

Agenda Item No:

Report to: Overview and Scrutiny (Resources)

Date of Meeting: 8th December 2009

Report Title: Quarter 2 Performance and Financial Monitoring Report

Report By: **Jane Hartnell**
Head of Policy & Performance

Purpose of Report

To advise Members of the performance against the 2009/10 targets in Part II and Part III of the Corporate Plan and related budget and risk issues

Recommendation(s)

- 1. That staff in the Resources Directorate be thanked for their hard work**
- 2. That the Committee be assured that action is being taken to improve any shortfalls in performance and/or to address risks highlighted.**

Reasons for Recommendations

To enable the Overview and Scrutiny Committee to undertake their performance management function.

Background

1. Part II of the Council's Corporate Plan sets out the 2009/10 annual targets by service, Part III sets out performance indicators and three-year targets up to 2011/12. These documents together with the associated Budget together form the Council's overarching strategic policy and financial direction for the period up to 2011/12.
2. These are probably the Council's most important documents. The focus of service activity, policy developments, financial commitments, and partnership working is geared towards achieving the goals set out in this Plan.
3. The Overview and Scrutiny Committee play a key role in reviewing performance against the Annual Targets on a quarterly basis.

Performance in Quarter 2 2009/10

4. The appendices attached to this report set out details of performance against targets.
5. Appendix A shows first quarter progress of each Part II target relating to this committee's area of responsibility. Each of the Corporate Plan targets is tagged with a status comment as either:
 - a. Achieved: Target has been delivered successfully
 - b. On Target: Confident of delivery of the target as worded by the end of the year or earlier if indicated in the target wording.
 - c. On Target with Risks Identified: Majority of item on target for delivery, delays possible with some items (to be detailed in text)
 - d. Slippage Possible: There are concerns about ability to deliver within the year – consequences and remedial actions to be described
 - e. Will Not Meet Target: Reasons, consequences and any actions needed
6. In addition, each Corporate Plan target has a risk rating attributed to it. This is a means of further integrating our Risk and Performance Management processes. We are continuing to refine Risk reporting in Quarter 2 to ensure it is consistent, and separates out the risk to achieving the target and the risk associated with the activity we are undertaking. Members' views on progress so far would be very welcome.
7. Appendix B contains the updates for the cross-cutting targets which relate to this Committee's area of responsibility - you will remember these were included for the first time in this year's Corporate Plan to reflect the range of work undertaken across Directorates. All the cross-cutting activities in the Corporate Plan will be continued, but following the restructure may be progressed in different ways. Your next report will reflect any changes.

8. Appendix C, Section I sets out an exception summary of PIs by Service, Section II sets out detailed tables for each indicator for the areas of responsibility of this Committee with comparison data for the previous year.

Summary of Financial Information

9. Revenue Budget – As at November 2009, there is an estimated net increase in expenditure of £80,000 for the year, which can be met from the uncommitted contingency budget. However, there remain significant uncertainties around income streams and expenditure for the rest of the financial year.
10. The more significant variations include reductions in income streams arising from car parking (on-street), rents from property and from building control and development control fees. Against this there are significant reductions in expenditure on Concessionary Travel, the pay award to staff and the cost of dilapidations at Century House. As might be expected interest earnings on our investments are down and therefore the net cost of our borrowings has increased.
11. Additional monies are now being received in respect of the back dated VAT claim submitted by the Council. A further award of £219,000 of Area Based Grant has also been notified.
12. Capital Programme - the overall position is a net reduction of £1.2m following the re-profiling of a number of existing schemes, the introduction of one new scheme (Corporate Archive), additional housing expenditure matched by additional grant, and the deletion of two schemes (Communal Bins and the relocation of Tressell Training). The revised capital programme is estimated at £8.077m as against the original approved programme of £9.32m. It is anticipated that after applying capital receipts and grants the Council will have a borrowing requirement of £924,000 in 2009-10.

Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

Area(s) Affected

Central Hastings, East Hastings, North St. Leonards, South St. Leonards

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	Yes
Risk Management	Yes

Environmental Issues	Yes
Economic/Financial Implications	Yes
Human Rights Act	Yes
Organisational Consequences	Yes

Supporting Documents

Appendix A - Corporate Plan Part II Target updates
Appendix B - Corporate Plan Part II Cross Cutting Target updates
Appendix C - Performance Indicators

Officer to Contact

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