

BRECKLAND DISTRICT COUNCIL

- Report of:** Councillor Phillip Cowen, Executive Member for Finance, Revenues and Benefits
Councillor Alison Webb, Executive Member for Customer and Corporate Services
Councillor Paul Hewett, Executive Member for Property, Projects and Procurement
- To:** Cabinet, 11 September 2023
Overview and Scrutiny, 14 September 2023
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- Subject:** Finance, Performance and Projects Report Quarter 1 2023/24
- Purpose:** This report provides information on the forecast full year financial position of the Council as at 30 June 2023 and an overview of the Council's Performance and Corporate Projects for the period 1st April 2023 to 30th June 2023 (Q1)

Recommendation to Cabinet:

- 1) That the report and appendices be noted
- 2) That the Cabinet adopt the revised performance indicators in the report for use in 2023/24.

1.0 BACKGROUND

- 1.1 The Finance, Performance and Projects Report 2023-24 aims to provide Members, businesses, and residents with an overview of how the Council is performing against several key strategic indicators. These indicators include the delivery of frontline services, financial performance, projects, and progress made towards achieving the overarching aims and objectives of the Council as set out in the Corporate Plan.
- 1.2 The format of this report has changed since it was last seen by the Council's Cabinet in May 2023. Information relating to the portfolio of projects being delivered by the Council's corporate project resource are now also included so giving a full picture of Finance, Performance and the delivery of the Council's key projects.

2.0 SUMMARY

- 2.1 This report provides information on the forecast full year financial position of the Council as of 30 June 2023 and an overview of the Council's Performance and Projects for the period 1st April 2023 to 30 June 2023 (Q1).
- 2.2 The continued significant increases in inflation, utilities and fuel prices coupled with the ongoing cost of living challenge continue to put pressure on our residents and services.

Best estimates of these cost increases were taken into account when the 2023-24 budget was set, however these pressures have increased more than anticipated and are not expected to improve in the short term.

- 2.3 Over the last 9 months, the Organisational Development and Performance Team have been facilitating a series of workshops with services to help embed a performance culture. One of the outcomes has been a revised set of Performance Indicators to measure the impact of services and achievement towards the Corporate Plan. The new performance indicator suite has therefore been used as part of this report on Performance.
- 2.4 Quarter 1 saw the first steps in the establishment of the new Corporate Projects Service with successful recruitment to all positions within the new team. The new service area will directly manage a portfolio of projects and provide specialist support and advice with regards to project activity that remains in individual service areas. Governance of the new service is provided by Programme Board to ensure strategic oversight and delivery.
- 2.5 The projects that are overseen by the Corporate Projects Service have continued to make good progress overall, despite a number of challenges and complexities. Inflation and market conditions in relation to materials and labour continue to be a risk on those projects.
- 2.6 Corporate Performance, Projects, Finance and Risk are all regularly discussed at the Performance Board (composed of the Chief Executive and the Leader of the Council) which provides constructive challenge to services, support to improve where necessary and sharing of good practice.

3.0 **FINANCE**

- 3.1 The appendices to this report provide full information on the forecast full year financial performance for revenue, capital, treasury, prudential indicators and information on our major Balance Sheet risks.

3.2 **Revenue**

- 3.3 The forecast end of year out-turn is an above budget spend of £671k, with details of major variances shown in Appendix A.
- 3.4 Impacts of inflation and lower income in some areas has significantly impacted on our budget. At this early stage of the year these numbers remain estimates. As in previous years we will work corporately identifying savings to enable us to mitigate and divert budgets to the most in need areas, continuing to support our priorities, residents and businesses.
- 3.5 Progress against our efficiencies has been below expected levels and is not likely to improve over the remainder of the year, this shortfall is included in the forecast overspend. Work has started on projects and in the majority of cases is expected to achieve the target next year. The Evolve programme will be reviewed and refreshed through budget setting when our future budgets have been estimated.

3.6 **Capital**

The forecast out-turn at this stage of the year is a below budget spend of £1,146k, the progress of projects will be monitored as the year progresses. These variances are further detailed in the appendices. The capital programme and proposed programme for future years continues to be affordable without the need to borrow externally.

3.7 Treasury

The investment budget shows above budget income of £151k as a result of interest rates rising more than anticipated when the budget was set (which is an outcome of high inflation levels), partly offset by external loans to third parties expected to be repaid earlier than forecast. This additional income will help mitigate higher revenue costs throughout the year.

4.0 PERFORMANCE – Q1 (23'24)

4.1 A summary of the Key Performance Indicators (KPI's) can be found in Appendix B. As described above, these indicators have been revised since the Cabinet last saw this report. These revised indicators focus more on areas where the Council has direct control and are therefore better measures of performance, as actionable interventions can be made.

4.2 Given some of the KPI's are new, comparator data with previous quarters is not yet available for all indicators, however, an assessment of the direction of travel has been made as part of our monthly and on-going management and monitoring of the performance data.

4.3 Where possible, efforts have been made to backdate data for new indicators to allow for scrutiny in Q1. The below summary highlights indicators which have an improving or good direction of travel based on the latest data:

- **Customer satisfaction-** Customer satisfaction with the Councils customer contact centre scored 93.8% satisfaction against a target of 80%. This was taken from surveys which are sent to customers after an interaction with the service.
- **% of committee agendas published within timescales-** this indicator continued to be at 100% for Q1 and continued to perform as expected.
- **IT system availability-** this indicator continued to be at 100% for Q1 and continued to perform as expected.
- **% of Subject Access Requests (SAR) responded to within the time limit (1 month or extension)-** this indicator continued to be at 100% for Q1 and continued to perform as expected.
- **% of minor planning applications determined within 8 weeks or agreed extension-** There was a 4% increase compared to Q4 in minor applications determined within timescale and a 10% increase compared to Q1 22/23.
- **Complaints responded to within the time limit –** previous quarters saw a decline in response times. Intervention work interrogated the data to highlight the challenges causing the delays and as a result changes in processes and other work currently in train have seen figures significantly improve in Q1.

4.4 The areas of where results have declined or where further intervention work for improvements are being made:

- **Number of bins Serco went above tolerance for missed collections** - There was a significant rise in this indicator in June compared to April and May. While it did rise, the figure is small in comparison to the total number of collections made. In June, 21 bins were collected late out of in excess of 300,000. Work is being undertaken to ascertain whether the target of 10 is the correct measure.
- **% of Freedom of Information- requests (FOI) responded to within the time limit (20 days or extension)**- This metric continues to perform below expected levels compared to last year. It should be flagged however, that this metric can be easily shifted due to the low number of requests being received. Work is currently underway to understand the root causes of any delays and solutions being sought to improve. For clarity, of the 93 requests submitted this quarter, 9 were submitted after their deadline.
- **% of Food Safety Intervention Actions taken 0-2 (NFHRS) rated businesses within 2 months**- This is a new metric for the report and sits amongst other data sets related to work taken on different food businesses. In Q1, this fell below target and will therefore be monitored across Q2 to establish if there is a trend related to our ability to meet the indicator target.

5.0 Project Activity overseen by the Corporate Projects Service

- 5.1 A summary of project activity overseen by the Corporate Projects Service can be found in Appendix C. Below are three key projects that have passed through key milestones during Q1.
- 5.2 **Idox Software Implementation**- Project is currently amber following specification review and a solution has been reached with regards to gaps in functionality of software. Training on the new software will re-commence with Planning Teams in Q2 with new project plan and timescales to be established.
- 5.3 **Solar Projects**- Feasibility studies completed, and report received to outline options in relation to potential installation of solar panels at key strategic Council-owned properties. Detailed design work ongoing.
- 5.4 **Attleborough Leisure**- Planning permission for proposed scheme granted. Detailed design work and liaison with Attleborough Academy ongoing in preparation for procurement and funding application for 3G football pitch.

6.0 OPTIONS

- 6.1 To note the content of the report and appendices showing detail of Finance, Performance and Corporate Projects and agree the adoption of the revised key performance indicators listed in Appendix D.
- 6.2 Do nothing.

7.0 EXPECTED BENEFITS

- 7.1 Reporting on the financial position, performance and progress towards key, corporate projects provide Members and residents with a full picture of all aspects towards the achievement of the Council's priorities.

8.0 IMPLICATIONS

8.1 In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

8.2 Corporate Priorities

8.2.1 The report presents progress monitoring of key performance indicators and Council projects as part of the corporate priorities.

8.3 Financial

8.3.1 The report contains information on the Council's performance which does convey some information relating to financial matters. The report contains financial information relating to the financial performance of the Council.

8.4 Reputation

8.4.1 Finance, Performance and Project progress can cause some reputational consequence. It is the purpose of this report to highlight issues at an early stage but also celebrate key achievements.

9.0 WARDS/COMMUNITIES AFFECTED

9.1 No Wards or Communities are affected.

10.0 ACRONYMS

- 10.1 KPI- Key Performance Indicator
- 10.2 DMADF – Debt Management Account Deposit Facility
- 10.3 NNDR – National Non-Domestic Rates
- 10.4 SONIA – Sterling Over Night Index Average
- 10.5 CIPFA – Chartered Institute of Public Finance and Accountancy

Background papers:-

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Key Decision: No

Exempt Decision: No

Appendices attached to this report:

Appendix A	Financial Performance Report
Appendix B	Performance Report (Q1 2023-24)
Appendix C	Summary of Critical Projects