

# **Appendix A**

**Harlow Council**

**Joint Finance and Performance Report  
for the Period Ending**

**30/06/2019**

## The Council's aim for 2019-20:-

**"to improve Harlow for residents, businesses and visitors"**

### The Council's priorities:

1. More and Better Housing



2. Regeneration and a Thriving Economy



3. Wellbeing and Social Inclusion



4. A Clean and Green Environment



5. Successful Children and Young People



## How to use this report

You may wish to consider the following questions to form an idea on how well the Council is doing in achieving its priorities and objectives.

### Questions which the reader may wish to consider:





1. What are the reasons for the performance being below target?
2. What is the Council's expenditure on this service?
3. Has performance fluctuated between quarters and what are the reasons for this?
4. Is it anticipated that the target will be met by the end of the year?
5. What are the proposed actions to improve performance and achieve the target and when will this be done by?
6. How well is the Council responding to gaps in performance or shortfalls in income?

### Other areas for consideration could include:

1. Is the indicator a high priority for the Council? Is this reflected in the budget?
2. How does the service compare to other local authorities in terms of value for money – how does the Council's expenditure on this service and performance achieved compare to similar local authorities?
3. What are other Council's doing to improve performance in this area?
4. Are there any overspends/underspends in the budget area within which the under performing indicator sits?
5. Are there any future projects planned that will enhance existing performance?
6. How severe or likely are risks associated with lower level performance?






### Performance Symbols:

Harlow Council uses the below symbols when reporting performance.

<b>Below Target:</b> e.g. more than 5% worse than target	<b>On Target:</b> e.g. within 5% of target	<b>Above Target:</b> e.g. more than 5% above target	<b>Data not yet available:</b> e.g. survey information pending
			

### Direction of Travel (DOT) Symbols:

The direction of travel is from the same quarter in the previous year.

Going up and getting better e.g. % of rent collected	Going down and getting better e.g. crime levels	Exactly the same as previous year	Going up and getting worse e.g. levels of litter	Going down and getting worse e.g. income generated
				

## Section One: Key Considerations

The key issues relating to the Council's finances, performance, risks and corporate plan:

FINANCE			PERFORMANCE
RISK	<p>The forecast outturn position for 2019/20 is that the controllable General Fund revenue budget will overspend by £215,000 on its gross controllable costs. This represents an overspend of just 0.4% of the Council's approved gross budget for the General Fund. Taking into consideration the budgets which are not controllable by services, there is an overall forecast overspend of £46,000 or 0.08%.</p> <p>Key risks in relation to financial management are currently:</p> <ul style="list-style-type: none"><li>• The risks and volatility associated with the Government's localisation of business rates.</li><li>• Variations in income from fees and charges.</li><li>• The uncertainty regarding the future financial settlements including the end of the four year funding deal beyond the current spending review period from 2020/21 onwards.</li></ul> <p>The following <b>exceptional residual risks</b> (rated as high likelihood, high impact) have been highlighted for this quarter:</p> <p>SRHSG03 - Tackling housing need</p>	<p>The following indicators had poor performance in quarter 1 2019/20:</p> <p>Community Wellbeing : CS02b % Lost calls for Contact Harlow (Quarter Cumulative) Community Wellbeing : CS50 Average waiting time of calls received by Contact Harlow</p> <p>Five per cent of the milestones were successfully completed between April and June 2019.</p> <p>Eighty-two per cent of the milestones have started and are on track.</p> <p>Twelve per cent of the milestones have not started as the due dates are in the future.</p> <p>One per cent of the milestones require further action.</p> <p>There are no 'red' milestones for quarter one.</p>	CORPORATE PLAN

## Section Two: What Our Customers are Telling Us (Complaints)

The Council provides and commissions a large number of services, to a population of around 86,600 residents (2018 estimate). Every year the Council undertakes over 600,000 housing transactions and deals with hundreds of thousands of enquiries at Contact Harlow.

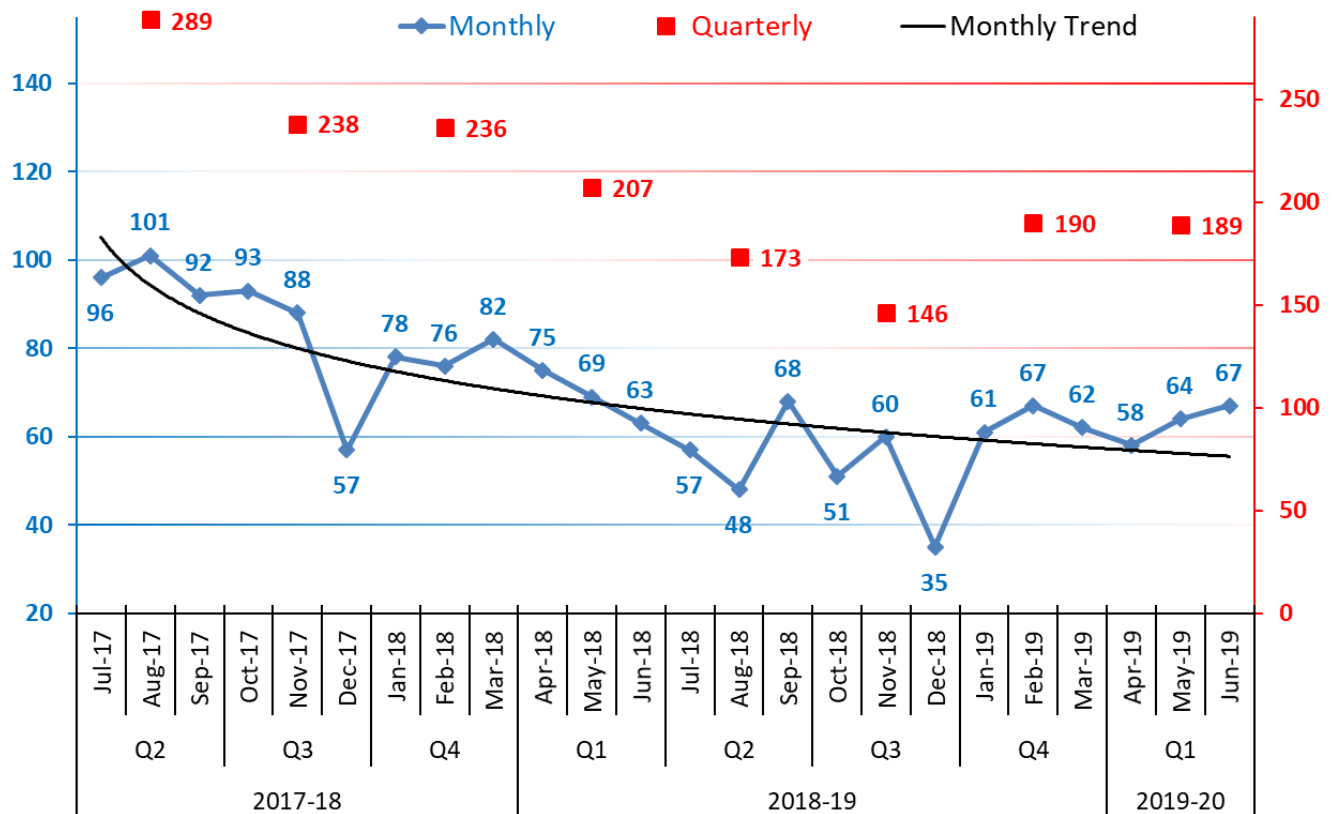
Contact Harlow also provides an administrative service for Housing Benefit and Local Council Tax Support. The caseload for this is just under 8,000 benefit claimants and is down from 9,000 last year, due to the impact of universal credit.

The Council aims to respond and resolve all stage one and stage two complaints within ten working days, and stage three complaints within 15 working days.

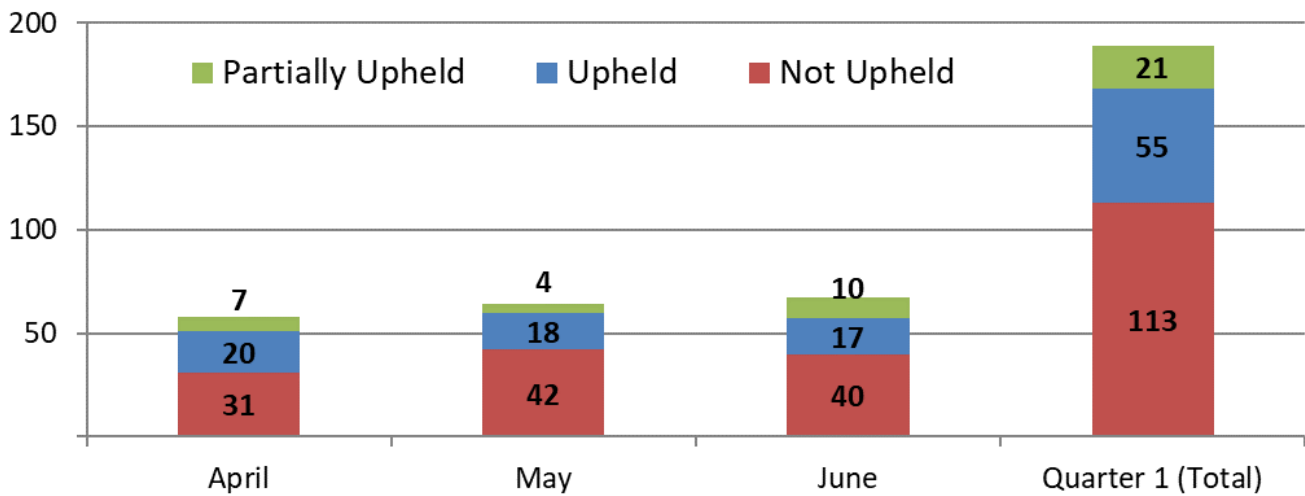
The chart below shows 2 years of complaints (July 2017 to June 2019) by the monthly and quarterly figures, monthly is in blue and quarterly is in red. When Quarter One of 2019-20 is compared to the same Quarter in 2018/19, there is an 8.7% reduction in the number of complaints received as a result of closer monitoring.

In the last twelve months (July 2018 to June 2019) there was an average of 60 complaints per month, whereas in the previous 12 months (July 2017 to June 2018), the monthly average was in excess of 80. This drop in this period, equates to a significant 25% reduction.

The chart below includes a monthly trend line and shows the monthly numbers of complaints is still trending downwards.



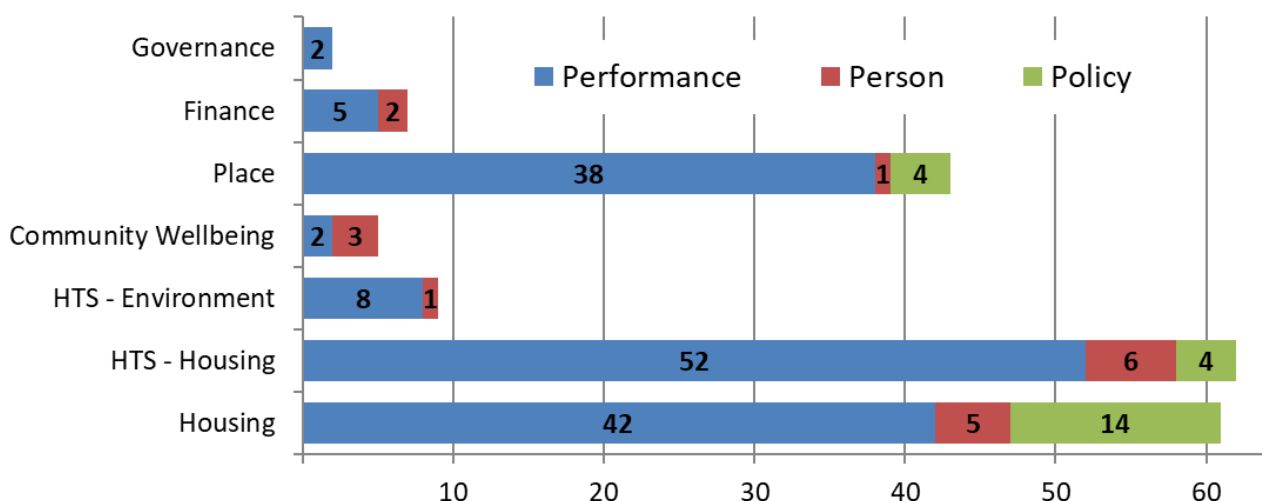
In Quarter One (2019/20), the Council received a total of 189 complaints. These complaints break down as 55 (29%) upheld, 113 (60%) not upheld and 21 (11%) partially upheld. The chart below shows the breakdown by classification for each month and the Quarter total.



The table below shows the breakdown of complaints by the Stage, for each month in Quarter One. Eighty-four percent of the complaints were resolved by stage one, 13% of complaints were resolved by stage two and 3% of the complaints reached stage three.

Month	Stage One	Stage Two	Stage Three
April	52	6	0
May	48	12	4
June	57	7	3
<b>Quarter One Total</b>	<b>157</b>	<b>25</b>	<b>7</b>

The chart below shows a breakdown of the 3 complaint types and the number of complaints against the relevant Service area. In Quarter One (2019/20), there were complaints 149 performance; 18 persons and 22 policy related complaints.



Additional information is collected on all closed complaints, that were either upheld or partially upheld, to ensure lessons are learnt to improve service delivery and minimise the risk of reoccurrence.

This information is logged by the Service areas responding to the complaint and includes:

- What will be done as a result of the complaint?
- Who by?
- By when?

The Customer Services Officer receives monthly reports, to ensure that action(s) are being completed. Any failures/blockages are reported to the Customer and Media Services Manager, to progress to the relevant Head of Service.

Reports on trends and resolutions are provided to the Senior Management Board, to ensure continuous improvement.

## Section Three: The Latest Financial Performance

The Council continues to face financial challenges, especially those created by the long term reduction in core Government funding which have, and will continue to feature within its Medium Term Financial Strategy (MTFS). As has been previously reported to Cabinet, the long period of austerity and the resulting budget reductions that have been required over an extended period to enable a balanced budget to be approved each year are now creating a much greater challenge at service level in terms of managing service costs and income to the approved budget.

The aggregate of the service controllable variations shown in the 2019/20 Quarter 1 report have generated a £215,000 overspend or 0.4% of the Council's gross budget (£109k adverse variation at Q1 2018/19 and £85k favourable variation at Q1 2017/18). With the budgets now set having been reduced to meet savings targets in previous years the ability for services to deliver below the approved budget moving forward will be extremely difficult.

Despite this position, the content of this report highlights the excellent financial control being placed upon existing budgets by all services and whilst there remain great uncertainties for the future arrangement for local government funding, the Council can have confidence that its services will continue to be delivered to residents it serves without reduction or cuts for the foreseeable future.

Taking into account the non-controllable costs, there is a forecast overspend of £46,000 or 0.08% of the gross budget.

Simon Freeman, Deputy to the Chief Executive and Head of Finance

[Movement in General Fund \(Q1 2019-20\); The Major Variances \(Q1 2019-20\)](#)



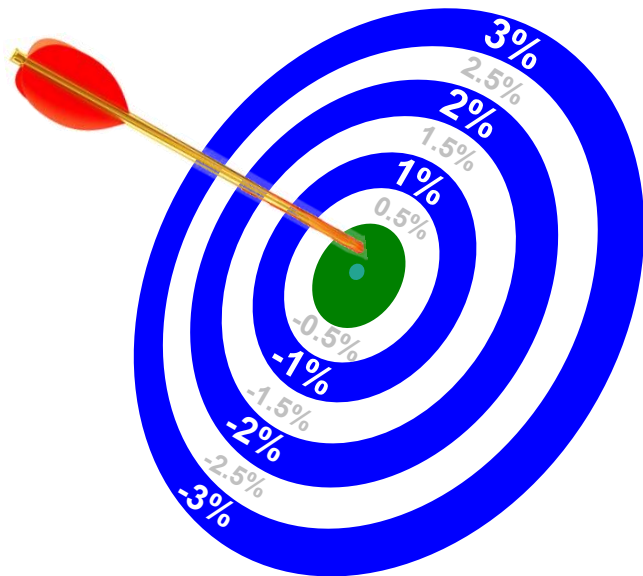
## Movements in General Fund Balance in Quarter One 2019/20

£millions*	
<b>General Fund closing balance as at 31 March 2019</b>	<b>4.488</b>
<b>Variation resulting from previous Cabinet / Council decisions:</b>	
• One off funding requirement 2019/20 – museum (Cabinet July 2019)	(0.100)
<b>Effective General Fund closing balance as at 31 March 2019</b>	<b>4.388</b>
<b>Current Variations</b>	
• Service budget variations	(0.215)
• Other variations	169
<b>Balance on General Fund at 31 March 2020 (Projected)</b>	<b>4.342</b>

\* Note: Figures in brackets () reduce the projected General Fund Balance.

### 2019/20 Outturn

The Council projects to overspend by a margin of **0.08%** on its gross General Fund revenue budget.



**Latest Financial Performance (Budget Variations / Exceptions):**

**Major Variances - Quarter 1 2019-20**

Service	Adverse £000s	Favourable £000s	Net £000s	Main Contributing Factors to Variations
<b>Community Wellbeing</b>				
Minor Variations	19		19	
Total Community Wellbeing			19	
<b>Place</b>				
Seen Nightclub	83		83	Reduced rental income and an increase in business rates.
Recycling		(35)	(35)	Additional Income from sales of bins and green waste collections.
Enterprise Zone	215		215	The forecast cost of administering / and managing the Enterprise Zone development.
Head of Place Services		(118)	(118)	Vacant Post.
Other minor variations	32		32	
			177	
<b>Housing (General Fund) Services</b>				
Minor variations		(7)	(7)	
Total Housing (General Fund) Services			(7)	
<b>Finance Service</b>				
Accountancy	35		35	Staff vacancies offset by consultancy and advertisement costs
Minor Service variances	1		1	
Total Finance Service			36	
<b>Chief Executive</b>				
Chief Executive	3		3	
<b>Governance</b>				
Minor variances		(13)	(13)	
Total Governance Service			(13)	
<b>Service Specific Variations</b>			<b>215</b>	<b>Sub-total</b>
<b>Other</b>				
Interest Payments		(225)	(225)	Forecast borrowing is expected to be lower than originally
Interest Income	56		56	Interest income is forecast to be lower than anticipated because Interest rate assumptions have changed
<b>Total Other Variations</b>			<b>(169)</b>	<b>Sub-total</b>
<b>Total General Fund Budget Variations</b>			<b>46</b>	

## Section Four: Service Based Analysis

### Community Wellbeing, Jane Greer

Overall, financial control is generally satisfactory although some reconciliation of staffing budgets will be required between service areas due to the necessary use of interim staff which will be partially offset against staff vacancies.

### Environment & Planning, Andrew Bramidge

Financial performance is broadly on track with no major variations to be reported, although the use of agency staff to cover vacancies will need to be monitored as the year progresses.

A key issue remains the ability to recruit suitably qualified planning officers for permanent posts within the Council.

Planning fee income is ahead of profile due to a higher than average number of major planning applications being submitted, but this is outside of our direct control. Planning performance is also on track with the MHCLG targets for determination of planning applications being met or exceeded.

### Housing, Andrew Murray

Resources for housing need are continuing to be targeted against our stated priorities with homelessness costs closely monitored against the Government Grants received and our available budgets which were increased in 2019/20. Quarter 1 outcome reflects a stable spend however a further rise in homelessness is expected both locally and nationally.

Existing Homelessness Grants end in 2020. Locally, the numbers in temporary accommodation remain high and increased focus remains on our prevention strategies in accordance with the requirements of the Homelessness Reduction Act. A revised Homelessness Strategy which includes a new rough sleeper Strategy will be published later this year.

The five-year supported housing plan continues to be implemented and key milestones are continuing to be met with risk being mitigated through actions within both the Corporate and Service risk registers.

### Governance, Simon Hill

Financial: Good financial control continues to be maintained with the Service for the first quarter of 2019/20 showing a modest underspend across all departments. Staff vacancies are in the process of being recruited to. Service demand remains high across departments and the Head of Service is working with managers to address capacity issues.

Service Milestones: For 2019/20, the service has 46 agreed milestones, of which 5 are for the new areas of responsibility. This reduction reflects greater emphasis on team level (rather than Service level) milestones, of which there are many more. All outcomes are currently on track for completion.

Service Key Performance Indicators: For 2019/20, the service has 18 agreed KPIs, of which 4 are for the new areas of responsibility. Two KPIs have not performed well this quarter due to the challenging start to the new waste and recycling contract

Service Changes: With effect from the 1 August 2019 the service has taken on responsibility for Customer and Media Services and the Playhouse (for an initial period of one year). Alteration to financial reporting will change in future quarters.

Service Risk: Progress with procurement of a new HR / Payroll system is being made and a report will be made to members on contract award in line with expectation. Officers are also contingency planning for any unexpected electoral events.

### Finance, Simon Freeman

The current forecast for the Finance Service is that it will overspend by £36,000 in 2019/20 mainly as a result of the additional costs of agency staff covering a senior vacancy within the service.

There is also a pressure within the Property and Facilities service area as a result of additional property costs falling to the Council on a town centre property. Overall the variations are extremely small in comparison with the overall service budget. The position will continue to be monitored very closely throughout the remainder of the financial year to ensure that the service manages within its approved budget allocation.

## Section Five: Performance

The Council performed on or above target for 47 out of 49 (96%) of its indicators. 57 per cent of the indicators have been maintained or improved compared to Quarter One 2018/19.

<b>Percentage of indicators within or better than target</b>	Qtr ended 30/06/2018	Qtr ended 30/09/2018	Qtr ended 31/12/2018	Qtr ended 31/03/2019	Qtr ended 30/06/2019
	<b>98%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>96%</b>
<b>Percentage of indicators improving or unchanged from the same period last year</b>	Qtr ended 30/06/2018	Qtr ended 30/09/2018	Qtr ended 31/12/2018	Qtr ended 31/03/2019	Qtr ended 30/06/2019
	<b>67%</b>	<b>66%</b>	<b>56%</b>	<b>62%</b>	<b>57%</b>

### Good Performance:

Eleven (22%) indicators performed significantly above their target. Listed below are a selection of the performance indicators which have contributed towards the achievements of the Council's priorities.

			30/06/2019 Actual	30/06/2019 Target	30/06/2018 Actual	30/06/2018 Target
★	↕	<b>Community Wellbeing : CS25q % of customer complaints responded to within target time</b>	93.65	85.00	89.37	85.00
The progress of all complaints are provided to Service Managers to ensure they are closely monitored. This has resulted in the continued good performance of the KPI.						
★	↕	<b>Housing : NI156 Number of households living in Temporary Accommodation</b>	267.00	332.00	268.00	287.00
The number of households living in temporary accommodation is lower than forecasted and lower than the same quarter in 2018. The introduction of the Homelessness Reduction has placed greater emphasis on prevention with applicants taking reasonable steps with the support of the Council to prevent their homelessness. It is still expected for there to be a rise in the number of those living in temporary accommodation over the next three years.						
★	→	<b>Place Services : HTS 2.7 Repair or replace damaged litter and dual use bins within 2 working days</b>	100.00	100.00	100.00	100.00
Over time bins may become damaged. Serviceable bins can help reduce littering of streets and the Council has agreed with HTS that we would replace damaged bins very quickly. On every occasion when replacement has been required during the quarter the agreed timescale has been met, representing reliably good performance.						
★	▶	<b>Place Services : HTS 3.1a Grounds Maintenance (Grass Cutting)</b>	97.40	93.50		
This is a new KPI from 1 April 2019. There is no previous data for a comparison. The KPI is a result of the review of KPI 3. 1 Landscape Maintenance.						
★	↕	<b>Place Services : NI157b Processing of minor applications within 8 weeks or agreed timescale (%)</b>	87.50	65.00	83.33	65.00
The Development Management team tries to positively and proactively engage with applicants as much as possible to ensure that appropriate schemes are enhanced and issues are addressed early in the application process. The team prioritises determining all types of applications by statutory deadlines. This is both a marker of good performance for the Council and by Central Government.						

## Section Six: Improvement Action Plans

The Council and HTS (Property & Environment) Ltd monitors all performance indicators which have been subject to an Improvement Action Plan (IAP) during the past 12 months. The table below illustrates how the indicators subject to an IAP have performed over time.

All performance indicators are reported as red, blue and green in line with the Council performance monitoring.

	Quarterly Performance Indicator	QTR ended 30/06/2018	QTR ended 30/09/2018	QTR ended 31/12/2018	QTR ended 31/03/2019	QTR ended 30/06/2019
...	CS02b % Lost calls for Contact Harlow (Quarter Cumulative)	★	★	★	★	▲
...	CS50 Average waiting time of calls received by Contact Harlow	●	●	★	★	▲
Number of Red Quarterly Indicators		1	0	0	0	2

## Improvement Action Plan

**Reporting Period Ended: 30/06/2019**

### Performance Indicator

CS02b% Lost calls for Contact Harlow (Quarter Cumulative)

### Performance

Harlow	to 30/06/18	to 30/09/18	to 13/12/18	to 31/03/19	to 30/06/19
Actual	9.02	9.25	5.33	12.39	16.08
Target	14.00	14.00	14.00	14.00	14.00

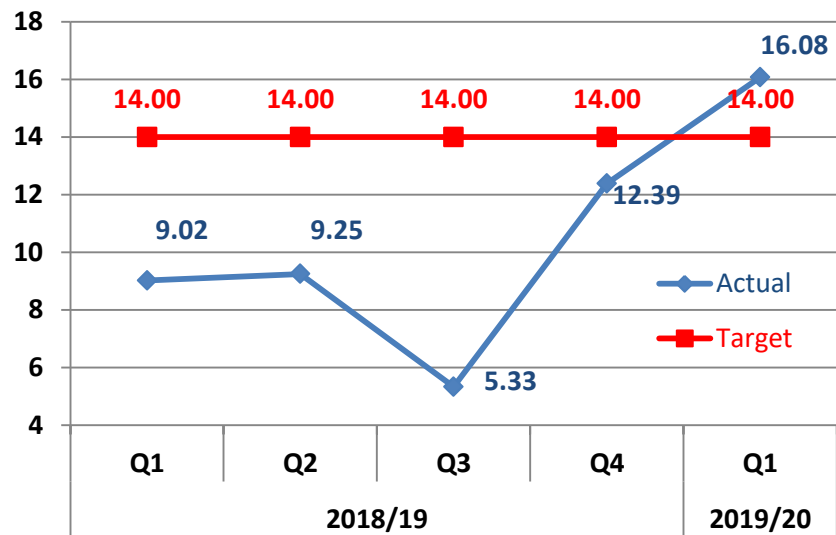
### Description

The number of calls that are lost as a percentage of the total calls received by Contact Harlow per financial quarter

### Direction of Travel



### Performance Chart



### What is the performance situation?

The call centre had a higher volume of calls during quarter 1, which was further compounded by the staffing levels being reduced during this period due to a retirement and maternity leave.

### What practical steps are being taken to improve?

The call volumes have now settled, and new staff have been recruited and are in place to ensure that the demands on the call centre can now be met.

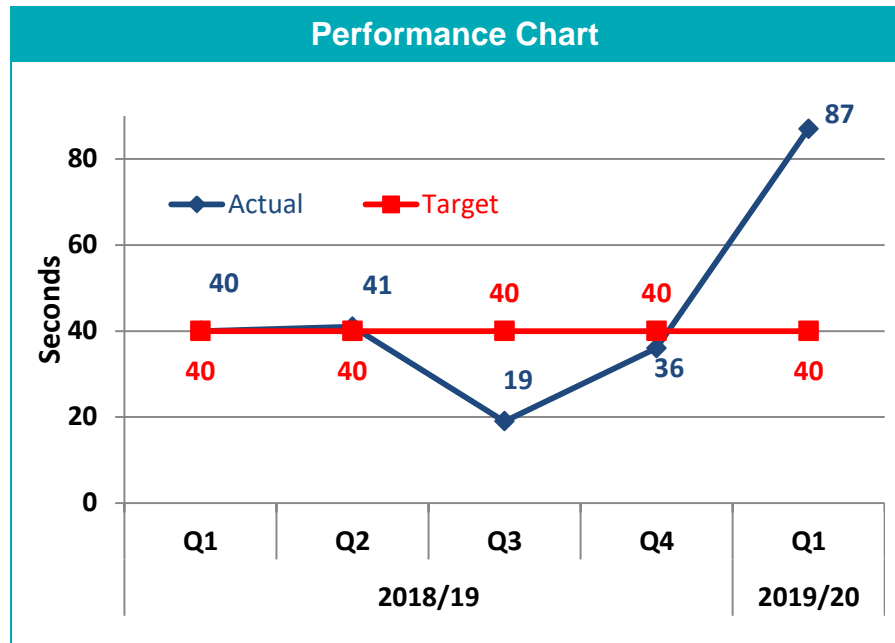
## Improvement Action Plan

Reporting Period Ended: 30/06/2019

Performance Indicator
CS50 Average waiting time of calls received by Contact Harlow

Performance					
Harlow	to 30/06/18	to 30/09/18	to 13/12/18	to 31/03/19	to 30/06/19
Actual	40	41	19	36	87
Target	40	40	40	40	40

Description
Average waiting time of calls received by Contact Harlow before they speak to a Customer Advisor



Direction of Travel

### What is the performance situation?

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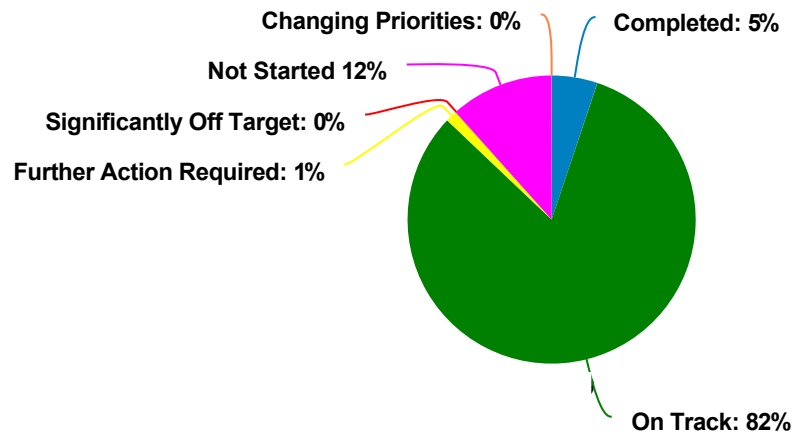
## Section Seven: Key Corporate and Financial Risks

Risk Owner	Inherent Likelihood	Inherent Impact	Controls Already in Place	Residual Likelihood	Residual Impact	Residual Risk Score	Residual Risk Indicator	DoT	Foreseeable Likelihood	Foreseeable Impact	Foreseeable Risk Score	Additional actions to mitigate risk	Last Reviewed
<b>SRHSG03 - Tackling housing need</b>													
<b>IF : If housing need is not met</b>													
<b>THEN : Then there will be residents who have a lack of housing or are in unsuitable housing conditions</b>													
<b>BACKGROUND : There is a known acute housing shortage of all tenures particularly social housing which results in increased Housing Need Register and overcrowding</b>													
<b>Murray, Andrew</b>	Likely (4)	Major (4)	Allocations Policy and Homelessness Strategy. Targeted use of scarce resources	Likely (4)	Major (4)	21	▲	→	Almost Certain (5)	Major (4)	23	Partnership working and Government grants to target scarce resources Successful award of additional Government rough sleepers grant to increase the supply of supported housing accomodation	30/06/2019



## Section Eight: Progress in delivering the Corporate Plan

The Corporate Plan sets out the goals the Council needs to complete in order to deliver its corporate priorities and principles. Below is an update of how well the Council is doing in delivering its Corporate Plan.



The position of the Corporate Milestones as at 30 June 2019 are broken down as follows:



5% (8 out of 155) of the milestones have been successfully completed;

82% (128 out of 155) of the milestones have started and are on track;

12% (18 out of 155) of the milestones have not started as the due dates are in the future;

1% (1 out of 155) of the milestones require further action.

There were no milestones significantly off target, cancelled or suspended.

Service Milestones requiring further action	Due Date	Status	What is the performance situation?
 CM04.1.2 Roll out Style Guide	30 Jun 2019		The digital element of the style guide was approved by SMB on 16 April 2019. The paper format of the guide is currently being developed for the new website; and will be completed by 30/09/2019 (Quarter 2).