

Recommendations from the Executive – 17 December 2020

Minute
reference
57

*Recommendation
3 only.*

Quarter 2 2020/21 Performance Report

The Executive Member for Corporate Policy and Resources, Councillor Lewanski, introduced a report outlining the Council's performance up to the end of Quarter 2.

Councillor Lewanski explained that seven out of the ten Key Performance Indicators (KPIs) were on target or within the agreed tolerance. Two were red rated and one had been unable to report.

Councillor Lewanski explained that one of the red rated KPI tracked the number of affordable housing completions. The low rating was reflective of the slowdown in construction earlier in the year. It was expected that affordable units at several sites were to be completed later in the year.

The other red rated KPI tracked the Council's recycling performance. The tonnage and composition of household waste had changed significantly due to the covid-19 pandemic, with 520 tonnes of additional refuse collected in Quarter 1 of 2020/21 compared to last year. A shortfall of around 2,000 tonnes of garden waste also weighed on recycling performance. Councillor Lewanski explained that the planned rollout of full kerbside recycling services to flats and properties with communal bin areas would recommence in the New Year and would deliver the opportunity to recycle more to around 8,000 properties. A communications campaign would be undertaken with Surrey Environment Partnership to encourage further participation in the Council's food recycling service.

Councillor Lewanski explained that the KPI unable to report tracked the Council's performance in Local Environment Quality Surveys, which measure the cleanliness of places. The Council was unable to report on this indicator due to resources being focused on responding to the pandemic. The indicator will be picked up in future quarters.

The Deputy Leader and Executive Member for Finance and Governance, Councillor Schofield, presented the report which provided the Council's Revenue and Capital Budget position for Quarter 2 to 30 September.

In terms of the Revenue Budget, the projected full year outturn at the end of Quarter 2 was £23.02m against a management budget of £24.60m. This resulted in a forecast underspend for the year of £1.58m.

In terms of the Capital Programme, Councillor Schofield explained that the forecast at the end of Quarter 2 was £36.81m below the approved Programme for the year. The variance was as a result of £46.76m slippage and £0.40m net underspend. Councillor Schofield highlighted the recommendation to Council in the report to increase the capital programme allocation for the Horley Car Park project by £54k following confirmation of the final project costs.

Councillor Schofield explained that he had continued to monitor the impact of the covid-19 pandemic on the Council's finance with the officer Incident Management Team and the Leader. The forecasts in the report were the latest forecasts, not a cut off at 30 September as the position changed rapidly. There had been more clarity on the extent to which Government would help fund the extra costs incurred and reimburse the Council for income losses. However, it was a challenge to form a complete picture, particularly in relation to the impact on the Collection Fund. The longer-term impacts on council tax and business rates income streams would not be confirmed until well into the next financial year.

Councillor Schofield explained that any unfunded costs and income losses would have to be borne by this Council through the use of contingency budgets or reserves. The Executive would do everything possible to minimise these impacts.

In response to a question from a Visiting Member, Councillor Schofield confirmed that the council tax collection rate was running at 1.3% under what would have been expected. This was being monitored on a weekly basis and there were a number of mechanisms in place to help people to pay.

The Chairman of the Overview and Scrutiny Committee, Councillor Harrison, confirmed that the Overview and Scrutiny Committee had considered the performance report. There were no recommendations to the Executive. The Committee commented favourably on the substantial underspend. The covid related costs were well under the favourable routine variances.

In response to a question from a Visiting Member on car parking charges, Councillor Schofield confirmed individuals and companies had cancelled their season tickets due to working from home. It was expected that season ticket numbers would not increase to previous levels and it had therefore been factored into the budget proposals for 2021/22.

A suggestion was made by a Visiting Member to install electric car charging points in the Council's car parks. The Leader confirmed that the Executive would consider and respond in due course.

RESOLVED:

1. To note the Key Performance Indicator performance for Q2 2020/21.
2. To note the revenue and capital budget position at Q2 2020/21.
3. **To RECOMMEND to Council the allocation of an additional allocation of £0.054 million in the Capital Programme for the Horley Pay-on-Exit parking to be funded through prudential borrowing.**