

Performance, Finance and Risk – May 2024



Report to:	Cabinet
Date:	11 July 2024
Portfolio Holders:	Councillor Hannah Ellis, Portfolio Holder for Corporate Services and Transformation Councillor Michael Hardware, Portfolio Holder for Finance
Lead Officers:	Jacqueline Van Mellaerts, Assistant Director – Finance and Deputy Section 151 Officer (01279) 446251 Rebecca Farrant, Assistant Director – Corporate Services (01279) 446811
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Key Decision:	No
Forward Plan:	Forward Plan number I017195
Call In:	This item is not subject to call in procedures because it is within the scope of the budget approved by Full Council in February 2024
Corporate Mission:	Deliver High-Performing Services
Wards Affected:	None Specifically

Executive Summary

- A** This report provides Cabinet with the current performance of the council against agreed indicators alongside the financial position of the council. Strategic risks that may affect both financing and performance of council operations are also provided as context to

understanding the complete picture as to how the council is performing against its priorities as laid out in the Corporate Plan.

Recommended that Cabinet notes:

- A** The performance of key performance indicators for May and quarter one of performance for annual delivery plan.
- B** The Finance position as at May (period 2) of 2024/25 financial year.
- C** The current strategic risks for the council's operations.

Reason for decision

- A** To ensure the council reviews performance against its budget position for General Fund, Housing Revenue Fund and Capital programmes.
- B** To ensure the council understands the strategic risks that affect the organisation, and control measures in place to mitigate these.

Other Options

- A** No other options were considered, the noting of performance, finance and risk supports the Cabinet's role to review the use and allocation of assets and resources as contained within its terms of reference.

Background

1. The council regularly monitors its performance, financial and risk positions to ensure it can deliver its annual delivery plan and respond efficiently to arising issues.
2. This report is the second report of performance, finance and risk reports for 2024/25 and reviews how the council is performing overall, and will inform budget setting for 2025/26 and updating the medium-term financial plan and future capital programmes.
3. Understanding risk is part of the council's approach to problem solving and achieving best value through taking calculated and controlled risks to achieve the council's priorities and improve the services that residents receive.
4. The information in this report supports the council's Corporate Mission to Deliver High-Performing Services. Effective use of financial resources supports maintaining delivery of priority and statutory services and investment in the council's assets.

Issues/Proposals

5. The report is split into three sections, Performance, Finance and Risk. The performance section sets out the council's achievement against key performance indicators as at end of May 2024, and progress against the annual delivery plan. Data published against the metrics collected by Oflog have not changed since the last report to cabinet and are not included in this report. Oflog metrics will be reported every time the published data is updated. Finance section presents the period two position based on budget monitoring and risk section highlights the current strategic risk register.

Performance – key performance indicators

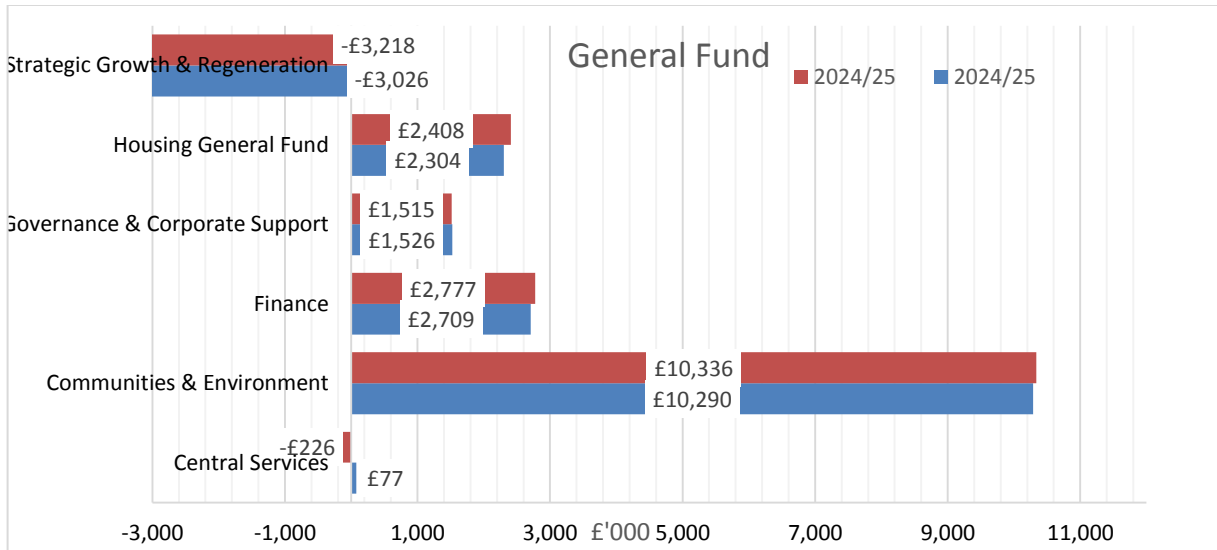
6. The council performed well against the majority of Key Performance Indicators (KPIs) during May 2024. There were 12 indicators due for reporting and 8 performed within target. Two indicators were highlighted for monitoring (amber performance) as performance is only just within the tolerance of good performance, and two indicators were highlighted for action. Performance for May can be found at Appendix 1.
7. KPIs are used to inform and drive more effective performance on the part of both the council and those contracted to deliver on its behalf. Areas of good performance include low Contact Harlow waiting times and staff sickness levels. Rough Sleeper numbers are provided for context as this is a priority action area for the council, activity in this area is carried out in line with Homeless and Rough Sleeper policy.
8. Housing rent collection KPI shows lower than average target collection rate for April and May 2024, however this is in line with usual collection patterns for rent and it is expected that rates will increase in June and this will be monitored.
9. Performance of bin collections has improved following the impact of using of agency staff by Veolia in January and February who were less familiar with the collection routes and process. 353,214 bin collections were completed in May, with only 328 collections missed, slightly below target, and not significant enough movement in performance to cause concern. Performance will continue to be monitored through contract arrangements to ensure that number of bins missed remains within expected levels.
10. When individuals on the housing need register are successful in bidding for a property they have the option to refuse this offer. Where offers are refused this has the affect of lengthening the time that a property remains empty as the verification process for potential bidders must recommence. To avoid this becoming a significant issue the changes made within the updated allocation policy prevents continual refusal of properties without penalty.
11. During May 2024 almost 85% of Stage 1 complaints were resolved within expected timeframes. Effective complaints investigation and determination processes mean that it is only more complex cases which proceed to Stage 2 of the complaints process. Complex cases can take slightly longer to investigate and therefore six complaints at

Stage 2 took longer than 20 days to resolve, with those responses provided 4 days past the expected response date.

Finance

12. The council set the 2024/25 budget in February 2024, with service specific expenditure of £13.880m.
13. The council's forecast outturn position for 2024/25 is a favourable position of £288k shown in the table below. Further modelling and monitoring has been carried out following the position reported at June's Cabinet meeting. The table includes salary expenditure forecasts in relation to the projected 2024/25 pay award, energy forecasts, business rates and some minor service-related forecasts.

	2024/25 Current Budget £'000	2024/25 Forecast Outturn £'000	2024/25 Variance £'000
Central Services	77	-226	-303
Communities & Environment	10,290	10,336	46
Finance	2,709	2,777	68
Governance & Corporate Support	1,526	1,515	-11
Housing General Fund	2,304	2,408	104
Strategic Growth & Regeneration	-3,026	-3,218	-192
Total Service Specific Expenditure	13,880	13,592	-288
Non Service Specific & Funding	1,046	1,046	0
Funding	-14,926	-14,926	0
General Fund (Surplus)/Deficit	0	-288	-288



Risk

14. The council's strategic risk register reflects current controls in place to mitigate the impact of risks to the work of the council and keep these at acceptable levels whilst making the most of opportunities to achieve priorities within the Corporate Plan.
15. A dashboard of the current status of strategic risks and the strategic risk register can be found at Appendix C and details risk scores derived from the likelihood of a risk occurring, and the impact if it does, alongside the current controls in place.
16. The highest scoring risks remain those around financial resilience, contract and partnership management and cyber resilience due to the high impact they carry. Control measures in place mitigate the likelihood of these impacts as far as possible and are reviewed regularly.

Implications

Equalities and Diversity

Officers do not believe that current performance will have an impact on the council's equality duty however the council will ensure that services included within its annual delivery plan are accessible to all.

Climate Change

This report has no direct impact on climate change.

Finance

Financial monitoring for period one of financial year 2024/25 has been reviewed and included within the body of the report.

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Governance

The Council has a fiduciary duty to the taxpayer, requiring the prudent use of resources, including control of expenditure and financial prudence in the short and long term. This report sets out as at May 2024 performance, risk and financial position for the Council as part of its fiduciary duty to implement budgetary controls and monitoring.

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Appendices

Appendix A - KPI report May

Appendix B – KPI dashboard May

Appendix C - Risk dashboard and risk register

Background Papers

None

Glossary of terms/abbreviations used

KPIs - Key Performance Indicators

MTFP – Medium Term Financial Plan