

## **HIGH PEAK BOROUGH COUNCIL**

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

**5th June 2017**

<b>TITLE:</b>	<b>Fourth Quarter (Provisional Outturn) Financial, Procurement &amp; Performance Review 2016/17</b>
<b>PORTFOLIO HOLDER</b>	<b>Cllr Emily Thrane – Executive Councillor for Finance &amp; Corporate Services</b>
<b>CONTACT OFFICERS:</b>	<b>Claire Hazeldene – Finance &amp; Procurement Manager Vanessa Higgins – Information Business Partner</b>
<b>WARDS INVOLVED:</b>	<b>Non-Specific</b>

#### **Appendices Attached:**

- **Appendix A (2016/17 – Fourth Quarter Financial Report)**
- **Appendix B (2016/17 – Fourth Quarter Procurement Report)**
- **Appendix C (2016/17 – Fourth 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 March 2017 ("Fourth Quarter 2016/17")

#### **2. Recommendations**

- 2.1 It is recommended that the Corporate Select Committee requests that the Executive:
- Note the Fourth Quarter 2016/17 financial, procurement and performance position detailed in Appendices A, B and C and summarised at 3.3 of this covering report
  - Approve allocation of the surplus on the General Fund Revenue Account and Housing Revenue Account to reserves as detailed in Appendix A (paragraph 2.7 and 5.7)
  - Approve the proposal to carry forward capital budgets as detailed in Appendix A (paragraph 6.6 and 7.4)

### 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 Fourth Quarter (i.e. 31st March 2017). The financial outturn is provisional at this stage as it is subject to external audit.

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 Fourth Quarter are:</b></p> <p><i>Performance against Budget</i></p> <ul style="list-style-type: none"> <li>At the Quarter Four stage the General Fund budget for 2016/17 is underspent by £697,021</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 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. There is shortfall against this target of £419,210. The shortfall is offset by the in year underspend.</li> </ul> <p><i>Housing Revenue Account</i></p> <ul style="list-style-type: none"> <li>The Housing Revenue Account is in surplus by £2,447,089 at the end of 2016/17 primarily due to savings on repairs and maintenance and operating costs and a £1.4m reduction in the contribution required to fund capital</li> </ul> <p><i>Capital Programme</i></p> <ul style="list-style-type: none"> <li>The Capital Programme outturn for 2016/17 is £1.8 million representing an underspend of £230,333 relating primarily to the re-profiling of asset management plan schemes. £258,662 is requested to be carried forward to 2017/18, with an £28,329 overspend against completed projects</li> <li>The HRA Capital Programme outturn for 2016/17 is £3.29 million representing a £850,516 underspend. This is related to lower than anticipated spend with £211,200 being proposed as a carry forward into 2017/18</li> </ul> <p><i>Treasury Management</i></p> <ul style="list-style-type: none"> <li>Cash investments held at 31st<sup>t</sup> March 2017 totalled £12.6 million.</li> <li>Council borrowing at 31st March totalled £72.2 million (inclusive of £0.4m finance lease arrangements).</li> <li>The Council's net interest receipts budget is underspent by £43,010 – a £54,340 underspend on borrowing costs due to delayed debt refinancing is offset by a £11,330 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>98.41% of Council Tax was collected by 31st March 2017, compared to 98.68% for the same period last year.</li> <li>98.51% of Business Rates was collected by 31st March 2017 compared with 98.44% for the same period last year</li> <li>At the end of Quarter Four the value of sundry debt over 60 days old was £252,906 which compares with £239,073 at 31st March 2016. Total arrears outstanding has increased compared to 2015/16, however, an extra £1.4 million in invoices were raised in 2016/17 compared to 2015/16 (£9.7m 2016/17, £8.2m 2015/16). A review of historic debt is currently taking place with service areas to ensure appropriate action in taken.</li> </ul>	Appendix A

Procurement	<p><b>The Procurement headlines for the Fourth Quarter are:</b></p> <ul style="list-style-type: none"> <li>• 39 procurement activities were completed</li> <li>• The forward plan includes 48 procurement activities specifically for 2016/17 (either HPBC only or joint) with a further 145 exercises brought forward from previous years for review</li> <li>• At 31st March 2017, 55% 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>• 55% of the key performance indicators were achieved, with 45% off track</li> <li>• Of the 21 Priority Actions within the Corporate Plan, ten have been completed, one is rated 'amber', the remainder being classified as 'Green'; and</li> <li>• The Council received 82 complaints, 89 comments and 76 compliments in the Fourth Quarter. Performance against the targets for repeat complaints and response times was 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 appendices.

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

**Location**

**Contact details**

Various background working papers

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