

## **HIGH PEAK BOROUGH COUNCIL**

### **Report to the Corporate Select Committee**

**13th February 2017**

<b>TITLE:</b>	<b>Third Quarter Financial, Procurement &amp; Performance Review 2016/17</b>
<b>EXECUTIVE COUNCILLOR:</b>	<b>Cllr Emily Thrane – Executive Councillor for Finance &amp; Corporate Services</b>
<b>CONTACT OFFICERS:</b>	<b>Claire Hazeldene - Finance Vanessa Higgins - Performance</b>
<b>WARDS INVOLVED:</b>	<b>Non-Specific</b>

#### **Appendices Attached**

- **Appendix A (2016/17 – Third Quarter Financial Report)**
- **Appendix B (2016/17 – Third Quarter Procurement Report)**
- **Appendix C (2016/17 – Third Quarter Performance Report)**

#### **1. Reason for the Report**

- 1.1 The purpose of this report is to inform members of the Council's overall performance and financial position for the period ended 31st December 2016 ("Third Quarter 2016/17"); and

#### **2. Recommendations**

- 2.1 It is recommended that the Corporate Select Committee note the third Quarter 2016/17 financial, procurement and performance position detailed in Appendices A, B and C and summarised at 3.3 of this covering report.

#### **3. Executive Summary**

- 3.1 This report essentially summarises the Council's performance and financial position after considering service activity up to the end of the third quarter (i.e. 31st December 2016).
- 3.2 Detailed analysis is provided in Appendix A (Finance), Appendix B (Procurement) & Appendix C (Performance).
- 3.3 The position can be summarised as follows:

Subject	Headline	Reference
Finance	<p><b>The Finance headlines for the third quarter are:</b></p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none"> <li>At the end of the third quarter the General Fund is forecast to be £344,090 underspent. This mainly relates to additional funding.</li> </ul> <p><i>Efficiency Programme</i></p> <ul style="list-style-type: none"> <li>The in-year savings requirement for 2016/17 amounts to £1,655,690 and is made up of the efficiency target of £659,910 for 2016/17, together with the £995,780 of unachieved savings rolled forward from 2015/16. At the Quarter Three there is a projected shortfall of £431,200 due to slippage in the programme and associated costs of implementation. Any shortfall can be partially funded using the earmarked reserves established to meet such one-off/short-term costs.</li> </ul> <p><i>Housing Revenue Account (HRA)</i></p> <ul style="list-style-type: none"> <li>At the end of the third quarter the HRA is forecast to be in surplus by £1,306,820 due to an increase in income, salary and repairs savings and a reduction in the contribution to capital</li> </ul> <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> <li>The Capital Programme budget for 2016/17 is £2.85 million including the carry forward of capital underspends from 2015/16. The projected outturn is £2.0 million which represents an underspend of £819,350 relating to the reprofiling of asset management plan schemes.</li> <li>The HRA Capital Programme for 2016/17 is £4.1 million, with the projected outturn forecast at £3.8 million representing a £337,930 underspend related to lower than anticipated spend and the reprofiling of some schemes.</li> </ul> <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> <li>Cash investments held at 31st December 2016 totalled £28.2 million.</li> <li>Council borrowing at 31st December totalled £78.1 million.</li> <li>The Council's net interest receipts budget is projected to be a £30,000 underspend – a £50,000 underspend on borrowing costs due to delayed debt refinancing is offset by a £20,000 shortfall on investment income as a result of the base rate reduction.</li> </ul> <p><i>Revenue Collection</i></p> <ul style="list-style-type: none"> <li>85.6% of Council Tax was collected by 31st December 2016, compared to 86.3% for the same period last year.</li> <li>83% of Business Rates was collected by 30th September 2016 compared with 83.7% for the same period last year (2015/16 distorted by an upfront payment from a large hereditament payer)</li> <li>At the end of quarter three the value of sundry debt over 60 days old was £273,073 which compares with £237,830 at 31st December 2015</li> </ul>	Appendix A

Procurement	<p><b>The Procurement headlines for the Third Quarter are:</b></p> <ul style="list-style-type: none"> <li>• 20 procurement activities were completed during the quarter</li> <li>• The procurement forward plan includes 68 procurement activities specifically for 2016/17 (either HPBC only or joint) with a further 170 exercises brought forward from previous years</li> <li>• At the 31st December 2016, 59% of procurement activity undertaken was on the forward plan and the Council paid 95% of its invoices within 30 days during the year</li> </ul>	Appendix B
Performance	<p><b>The Performance headlines for the Third Quarter are:</b></p> <ul style="list-style-type: none"> <li>• 33% of the key performance indicators are on track, 26% off track and 41% have no target (contextual or baseline year).</li> <li>• Of the 21 Priority Actions within the Corporate Plan, nine have been completed, one is rated 'amber', the remainder being classified as 'Green'; and</li> <li>• The Council received 93 complaints, 72 comments and 104 compliments in the Second Quarter. Repeat complaints and response times both on track</li> </ul>	Appendix C

#### 4. How this Report Links to Corporate Priorities

- 4.1 The successful delivery of all corporate priorities is dependent upon the effective management of performance and financial resources, which is the subject of this report.

#### 5. Options and Analysis

- 5.1 Detailed Analysis is contained within the main body of the Report.

#### 6. Implications

- 6.1 Community Safety - (Crime and Disorder Act 1998)  
None

- 6.2 Workforce  
None

- 6.3 Equality and Diversity/Equality Impact Assessment  
This report has been prepared in accordance with the Council's Equality and Diversity policies

- 6.4 Financial Considerations  
There are substantial financial considerations contained throughout the report

- 6.5 Legal  
None

6.6 Sustainability

None

6.7 External Consultation

None

6.8 Risk Assessment

There are a number of risks to the financial position presented, which are identified and explained in the financial report attached at Appendix A

**ANDREW P STOKES**  
**Executive Director (Transformation) & Chief Finance Officer**

**Web Links and**  
**Background Papers**

Various background working papers

**Location**

Buxton Town Hall

**Contact details**

Claire Hazeldene  
01538 395400 Ext. 4191

Vanessa Higgins  
01538 395400 Ext. 4195