to date.
11. £130,000 has been secured as part of the Children's Trust to provide early intervention and provide things to do and places to go.
12. The Central Lancashire Core Strategy has been found 'sound' by the government inspector and was formally adopted by the Council in July 2012.
13. Extensive consultation on the Local Development Framework Site Allocations has been carried out with a final submission to the government scheduled for the end of October 2012.
14. South Ribble Partnership's community bids fund has funded 26-community based projects and secured over £51,000 of warm homes funding to help reduce winter deaths.
15. We have successfully retained the Investors in People standard, and received the health and wellbeing award for the first time. The employee survey results show 94% of employees are satisfied with the Council as an employer.
16. We have been re-awarded the Member Development Charter for a further three years.

17. There has been a 22% increase in attendance across South Ribble Leisure Centres.
18. The Sports Development team continues to run a successful programme. The primary school programme has delivered coaching to 6,313 children across the Borough on a number of sports. The service has recruited and trained 25 coach mentors to support community sports. 125 afterschool clubs have been established to provide diversionary activities for young people in the evenings.
19. Our shared revenues and benefits service with Chorley Council has realised £220,000 in efficiency savings.
20. Firmstep and e-citizen has been launched to make our services more accessible and is the most cost effective way of delivering services.
21. The bid for an enterprise zone based on BAe Systems site at Samlesbury was confirmed and work is continuing with partners on the site to produce a masterplan.
22. A significant amount of work has taken place on developing the local council tax support scheme, which is currently out for consultation.

Financial Picture

1. Revenue performance against budget

For the period April to August, net revenue expenditure (including commitments) amounted to £5.763m against a profiled budget of £6.255m resulting in a net underspend of £0.492m.

This underspend included a saving in employee costs of £95,000 which was mainly due to budgeted posts being vacant during this period. Other expenditure budgets which showed savings include repair and maintenance of buildings £23,000; transport costs £44,000 and supplies and services £38,000.

The temporary accommodation budget, which is used to pay for emergency accommodation for households presenting as homeless, was overspent by £13,000 to the end of August. As it is anticipated that the numbers of homeless cases will continue to increase, all indications are that there will be an overspend on this budget at the end of the year.

Planning fee income increased significantly during the first 5 months of the year against the level that was originally anticipated and compared to the fee income achieved in the same period in the last financial year. The income at the end of August was £275,000 compared to a profiled budget of £125,000, an increase of £150,000. The planning fee income

received included seven major planning applications totalling £180,000 which related to both commercial and residential properties.

Other increases in income in the period included investment property rental income which exceeded the budget by £38,000 both as a result of successful lettings which weren't anticipated and also the agreement of annual rent increases. There was also an increase in short-term investment income of £22,000 which is mainly attributable to the Council's cash balances being higher than anticipated.

The current economic climate presents a challenging environment for the Building Control function, which suffered a shortfall of £11,000 in fee income in the first 5 months of 2012/13 which represents a reduction of approximately 18% on the same period last year.

The Housing / Council Tax Benefit position continues to experience growth in caseload above those originally anticipated and this has resulted in both greater costs and offsetting subsidy income received which results in a net saving of £109,000 in the first 5 months. Of this saving, £28,000 relates to an increase in the allocation of Administration Costs Grant of £68,000 in 2012/13. The expenditure of this service can fluctuate at times throughout the year and it is expected that the current net saving will vary throughout the rest of the year.

2. Efficiency Targets

The revenue budget approved for 2012/13 includes an efficiency saving target of £643,600 which has been allocated to specific services and projects. As at 31 August 2012, the forecast out-turn in respect of the efficiency programme is that all the targets will be achieved. Progress will continue to be reported during the year.

3. Capital Programme

The total capital budget for 2012/13, including £0.674m expenditure re-phased from 2011/12, amounts to £4.621m. Of this £2.141m (46%) was spent and committed by the end of August. The key items of expenditure in this period were as follows:

- ▶ IT projects £90,000
- ▶ Improvements to council buildings £654,000; including £508,000 expenditure in relation the window replacement project at the Civic Centre
- ▶ Parks and open spaces £183,000
- ▶ Vehicle and plant replacements £986,000
- ▶ Community works £23,000
- ▶ Housing Grants £186,000

Managing Risks

The Corporate Risk Register is the most important component of the Council's Risk Management Framework and a key element of the overall Performance Framework. It is the vehicle by which the Council aims to identify and address any potential risks to the achievement of its strategic objectives and goals. It complements the Corporate Plan and assists in managing its on-going delivery.

Appendix 2 summarises the actions taken by management to implement the Key Actions contained in the Corporate Plan that mitigate the key risks and opportunities in the corporate risk register for 2012/13.

All of the actions have a green rating indicating that sufficient progress has been made to implement them to date. The number of green ratings has been influenced by the fact that the corporate plan has only recently been adopted and the majority of planned key actions are in their infancy as mentioned in the introduction to this report.

There are no red or amber rated actions.

Our Challenges

Members will note that the 3 highest rated corporate risks at this moment in time are in relation to the reductions in government funding and the impact of other public sector policy changes on the Council together with delivery of affordable housing.

Although the corporate risk register indicates that significant progress has been made to mitigate these risks a number of challenges do remain:

1. Despite a sound track record of delivering savings in line with our budget, the Council remains under pressure to reduce its expenditure, whilst at the same time, delivering quality services. A reduction in capacity within the council will impact on delivery. Looking forward, there is much work to do in terms of reviewing services, refocusing our efforts and looking to work in partnership to meet expectations with ever decreasing resources.
2. It is anticipated that a number of developments with partner organisations will come to fruition in the next couple of years. Examples of these include the creation of Health and Wellbeing Boards (leading to the eventual dissolution of Primary Care Trusts), and agreement to proceed with a pan Lancashire Local Enterprise Partnership. The challenges of partner organisations with the current financial restraints and re-structuring will have an impact on the council's partnership agenda.
3. Reform of the welfare system will impact on how benefits are administered; the proposal to introduce a Universal Credit (incorporating

Housing Benefit), delivered by the Department for Work and Pensions, could significantly reduce the Council's role and responsibility in handling benefit claims. It is currently anticipated that this will be introduced from October 2013; although further confirmation is awaited.

4. The continued reduced levels of residential development in the borough as a result of the continued economic climate, impacts on housing supply, the level of Section 106 monies received, the affordable housing provided through private development and the funding potentially available through the New Homes Bonus. As part of the Local Development Framework (LDF) a number of strategic development sites have been identified. We are actively working with landowners and developers on the form and time of when the sites should be brought forward. However, we are reliant upon landowners wishing to work with us on bringing sites forward.
5. Government changes to planning policy encourages increased development and growth which is at odds with the principles of localism and local communities shaping their area. This will provide challenges as well as uncertainties with the future of planning policy.
6. The changes in the Police and Social Reform Act with regards governance of policing will have an impact on community safety priorities and funding, as well as with regards alcohol licensing.