



REPORT OF:	MANAGEMENT TEAM
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TO:	EXECUTIVE
DATE:	10 SEPTEMBER 2015
EXECUTIVE MEMBER:	COUNCILLOR G.J. KNIGHT

KEY DECISION REQUIRED:	NO
WARD (S) AFFECTED:	ALL

SUBJECT:	QUARTERLY PERFORMANCE REPORT (Q1 – APRIL TO JUNE 2015)
RECOMMENDATION: To note the performance outlined in the attached report.	
REASONS FOR RECOMMENDATIONS: To consider the performance for the first quarter of the financial year 2015/16.	
EXECUTIVE SUMMARY: The attached report provides the headline issues in relation to the Council's overall performance for Quarter 1. The report will be considered by the Overview and Scrutiny Committee meeting on 17 September 2015. This is being reported to Executive in advance of Overview & Scrutiny on this occasion because of the timing of Committee meetings this quarter.	

Executive has authority to approve the above recommendation.



Subject:	Quarterly Performance Report (Q1 –April to June 2015)
Officer:	Gavin Handford / Bill Pallett
To:	Executive, 10 September 2015.
Purpose:	To consider the key service performance for the first quarter of the year 2015-16.

Introduction

This report provides the headline issues on major variances in relation to the Council's overall performance for Quarter 1.

The detailed information showing all performance is available for Members to review at the eMembers room.

The headline performance information is set out in the following Annexes:

Key Service Indicators	Annex 1
Revenue Budget Monitoring	Annex 2
Capital Budget Monitoring	Annex 3
Risk Management	Annex 4
Internal Audit*	

*No audit reports were completed in this quarter.

Note: This information has been reported to Executive in advance of Overview & Scrutiny on this occasion because of the timings of Committee meetings this quarter.

Recommendation

The Committee is requested to review the performance update, consider the two new operational risks, and make any observations direct to the Leader on this occasion.

KEY SERVICE INDICATORS

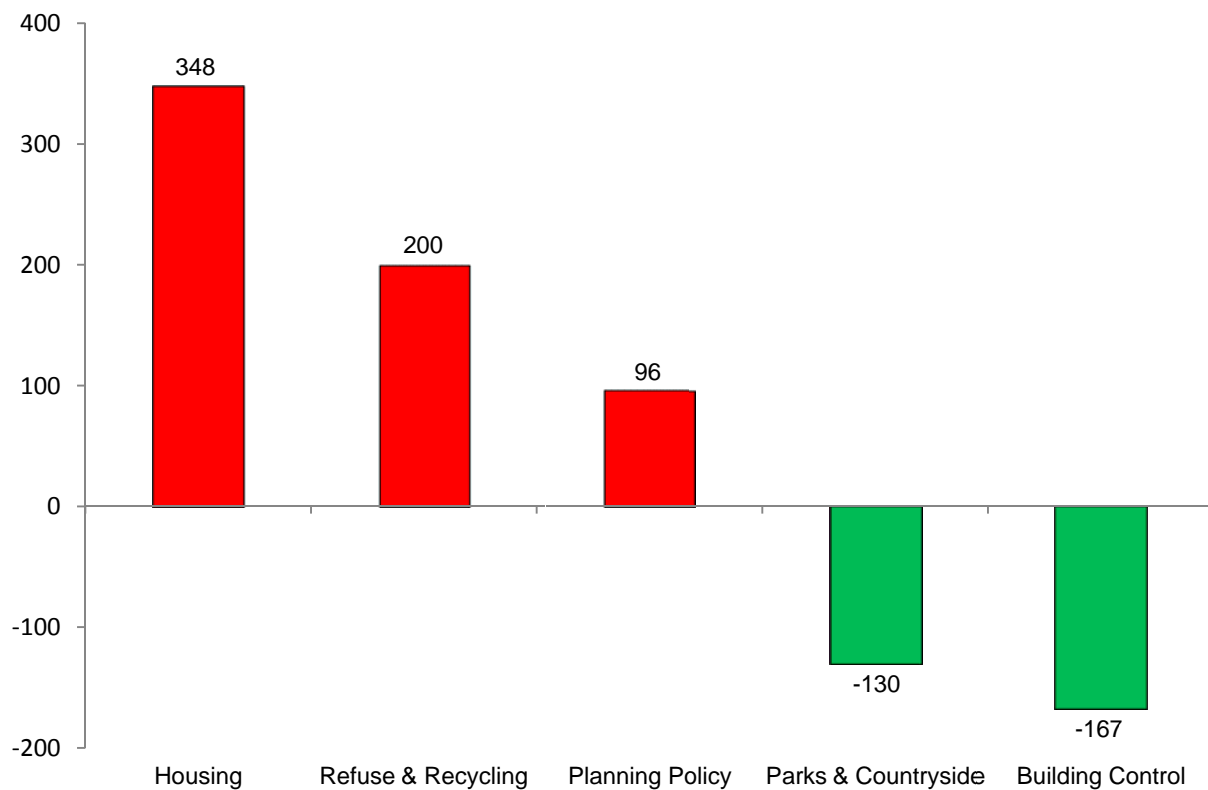
<p>Headline Information</p> <p>Of the key service indicators for which information was available, six were on target or within agreed tolerances. Two were off target at the end of the reporting period.</p>							
<p>Major variances (those off target)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2"> <p>KSI4 Percentage of planning applications determined in line with the Government's new development control targets to determine: 60% of major applications in 13 weeks</p> </td> </tr> <tr> <td style="text-align: center;">Target for quarter</td> <td style="text-align: center;">Actual</td> </tr> <tr> <td style="text-align: center;">60%</td> <td style="text-align: center;">42%</td> </tr> </table>		<p>KSI4 Percentage of planning applications determined in line with the Government's new development control targets to determine: 60% of major applications in 13 weeks</p>		Target for quarter	Actual	60%	42%
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Target for quarter	Actual						
60%	42%						
<p>Management comments/action</p> <p>Although only 42% were determined within 13 weeks, all of those that went over 13 weeks had extensions of time agreed in accordance with new Government provisions.</p>							
<p>Major variances (those off target)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td colspan="2"> <p>KSI7 Percentage of Planning appeals allowed by Planning Inspectors (low is good)</p> </td> </tr> <tr> <td style="text-align: center;">Target for quarter</td> <td style="text-align: center;">Actual</td> </tr> <tr> <td style="text-align: center;">30%</td> <td style="text-align: center;">66%</td> </tr> </table>		<p>KSI7 Percentage of Planning appeals allowed by Planning Inspectors (low is good)</p>		Target for quarter	Actual	30%	66%
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Target for quarter	Actual						
30%	66%						
<p>Management comments/action</p> <p>4 out of 11 appeals dismissed over quarter. Decision making process is being reviewed to identify any issues and ensure consistency.</p>							
<p>eMembers room information</p> <p>A copy of the full schedule can be found in the eMembers room.</p>							

REVENUE BUDGET MONITORING

Headline Information

■	Management budget:	£16,184,700
■	Forecast Year End Outturn:	£16,523,400
■	Projected under-recovery/overspend:	£338,700 (or 2% of the budget)

Table 1: Major Revenue Variances (£000)



Major Variances

- **Housing:** Forecast overspend due to levels of Bed and Breakfast occupancy. The variance is largely accounted for by volume issues. We currently have 25 occupants when the budget is only for 9.
- **Waste & Recycling:** A significant variance is forecast. This is due to both the increased costs of waste disposal and falling prices for Paper and Mixed Recyclables. Fires at two of the plants where our commodities were delivered (Aylesford and Rochester) have led to over-supply in these markets. Low returns on both of these commodities are expected to continue for some time.

- **Planning Policy:** Awaiting the transfer of funds from CPDF to support the Development Management Plan and the adoption and implementation of the Community Infrastructure Levy.
- **Parks and Countryside:** Operational changes are already delivering forecast underspends.
- **Building Control** – There are ongoing difficulties with recruitment and vacancies that are proving difficult to fill. This is generating significant salary underspends.

eMembers' Room Information

Further information has been provided in the eMembers room to support the Committee's consideration of the monitoring report as follows:

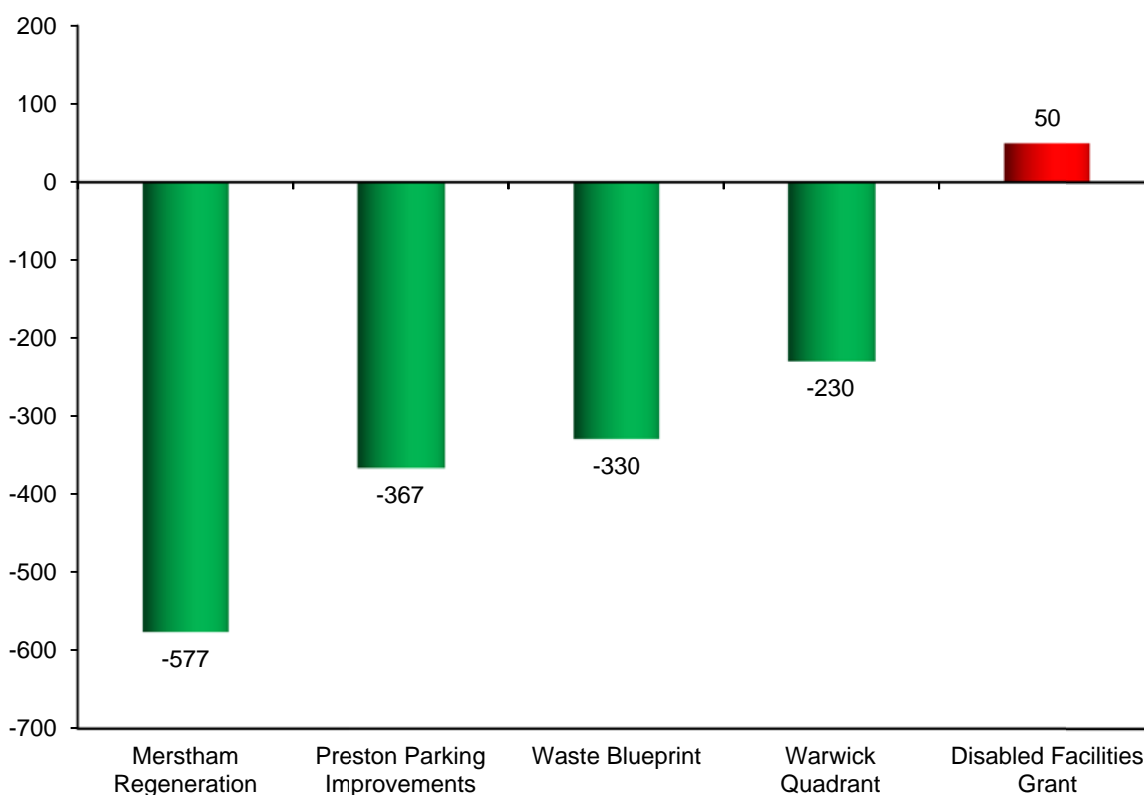
- Reconciliation of Original Budget to Management Budget
- Budget Monitoring Summary
- Analysis of Key Variances
- Impacts on Reserves.

CAPITAL BUDGET MONITORING

Headline Capital Budget information 2015/16

■	Current budget:	£ 19,424,000
■	Forecast expenditure:	£ 17,907,000
■	Projected underspend:	£ 1,517,000 (or 8 % of budget)

Table 1: Major Capital Variances (£000)



Major Variances

Merstham Regeneration: Project slippage, caused by the contractor being late on site has resulted in an underspend of £577,000 in 2015/16. The budget will be reprofiled to reflect this change in operational timing.

Preston Parking Improvements: Delays in planned project activity have occurred due to new officers at Raven Housing reviewing and testing the planned parking/public realm work on Raven Housing Trust land. The budget underspend of £367,000 will be reprofiled to future financial years.

Waste Blueprint: £330,000 of Waste Blueprint budget needs to be deferred to later financial years. This reflects the operational implementation plan of the flats kerbside collection service.

Warwick Quadrant: Project slippage is due to the appointed contractor for construction filing for administration in June 2015. Discussions are currently in progress with other potential contractors. The underspend of £230,000 will be required in 2016/17.

Disabled Facilities Grant: The forecast expenditure associated with disabled facilities grants is comparable to prior year expenditure. Expenditure is expected to be worse than budget by £50,000. The budget will be reviewed for future years to reflect changes in expenditure patterns.

eMembers Room Information

Further information has been provided in the eMembers' room to support the Committee's consideration of the monitoring report as follows:

- Reconciliation of Capital Programme to Approved Budget
- Budget Monitoring Summary

RISK MANAGEMENT

This report highlights two new risks that have been identified in Q2. All risks are actively monitored by the Management Team to ensure that appropriate controls are in place.

Ref no	RISK DESCRIPTION 2015/16
OR7	<p>Review of Service Delivery</p> <p>The cost of the Refuse and Recycling service has been benchmarked and in order to remain competitive, we need to continuously review our service delivery costs. As part of the Service and Financial Planning process, the Council will seek to review this position and take actions to examine the costs of the service in line with experience at neighbouring boroughs. Any change process can be unsettling for those working in the service and the review process must be conducted openly and fairly to minimise risks of disruption to this key public service.</p>
OR8	<p>Price Fluctuation in the Recycling Market</p> <p>The Council achieves significant income from the sale of material for recycling. The market for recycling feedstock is international with material being shipped to emerging economies (India, China). Price fluctuations are beyond the control of this Authority and can be sudden and involve significant sums of money. On occasion prices may be negative i.e. processors may charge a gate fee.</p>