

Management Committee

19th November 2018

Business Review 2018/19 – For period ending 30th September 2018

For Decision

Briefholder

Cllr Jeff Cant – Finance & Assets

Senior Leadership Team Contact:

J Vaughan, Strategic Director

Report Author:

Christian Evans – Financial Performance Manager

Statutory Authority

Members have a responsibility under the Local Government Act to regularly review the Council's financial position and this report fulfils this requirement.

1. Purpose of Report

- 1.1 To set out the Council's performance across all services. This is broken down into financial performance, key performance indicators, risks and service plan updates on a service by service basis.

2. Officer Recommendations

That members:-

- 2.1
- a) Note the predicted outturn for the 2018/19 revenue and capital budgets.
 - b) Note the KPI's for each service for the period and any actions being taken.
 - c) Note the Service Plan updates provided by Heads of Service / Corporate Managers.
 - d) Note the high risks for each service area and any actions being taken.

3. Reason for Decision

- 3.1 The report is the key accountability tool for the performance of all the Council services. The report contains the strategic position of the Council's finances combined with performance statistics and service risks.

4. Background and Reason Decision Needed

- 4.1 This report is considered by this Committee as they have the delegated responsibility in the Constitution from Full Council to monitor the budget. The Joint Advisory Scrutiny Committee also considers the report and will identify any areas that they wish to scrutinise in more detail.
- 4.2 The budgets shown in Appendix 1 are 'controllable costs'. This is expenditure / income where the Head of Service / Corporate Manager has influence. Capital charges (depreciation) and service recharges are not shown. The budget holder has then made an assessment of the likely outturn for the financial year, which has been compared to the budget to identify any potential outturn variances. If there is a projected variance, then the budget holder has to provide a comment explaining the reason and outline what corrective action is being taken.
- 4.3 Key Performance Indicators are measures of service performance that are monitored. They have been developed by each Head of Service / Corporate Manager in conjunction with relevant Briefholders / Portfolio holders and are standard across all three councils.
- 4.4 Each service maintains a service risk register and the summary of the number of risks in each category is included within the report. Where a risk is scored as high or very high, the full details of the risk and mitigating actions are detailed.

5. Report

- 5.1 The predicted year end outturn position on the revenue budget monitoring report is estimated to show a £90,108 favourable variance. This is a total variance of 1% against the 2018/19 budget requirement of £8,421,036.
- 5.2 The revenue predictions above do not include variances for the Harbour activities. The monitoring of the Harbour budget and any corrective action is the responsibility of the Harbour Board. The current predicted year-end position for the Harbour budget is £59,510 adverse.
- 5.3 Heads of Service and Corporate Managers produce a Service Plan every year for each of the 12 services. In Appendix 2 Managers have provided an update of achievements so far this year, as well as actions still to be completed.
- 5.4 Key Revenue / Performance issues to date
 - Assets and Infrastructure have seen additional income from car parking due to the good weather over the summer.
 - Revenues & Benefits are predicting a large adverse variance. There is significant pressure on housing benefit expenditure for homeless accommodation costs which exceed the cap, therefore attracts nil subsidy. If the trend continues the year end adverse variance is likely to reach approximately £240,000.
 - The number of days to process Housing Register applications is significantly above the target of 9 days.

- Planning performance of percentage of 'non major' planning applications determined within 8 weeks or agreed extension time has fallen below the target. Performance generally in Development Control is likely to dip due to the introduction of a new IT system.
- Weymouth & Portland is marginally under the 5 year target for supply of housing. It currently shows 4.9 years. Where there is no five-year housing land supply, relevant local plan policies for the supply of housing should not be considered up to date, so cannot be given as much weight in decisions.
- Affordable Housing – At this stage, the predicted year end target is very likely to be exceeded which is positive news.
- Dorset Waste Partnership is not meeting performance targets in a number of areas.

Capital

- 5.5 The predicted overall scheme variance showing on the Capital Budget Monitoring appendix 3 is £35,000 adverse, against a total scheme budget of £5,432,868.

Key Capital issues

- A number of new schemes have been added to the Capital programme this quarter. The Council has been successful in attracting 100% grant funding from the Environment Agency for :
 - Weymouth beach management study
 - Weymouth beach analysis & wave overtopping study
 - Weymouth harbour tidal defence scheme
 - Harbour walls condition survey 2018/19

6. Corporate Plan

- 6.1 The service performance and targets reflects the current Corporate Plan.

7. Financial Implications

- 7.1 These are predictions based at the information available at 30th September 2018. Any variance at the end of the financial year will impact upon the level of General Reserves.

8. Risk Management (including Health & Safety)

- 8.1 High and very high risks are reported in detail in Appendix 2. Service risk registers can be found in the Councils performance system (QPR).
- 8.2 There is a risk the Council will overspend its budget for the year.

9. Appendices

- 9.1 Appendix 1 – Graph showing the predicted outturn position of the 12 services
- Appendix 2 – Overall service reviews of the performance, Service Plan update & risk
- Appendix 3 – Capital budget monitoring position
- Appendix 4 – Treasury management update

10. Background Papers

- 10.1 The Council's financial information system
- 10.2 The Council's corporate performance system (QPR)

11. Footnote

- 11.1 Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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