

Woking Borough Council

Performance Management Report

Q2. 2023/24

Shaping the *future*
of our borough



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1. CHIEF EXECUTIVE'S SUMMARY – JULIE FISHER

This is the first publication of the Council's new Corporate Performance Management Report, which has replaced the Green Book. This report covers the second quarter for the 2023/24 financial year, covering the period July to September 2023.

The Performance Management Report is designed to make it easier to access, interpret, and act on performance data. The report seeks to clearly link performance and financial monitoring information with other core activity across the Council. We have also ensured that our performance monitoring aligns with the Improvement And Recovery Plan priorities, which will remain a core focus of Council activity for some time.

This report is structured around the three Directorates within the Council - Communities, Corporate Resources, and Place. Each Strategic Director has provided an overview of how their directorate is performing, supporting greater openness and accountability.

A great deal of corporate focus remains on working with the Department for Levelling Up, Housing and Communities and the appointed Commissioner Team to respond to the Government Directions and put in plans to achieve financial sustainability. Progress over the reporting period includes:

- The development of an Improvement and Recovery Plan (IRP) which has been built around requirements set out in the statutory Directions and recommendations from the Commissioners.
- Work to further identify and track savings opportunities across the Council.
- Initiating a detailed public consultation to help us understand what impact budget proposals might have on residents, partners, and other stakeholders.
- Completing the first phase of staff consultation in relation to service changes.

With such a large focus around the IRP, it is important that we do not lose sight of our day-to-day service delivery which so many people rely on. Progress in these areas will be covered in greater detail in the sections below.

Looking to the next quarter, work will continue on a number of key areas, including:

- Commencing the second phase of staff consultation in November.
- Setting a clear vision for the Council. We recognise how important it is for Members, staff, residents, and stakeholders to have a clear and positive vision for the future. This vision will be set in the context of Woking being a much smaller Council, with significant financial challenges. However, it is important for us to set out how we will work with residents and partners in the future to collectively achieve good outcomes for Woking.
- Assessing the outcomes from The Grant Thornton Value For Money Review, which was commissioned to review historic decisions regarding the Council's Investment Strategy. The findings from the review will be shared to enable the Council to learn lessons from the past.

I am extremely grateful for the effort and contribution colleagues continue to make in delivering our services throughout this incredibly challenging time. Colleagues remain committed and professional and can rightly be proud of the many key services that we continue to provide.

Julie Fisher – Chief Executive

2. SECTION 151 OFFICER – BUDGET POSITION & MEDIUM-TERM FINANCIAL STRATEGY UPDATE

The Quarter 2 budget monitoring report to Members identifies a projected full year overspend of £7.6m, of which £6.5m relates to pressures on commercial estate income, car parking, and capital financing budgets. These significant items arise from the Council's investment programmes and dealing with them will be part of the strategic reviews being undertaken on both. The relatively small overspend of £1.1m relating to other service variations is being targeted through mitigations within services and control of spend via the Financial Control Panel.

Further work has been undertaken on the in-year 2023/24 budget pressures that will be reported in a Quarter 2 report to the Executive on 16th November and included in this report. The position is not significantly changed because of the commercial income and capital financing pressures and because the other significant item, car parking income, requires a strategic review to deal with the current car park under-utilisation.

For 2024/25, the Council is still targeting £12m of service savings - £8.5m of which had been identified in September. A comprehensive update will be brought to a special Executive on 14th December that will provide additional information, option analysis and risk review of the proposed savings, following on from the public consultation. Pressures on the legacy issues of commercial estate income, car parking and capital financing costs are also part of the problem to be dealt with in this budget.

The finance team is also finalising the 2022/23 outturn report for reporting to Executive in November, followed by the draft Statement of Accounts to the Audit Committee also in November. A mid-year review of Treasury Management and debt will be reported to the November Scrutiny Board, with complementary information to be provided in this report in future on a quarterly basis.

3. CORPORATE OUTTURN – FINANCIAL POSITION

This report provides commentary on the Council's forecast revenue outturn position for 2023/24, which, for the General Fund, is indicating a projected overspend of £7.5m based on the information available as at Period 6 (September 2023).

The September 2023 outturn forecast is summarised the below and indicates a projected overspend of £7.5m for the year, compared with £6.2m reported for June (Q1). The monitoring is showing overspends of:

- £4.130m against net Service Budgets of £8.872m. This represents a variance of 47%.
- £3.400m against net Corporate items Budgets of £15.603m. This represents a variance of 23%.
- £7,530m combined variance against a net budget of £24.475m. This represents a combined variance of 31%.

This forecast variance (overspend) analysis is on a budget for 2023/24 that had planned to utilize £8.346m from reserves to provide a balanced budget. The forecast variance of £7.530 is in addition to the planned £8.346m from reserves.


To put the Q2 2023/24 financial monitoring position in context, the amount the Council had planned to be met from local taxation and government grant is £16.128m. The 2023/24 in-year projected variance when added to the one-off use of reserves is equal to a budget shortfall for 2024/25 purposes of circa £16m i.e., almost 100% more than the funds available from grants and local taxation to fund these services. This shows the extent of the financial challenges for the Council and the impact of the current financial monitoring position.

	NET BUDGET £'000	FORECAST OUTTURN £'000	Q2 OVER SPEND £'000	Q1 OVER SPEND £'000
Place	(3,888)	(2,470)	1,418	1,798
Communities	2,261	3,162	901	364
Corporate Resources	10,499	12,310	1,811	591
TOTAL SERVICE BUDGETS	8,872	13,002	4,130	2,753
Corporate Items [not updated this month]	15,603	19,003	3,400	3,400
NET BUDGET	24,475	32,005	7,530	6,153


4. IMPROVEMENT AND RECOVERY PLAN PROGRESS UPDATE

The Improvement and Recovery Plan (IRP) provides the necessary assurance to government that the Council is committed to delivering the changes needed to meet our best value duty and tackle the significant financial challenges we face. The IRP is a three-to-five-year plan, recognising the journey that the Council needs to embark on and the intervention timescale. A detailed 6-month progress report will be going to the O&S Committee and Council in November.


The IRP is based around four key themes; progress against each theme, along with achievements and priorities for the next reporting period are as follows:

THEME 1: Organisation & Service Redesign - Deliver a smaller, data driven organisation, where staff feel empowered and digitally confident and are delivering on key priorities.			
Theme improvement rating: (up, the same, down)		Summary of reason for improvement rating:	First of the series so currently neutral. The focus has been on clarifying the service savings, the staff consultation, and the public consultation. Given the scale, complexity, and speed, most of the workstreams in this theme are showing as Amber. This is not unusual given the circumstances but will require continuous monitoring and action.
Achievements from the reporting period:	<ul style="list-style-type: none"> Strategic Outline Case for the Digital Services workstream presented to CLT on 25 September. Phase 1 staff consultation concluded, and formal response issued on 13 September. Savings identified and contained within the September MTFS. 		


	<ul style="list-style-type: none"> • Pulse survey with staff undertaken. • Public and stakeholder consultations drafted and taken to CLT.
Priorities for next reporting period:	<ul style="list-style-type: none"> • Launch the public and stakeholder consultations on proposed service changes as outlined in the September MTFS. • Sign off Digital Action Plan to enable greater flexible working as part of the Staff and Councillor Tools and Ways of Working workstream. • Finalise first 100-day plan as part of the Procurement Services Improvement workstream to go to November Improvement and Recovery Board. • Job Evaluation process on job descriptions. • Finalise 'To Be' structures and subsequent implications. • Work with Local Partnerships, focusing on designing the vision for the future organisation and what this means to residents, Councillors, and staff. This will support the narrative for the MTFS.

THEME 2: Financial Recovery - Sustainable budget management, making difficult decisions whilst delivering against strategic council priorities and safeguarding future capacity.			
Financial Recovery theme improvement rating: (up, the same, down)		Summary of reason for improvement rating:	The programme is progressing however with delays. These are due to incomplete and unreliable information along with insufficient capacity and capability within the council. Whilst resource requirements have been identified, sourcing is proving difficult. Work is underway, where possible, to upskill existing staff.
Achievements from the reporting period:			<ul style="list-style-type: none"> • New capital accountant and HRA accountant in post on the back of assessment of skills and capacity but needs formalising. • Cashflow support provided to companies to support business case development and treasury management forecasting at the Council. • MTFS presented to Council, but more work needed to ensure it is aligned to the service provision and priorities, wider improvement and recovery plan, and reflects full impairment and MRP adjustments. • Interim S151 now in place and establishing working arrangements for the programme and business as usual activity. • Skills/competency analysis on existing Finance functions carried out and additional finance capability identified and being sourced. • Expenditure control arrangements are mature and fully operational. • The development of a Commercial and Finance Board to align financial and commercial recovery – this will ensure effective governance over commercial decision making. • Further modelling has been undertaken and the MTFS is being updated to reflect scenarios and apply revised MRP charges. • Improved budget monitoring processes now in place with a move towards a business partnering model. • A draft monitoring report and early MTFS was produced for the Council.

<p>Priorities for next reporting period:</p>	<ul style="list-style-type: none"> • Next stage of MTFs and 24/25 budget preparation. • HRA closedown and Business Plan. • Resources for the programme – identifying technical financial capability and a finance project manager. • Progressing the appointment and deployment of expert treasury capacity to improve the Council’s relevant strategies and discussions with DLUHC. • Finalising the priorities for the internal audit programme and putting a counter fraud resource in place. • A review of the Council’s insurance arrangements. • Completion of finance validation of phase one and two Fit for the Future (FFTF) savings. • Data quality position in key areas of improvement and recovery plan. • Accounts finalisation and preparation for GT audit/ finalising BDO audits of prior years. • Define need for a workstream on capital programme in line with agreed principles and its link to asset management (essential works)/asset divestment.
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<p>THEME 3: Commercial - Release WBC from unaffordable commitments, whilst protecting the public purse and optimising the value of existing assets and rationalising.</p>			
<p>Commercial theme improvement rating: (up, the same, down)</p>		<p>Summary of reason for improvement rating:</p>	<p>Established the foundations for a disciplined commercial approach from which all future decisions and governance will flow. Creation of Commercial protocol, companies operating manual, and commercial and financial governance board. Key issue for next stage will be turning this into plans and decision making.</p> <p>Joint work between this Theme and Finance Recovery Theme to align plans and decision making to asset valuation and debt reduction activity.</p> <p>Work is progressing, the immediate short-term priorities of the Victoria Square (VS) and Thamesway (TW), has delayed the commencement of some of the workstreams within the Theme. With additional resource secured this should improve over the next reporting period.</p>
<p>Achievements from the reporting period:</p>	<ul style="list-style-type: none"> • Business cases for capital investment to prevent insolvency and impairment avoided (TW £240m gross avoided and VS £80m gross). • AY report received. Expert advice received on phasing of sale of assets and a model for operational performance of those assets. • Commercial Protocol developed to ensure that commercial activities and use of commercial assets are demonstrably aligned to the Council’s prevailing strategic priorities. Reviewed at Commercial & Finance Governance board. 		

	<ul style="list-style-type: none"> Re-writing the companies operating manual to reflect UK corporate governance code requirements. To be completed by 28th September for review by the Commercial & Finance Governance Board and subsequent agreement by the Shareholder Advisory Group (SAG).
Priorities for next reporting period:	<ul style="list-style-type: none"> Thameswey - business plan and view on company sustainability. Sheerwater - Plan for how to approach the rest of the land. Victoria Square - approach to the asset. Complete negotiations around taking full ownership of Victoria Square. Client-side capability - go to market, focusing on Victoria Square S and acquiring full ownership. Companies to articulate balance sheet (forecasts) showing trading performance to demonstrate they are able to operate without support for operating costs. Will inform discussions with Government. Agree Terms Of Reference for Commercial & Finance Governance Board (4th Oct) and programme of work. Give status to the Commercial Strategy (Protocol) and apply to all entities in scope to which the strategy applies. Implement as Business as usual. Commence the review of company governance

Theme 4: Governance and Assurance - Ensure risk is managed and decisions are based on data and evidence and scrutinised.			
Governance and Assurance theme improvement rating:		Summary of reason for improvement rating:	All workstreams have seen improvement since the last IRB. All actions with deadlines to this point have completed.
Achievements from the reporting period:	<ul style="list-style-type: none"> All documents in the Part II review (approx. 500) have been reviewed. Approx. 350 identified to be redacted and released. Remaining are not appropriate for release at this time as they are commercially sensitive. LGA mentor identified for the Overview & Scrutiny chair, as well as assistance for the vice-chair. Operating manual for companies has been completed and is being reviewed by Ethical Commercial. 		
Priorities for next reporting period:	<ul style="list-style-type: none"> Begin redacting documents from the Part II review and agree the method for release with Marketing Communications. Review Overview & Scrutiny action plan following the review findings from the Centre for Governance and Scrutiny (CfGS). Appoint a replacement director for Kevin Foster on Victoria Square. 		

5. CORPORATE HEALTH INDICATORS

WBC staff are critical to delivering the Council’s immediate priorities and for ensuring that the organisation is able to respond to the opportunities and challenges ahead. The following indicators provide an overview of key workforce information.

Human Resources – Amanda Jeffrey							
KPI	Description	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Target
WF1	Average number of working days lost per employee to short-and long-term sickness absence. Rolling 12-month figure. Lower outturn is better.	5.33	4.96	5.58	5.69	TBC	N/a
WF2	Average number of working days lost per employee to short term sickness absence (less than 4 weeks absence). Rolling 12 months. Lower outturn is better.	4.70	4.58	3.85	4.07	TBC	N/a
WF3	Percentage of staff leaving voluntarily over rolling 12-month period. Data only.	16.35%	18.17%	21.25%	22.77%	TBC	Data only
Corporate Complaints (excluding Housing complaints which are managed elsewhere) - Gareth Johns							
CC1	Number of complaints received via the formal Council complaint process. Data only.	5	19	19	15	15	Data only
CC2	Number of complaints received via the formal Council complaint process concluded within 20 working days. Data only.	3	15	16	10	9	Data only
CC3	Number of formal Council complaints that have breached the 20-working day completion target. Data only.	2	4	3	5	6	Data Only

KPI PERFORMANCE SUPPORTING INFORMATION

WF1 (Average number of working days lost per employee to short-and-long-term sickness absence) -

Using the Local Government Association workforce survey 2022, the average days lost due to sickness (both long and short term) is 8.7%. The Council is currently performing well against this target.

WF2 (Average number of working days lost per employee to short term sickness absence) - As noted in the total staff absence summary the average days lost due to sickness is 8.7%, includes both long and short term. The Council will want to continue to keep below this percentage.

WF3 (Percentage of staff leaving voluntarily over rolling 12-month period) - Using the Local Government Association workforce survey 2022, the median turnover rate across the sector is 14%. The Council turnover rate is currently higher than this target, however it is recognised that the S114 notice served and the current restructure programme has and will impact this indicator and consequently the percentage is likely to increase over next 12 months.

CC1 (Complaints received via the formal Council complaint process) – The Council tracks and monitors all complaints that are received via the formal process. The numbers in this KPI do not include complaints related to Housing functions which are tracked and monitored via separate processes.

CC2 (Complaints received via the formal Council complaint process concluded within 20 working days) - A high proportion of formal complaints are dealt with within the agreed 20-day target, however this quarter has been negatively impacted by staff absence/leave over the summer holiday period.

CC3 (Complaints that have breached the 20-working day completion target) - Staff taking annual holiday during the Summer months has impacted the turnaround time for some of the complaint responses.

6. CORPORATE KEY PERFORMANCE INDICATORS (KPI's)

The Council uses a variety of KPI's to monitor how well our services are performing in meeting the needs of our residents. We monitor and publish our performance quarterly in this document to ensure that we remain focused on our priorities and can promptly deal with underperformance wherever necessary. Work is also underway to develop benchmarking statistics across the sector; this will enable greater insight as to how Woking is performing compared to other Local Authorities.

Each KPI will be marked with a colour coded status based on the following criteria:

KPI RAG Status	RAG Rating Criteria
Grey	Indicator either: (a) does not have a target (due to the nature of the data or KPI outside of direct control) (b) data is not yet available (c) monitoring of the activity is paused/suspended.
Green	Indicator has performed on or above target, no area of concern to note.
Amber	Indicator is up to 5% off target: Officers determine the reason(s) for underperformance and confirm if improvement action is required.
Red	Indicator is more than 5% off target: Officers determine the reason(s) for underperformance and confirm if improvement action is required.

The table below provides an overview of all directorate and corporate level KPI's to illustrate how the Council is performing overall. The full detail of each KPI will sit under each specific area.

OVERVIEW OF ALL COUNCIL KPI'S

Totals:	100%	39	
Green - on target	15.38%	6	
Amber - less than 5% off target	10.26%	4	
Red - over 5% off target	10.26%	4	
Data only	48.72%	19	
Data not available	15.38%	6	

7. KEY CORPORATE STRATEGIC RISKS

As part of the improvement and recovery journey, the Council recognises that risk management is an integral component of good management and corporate governance and should be at the heart of robust decision making. A Strategic Risk Register is owned and maintained by CLT, which contains the key strategic risks which could affect the delivery of significant Council objectives and targets.

The items below represent the highest scoring risks (score of 16) that sit outside of the Councils appetite and tolerance thresholds. These risks are reviewed monthly.

	What is the Risk?	Mitigation / Progress in reporting period
1	Risk that the Council is unable to bridge the budget shortfall in 2023/24 and 2024/25. The Council's revenue budget is based on predicted levels of demand and need which has resulted in the identification of a General Fund budget shortfall of £6m for 2023/24 and £19m for 2024/25. These figures do not include the impact of the crystallisation of the £1.2 billion debt related issues in the s114 notice. There are significant financial challenges in the budget due to the reliance on commercial estate income of £22m and fees and charges such as car parking. In addition, the Housing Revenue Account is at risk of being in deficit in 2024/25.	<ul style="list-style-type: none"> Maintain current controls on spending via the Financial Control Panel. Continue to review financial monitoring forecasts and Investment Programme. Completion of the Strategic Asset Management Plan. Development of a clearer approach to commercialisation and risk appetite through Commercial Protocol and Strategy. Seek different service delivery models i.e., community transfer. Undertake a programme of service reviews, transformation, and savings opportunities to meet £12m target for General Fund and balance HRA. Commercial and Financial workstreams in the Improvement Recovery Plan better integrated.
2	Risk that the Council's large-scale investments and financial operations have led to, and continue to contribute towards, a deficit financial position of strategic dimensions which cannot be overcome without Government Support.	<ul style="list-style-type: none"> The development of a revised Medium Term Financial Strategy incorporating company impacts. Improved alignment of Financial and Commercial workstreams in the Improvement and Recovery Plan. Continued engagement with Government. Development of debt reduction plan.
3	Risk that WBC Group Company(s) do not deliver to their approved business plans in support of Council and Place priorities. The Council's medium-term budget is heavily dependent on the performance of the Group Companies given the scale of recent investment. Should any of the Companies fail for whatever reason, the ability to repay loans to the Council may be compromised, as will any projected income that the Council might have received and/or planned for.	<ul style="list-style-type: none"> Ongoing review of Thamesway and Victoria Square Business Plans. Company Governance arrangements reviewed and agreed to adopt national best practice principles. Additional resources approved to strengthen client-side stakeholder advisory capacity and capability throughout 2023. Company operating manual developed to direct governance improvements. Engagement with Government on Council debt structure and affordability is underway.

4	<p>Risk that workforce resilience will be negatively impacted by the Council’s financial situation and actions required to deliver a balanced MTF5. As with any organisation, the Council is reliant on a workforce that can demonstrate a range of particular skills and/or understanding of key processes, systems, and projects. The Council has a significant change agenda, and a dependable / stable workforce is key to future success.</p>	<ul style="list-style-type: none"> • Work planned to develop a Recruitment and Retention Strategy as local and national pay awards are more likely to reduce our offer as an employer of choice. • Considerable attention being given to staff communication in respect of budget shortfalls and mitigation measures. • Successful Investors in People reaccreditation. • Develop resilience and knowledge between teams as part of the change work being undertaken within the organisation.
5	<p>Risk that the capability and capacity of the Council is not sufficient to deliver the ambitions of the Working for All Strategy.</p>	<ul style="list-style-type: none"> • Ensure that senior managers have a forum to escalate capability/capacity issues. • Review the scope and objectives in the strategy to ensure ambition aligns with Council capability/capacity. • The strategy was not refreshed in 2023/24 to enable a full review for 2024/25 which will be informed Council visioning workshops.

COMMUNITIES DIRECTORATE – LOUISE STRONGITHARM

The Communities Directorate is comprised of the following functions:

Leisure & Communities: (Arts & Culture, Community Centres, Community Safety, Leisure Services).

Health & Wellbeing: (Careline, Community Meals, Extra Care, Handy Person, Homelink, Independent Support, Social Prescribing, Volunteer Development, Refugee Resettlement, Family Services).

Housing: (Housing Assets, Housing Service Improvement, Housing Solutions, Resident Services, Sheerwater Regeneration, Strategic Housing & Development).

8. COMMUNITIES DIRECTORATE – STRATEGIC DIRECTOR SUMMARY

Following the insourcing of our Housing Service in 2022, a considerable amount of work is ongoing to improve the level of service to residents. Since the transfer, it has become apparent that our homes are in a poor condition and the Council's ability to fund the level of works required is constrained. The key focus is on delivering fire safety remedial works, which means that we are unable to fund Decent Homes improvements. Subsequently, the Council has self-referred to the Regulator of Social Housing. Alongside this, the team have been working closely with Finance colleagues to put in place a recovery plan for the Housing Revenue Account (HRA), which will feed into a 30-year Business Plan (a requirement of the Improvement and Recovery Plan).

The challenges faced by the Housing Service are reflected in the KPI's and budget monitoring analysis below. There are early signs that rent collection and void turnaround times are improving, but they are not at the level we need them to be. Going forward, additional Housing KPI's will be included to cover compliance data.

Our homelessness team is continuing to face considerable demand for its services, which is exacerbated by a worsening shortage of private rented and affordable homes. With higher interest rates, many landlords are exiting the sector. The Council is working with Government on a B&B Elimination Plan due to length of time families are waiting in B&B accommodation.

In respect of other priorities within the Directorate, the focus is reviewing all our discretionary services in light of the Council's considerable financial challenges. In order for these valued local services (i.e., leisure services, community centres, community meals, etc.) to continue, the Council will have to consider new delivery models, higher fees and charges and other approaches to make them self-funding. It will not be possible to subsidise these services as we have done in the past. A considerable amount of work is underway to liaise with partner organisations, engage residents and develop detailed business cases to support alternative delivery options.

9. HRA – FINANCIAL POSITION

The Housing Revenue Account forecast is presented in the table below. It shows a forecast increase in the HRA deficit for the year, from a budgeted £1,336,000 deficit to a forecast £2,306,000 deficit, a worsening in the deficit (overspend) of £970,000. Work is almost complete reviewing the charges being made to the HRA for staffing, support services and other costs to ensure that they are fair and reasonable for last year, this year and moving forward.

Housing Revenue Account	2023/24 Original Budget	2023/24 Annual Projection September	Forecast Variance (Surplus) / Deficit	Comments
	£'000	£'000	£'000	
EXPENDITURE				
Supervision & Management				
Estate Management	5,730	5,804	74	This is because of decant and removal costs of (£113k) and overspend of (£13k) on Lakeview Cost Centre. This is reduced by other various underspends within the area. The underspends are Legal (£30k), Hale End Cleaning & Grounds Maintenance budgets, (£13k).
Rent Accounting / Collection	363	377	14	
Home Support Service	774	796	23	Overspend on payment to other local authorities and council tax payments.
Tenant Participation	63	57	(6)	Underspend on external printing.
Democratic Process	1,742	1,742	0	
Repairs Administration	885	981	96	The overspend is mainly due to non-achievement of the estimated Income from Management Income (previously Schedule 6) (£25k), and the cost of temporary staff (£71k).
Transfer to Hardship Fund	10	0	(10)	It is anticipated that the hardship budget will not be spent in 2023/24.
Supervision & Management - Total	9,566	9,756	190	
Depreciation	3,956	4,295	339	This is because of the inclusion of Hale End properties. Forecast based on 2022/23 outturn.
Repairs & Maintenance				
Day to Day Repairs	2,788	4,248	1,460	The projected overspend for the year has increased by £96k from previous month forecast of £1364m. This is due to the movement of costs that have previously been in capital budgets. These are the costs for Brockhill Waking Watch (£347,496) and the Sheerwater Security Costs (£101,713). The impact of these costs has been mitigated by a reduction in the projected overspend on communal gas (£16,806), this is due to the tendered costs being finalised and accurately projected. Further mitigation is achieved by a reduction in projected void costs. The redesign of the void specification has started to show results, with average void property costs reducing from £4,142 to £1,942 in 3 months. The overall reduction in estimated void costs is £109,110. The final mitigation action is to renegotiate elements of the Mountjoy repairs contract. This will provide significant overhead savings to reflect a smaller, service driven provision (savings estimated at £240,000).

				Whilst there is still an overspend, officers are managing the contracts tightly to bring the figure down.
HRA Statutory	434	398	(36)	Repairs based on contract price. Underspend projected against the budget.
	3,222	4,647	1,425	
Debt Management Expenses	36	71	35	Forecast based on 2022/23 outturn position.
Capital Financing Charges	5,541	5,487	(54)	
TOTAL EXPENDITURE	22,321	24,256	1,934	
INCOME				
Dwelling Rents	(19,341)	(20,468)	(1,127)	Additional income from the rent uplift of 7%. Sheerwater voids are included in the dwelling rents forecast.
Less Voids	185	1,941	1,755	Increase in voids and the empty properties in the Sheerwater regeneration scheme reflected in the forecast. Please refer to comment above on Sheerwater voids.
Less Write offs	57	57	0	
Dwelling Rents - Total	(19,098)	(18,470)	628	
Service Charges & Other Income	(1,885)	(2,890)	(1,005)	Additional income anticipated from the increase in heating and electricity costs. The budget is understated and may need to be reviewed as part of setting the 2024/25 budgets.
Dwelling Rents / Service Charges - Total	(20,984)	(21,360)	(376)	
Interest on Reserves	(1)	(1)	0	
Other Receipts (Sheerwater)	-	(589)	(589)	Sheerwater reimbursements originally accrued in 2022/23 were cancelled. Income is now expected in 2023/24.
TOTAL INCOME	(20,985)	(21,950)	(965)	
HRA (SURPLUS) / DEFICIT	1,336	2,306	970	
HRA Opening Reserves		(1,515)		
Estimated HRA Closing Reserves		771		

10. COMMUNITIES DIRECTORATE – FINANCIAL POSITION

The key financial variations for the Communities Directorate are as follows:

Communities Directorate	Q1 Over / (Under) Spend	Q2 Over / (Under) Spend	Impact on deficit - change from Q1 to Q2
	£	£	£
Leisure (was under Place in Q1)			
As a result of changes in leisure habits during and since the pandemic, and cost increases in recent months, Freedom Leisure, who currently manage the Council's Leisure facilities on our behalf, are unlikely to be able to meet the full payments due to us under the Leisure Management Contract, with a currently projected shortfall of £125,000.	125,546	125,546	0
Energy costs, which are the responsibility of the Council under the Leisure Management Contract, are likely to be over this year. Closure of certain areas of the building is driving this cost down.	56,906	128,000	71,094
Women's Support Centre			
The Women's Support Centre transferred under TUPE regulations to Catalyst on 31.05.23. A one-off transitional subsidy was agreed for 2023/24 which has meant the FFF saving of £250k has not been achieved.	258,356	258,464	108
Centres For The Communities - Kitchens			
Kitchens at Moorcroft and St Mary's have been rented out so we will not see the budgeted income. This is partially offset by the savings in staff costs.	*NEW*	74,333	74,333
Bustler			
Annual Bustler service for St Mary's and The Vyne - No budget set.	*NEW*	11,499	11,499
Housing Strategy			
There are savings in staff costs (Housing Strategy & Projects Officer) as part of the FFF-2 savings to the value of £12,246. However, this is reduced because there are no recharges to projects as anticipated at the time of budget setting.	(12,000)	7,105	19,105
Housing Advances			
There is an overspend on Housing Advances. This is because there is a payment to LAMAC (mortgage services) for which there is no budget.	*NEW*	10,742	10,742
Housing Options/Needs/Enabling			
There is an overspend of £111,865 on the Housing Options staffing budget and £13,177 on the Housing Services Staffing budget, and savings of £36,090 in the Lets Rent/PSL team.	265,281	91,056	(174,225)

There is an overspend of £184,135 in Housing Options due to an overspend in Bed & Breakfast expenditure, though there is an improvement in income collection and Government rent subsidy, being an over-recovery against budgets of £113,666 and £123,895 respectively. The fit for future savings not achievable is £47,750. In FFF round 1, an amount of £15,750 for 2022-23 and an amount of £32,000 for 2023-24 was budgeted. This was subject to pursuing the Thamesway Lets Rent Model, so that we could reduce the number of nights in Bed & Breakfast. However, since the model did not materialise, these savings are not achievable.	-	231,885	231,885
There is an anticipated overspend of £224,603 in temporary accommodation budgets. Though there has been a savings in expenditure of £38,010, this overspend is due to the under-recovery of income £122,186 and an error in budget setting of Government subsidy rent rebates £140,427.	109,719	224,603	114,884
The Private Sector Leasing Scheme is showing an overspend of £5,087 due to under-recovery of income. The position of the PSLs' have improved from £79,016 overspend in 2022-23 to an anticipated overspend of £47,930 in the current year.	-	5,087	5,087
Other Minor Variations	(17,000)	191,458	208,458
Total Projected Overspends	786,808	1,359,777	572,969
The Junction/Richardson Centre			
These premises are used by the Women's Support Centre and all costs are now with Catalyst.	(30,150)	(30,150)	0
Youth Development			
Youth Development ended in 2022 and we are no longer paying this grant.	(44,000)	(44,000)	0
Social Prescribing			
Two vacancies that are being recruited to. Fully funded posts.	(18,541)	(12,652)	5,889
Community Alarms			
New NHS funding received.	(20,000)	(20,000)	0
Home Independent Support			
There are six vacancies in this area, approval has been given to recruit to four of the posts and the saving is the net impact.	(111,960)	Included elsewhere	111,960
Brockhill			
Two staff left and posts will not be recruited to resulting in a saving.	(15,533)	Included elsewhere	15,533
Homelessness Directorate Funding			
The Homelessness Directorate is showing a surplus of £214,097. This is because an unbudgeted Homelessness grant income of £229,912 was received in Aug 2023 that will help meet additional costs.	*NEW*	(214,097)	(214,097)
Let's Rent Scheme and Other Housing Service Expenses			
The Let's Rent scheme is showing savings of £85,135 due to a reduction in specific initiatives (for example, tenant training and targeted incentive schemes) compared to previous years.	*NEW*	(85,135)	(85,135)
A £19,611 savings from Welfare Reform and Homelessness is achieved as part of the fit for future savings, value £18,000 (Withdrawal from Sharer's scheme). There is an overspend of £6,942 on CRB mental health grants and £2,104 in Other Housing Services expenses.	*NEW*	(10,565)	(10,565)
Fees and Charges			

Proposed increases in various Fees and Charges from 1st January 2024 should generate additional income.	*NEW*	(42,000)	(42,000)
Total Mitigations	(240,184)	(458,599)	(218,415)
Total Projected Variance on Communities Directorate Services [overspend]	546,624	901,178	354,554

11. COMMUNITIES DIRECTORATE – KEY PERFORMANCE INDICATORS

Homelessness & Allocations – Catherine Butler							
KPI	Description	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Target
SO-018a	Number of new homeless households placed in B&B during the quarter. Lower outturn is better.	46	39	98	29	29	N/a
SO-018b	Number of new homeless households placed in other emergency accommodation (temporary and non-secure) during the quarter. Lower outturn is better.	37	15	19	10	18	N/a
SO-085a	Total number of households in B&B at the end of the quarter. Lower outturn is better.	35	41	23	40	42	N/a
SO-085b	Total number of households in other emergency accommodation (temporary and non-secure) at the end of the quarter. Lower outturn is better.	171	171	175	175	177	0
SO-080a	The average length of stay of homeless households in B&B accommodation (weeks). Lower outturn is better.	8	8	8	14	15	N/a
SO-080b	The average length of stay of homeless households in other emergency accommodation (temporary and non-secure) - weeks. Lower outturn is better.	77	134	114	102	110	N/a
CO-001	Cumulative number of affordable homes delivered. Higher outturn is better.	3	7	15	0	0	102
Housing Landlord Services – Mick Collyer							
IM1	Rent & service charge income collected for properties managed by the housing service. Higher outturn is better.	90%	92%	95%	98%	97%	99%

IM3	Average time taken to re-let properties managed by the housing service. Data only.	91.58	81.59	85.32	85.30	62.53	N/a
RR1	Emergency repairs carried out in properties managed by the housing service (attended within 4 hrs and made safe/completed within a further 4 hrs). Higher outturn is better.	N/a	N/a	N/a	90%	No data	N/a
RR2	Urgent repairs carried out in properties managed by the housing service (repairs due for completion within 24 hrs). Higher outturn is better.	N/a	N/a	N/a	80%	No data	N/a
RR3	Routine repairs carried out in properties managed by the housing service (repairs due for completion within 10 working days). Higher outturn is better.	N/a	N/a	N/a	62%	No data	N/a
Health & Wellbeing – Julie Meme							
HW1	Average number of Community Meals clients. Data only.	213	184	161	162	158	Data only
HW2	Average number of Careline clients. Data Only.	1488	1467	1425	1400	1381	Data only

KPI PERFORMANCE SUPPORTING INFORMATION

SO-018a (New homeless households placed in B&B during the quarter) - Although down from figures this time last year, the Housing Options team is continuing to see a high number of homelessness presentations resulting from more Section 21 evictions, cost of living, and arrivals from Ukraine.

SO-018b (New homeless households placed in other emergency accommodation during the quarter) - This KPI has performed well this quarter due to ongoing efforts to resettle homeless households into settled accommodation and release private section leasing properties to other households in need.

SO-085a (Households in B&B at the end of the quarter) - Although marginally higher than Q1, the numbers across the KPI remain consistent. Ongoing pressures in the area remains as we continue to see a high numbers of homelessness presentations.

SO-085b (Households in other emergency accommodation at the end of the quarter) - Although marginally higher than Q1, the numbers across the KPI remain consistent. Ongoing pressures in the area remains as we continue to see a high numbers of homelessness presentations.

SO-080a (The average length of stay of homeless households in B&B accommodation (weeks)) - Performance is marginally down from Q1, however work is underway to implement the DLUCH recovery plan which aims to reduce the number of families in B&B to less than 6 weeks.

SO-080b (The average length of stay of homeless households in other emergency accommodation - weeks) - Performance is down from Q1, however work is underway to deliver the DLUCH recovery plan to reduce the number of families in B&B to less than 6 weeks.

CO-001 (Cumulative number of affordable homes delivered) - The Council's Housing Strategy 2021-2026 commits to a total delivery of at least 510 new affordable homes, averaging a target of 102 per year. However, delivery levels can fluctuate significantly from year to year.

IM1 (Rent & service charge income collected for properties managed by the housing service) - Rent arrears stand at £1.16m and equates to 4.95% of the annual rent role. This is a 0.04% decrease since the start of the financial year. Recent work has seen the start of July 2023 arrears total almost identical to the end of September 2023 which indicates the delivery of the recommendations in the Service Improvement Plan are starting to see positive outcomes. Next steps to reduce arrears is through the implementation of new software (October 2023) which will support activity, and a new procedure to increase pro-active personal contact with tenants. Former tenant arrears are £1.11m for all account types. The new software for former tenant arrears will go live in December 2023. In the meantime, an Options Paper for addressing arrears has been completed and write-offs have been submitted for authorisation.

IM3 (Average time taken to re-let properties managed by the housing service) - Void performance improves month on month, with September being an average of 57 days, this is down from 92 days in April. Increase in resources and better communication between teams is key to the improved turnaround time.

RR1 (Emergency Repairs), RR2 (Urgent Repairs) & RR3 (Routine Repairs) - Raw data was used to collate Q1. 23/24 performance indicator as the contractor has not been able to provide any verified KPI reports. Further raw data has not been made available to carry out any subsequent analysis, however, discussions with the contractor over provisions of data are underway and any backdated analysis will be undertaken once the base data is received.

HW1 (Total number of Community Meals customers) - There has been a decline in community meals clients over recent quarters, however the number was artificially high due to the pandemic when numbers greatly increased. Take-up of the service is seasonal and typically increases over the colder months. Now the service is secured a fresh marketing campaign will be introduced.

HW2 (Total number of Careline customers) - Whilst fluctuations in Careline customer numbers are not unusual, there has been a downward trend over the last 5 quarters. This is partially due to recent increases in fees (to make the cost of service more in line with other Councils) and the availability of alternative equipment, such as smart watches, which can be purchased from many retailers. These options will never provide the same level of support and interaction that the Carline service currently provides, but customers might choose this if cost is the primary driver.

CORPORATE RESOURCES DIRECTORATE – KEVIN FOSTER

The Corporate Resources Directorate is comprised of the following functions:

Corporate Strategy: (Business Continuity, Performance Management, Project / Risk Management).

Customer Services: (Contact Centre, Land Charges, Reception, Statutory Reporting).

Democratic Services: (Democratic Services, Corporate Management Support, Elections, Mayoral & Civic Events, Post Room).

Finance: (Budget Management, Business Support, Cash Management, Debtors/Creditors, Treasury).

Human Resources: (Health and Safety, Human Resources, Insurance, Payroll Services).

ICT: (Application Services, Cyber Security, Disaster Recovery, Infrastructure Services, Service Desk).

Legal Services: (Legal, Procurement).

Marketing Communications: (Community Engagement, Website Content, Project Communications).

Property Services: (Asset and Commercial Management, Capital Projects, Facilities Management, Town Centre Management).

Revenues & Benefits: (Business Rates, Council Tax, Fraud Investigation, Housing Benefits).

12. CORPORATE RESOURCES DIRECTORATE – STRATEGIC DIRECTOR SUMMARY

I recognise that historically there has been insufficient attention to the development of a corporate approach to how the Council is managed. Councils are complex organisations and must embrace continuous improvement; key fundamentals such as systems, data quality, information governance, policies, processes etc. must be constantly reviewed and enhanced. This will need to be a focus for some time and is reflected in the Improvement and Recovery Plan that the Council has established and is in the early stages of delivery.

The KPI's and financial monitoring analysis present a mixed picture of performance when considered in isolation, and therefore needs to be considered in the context of:

- This is the first report that has been produced under the new performance management regime and has involved a considerable degree of reviewing and re-establishing data criteria to ensure what is captured is representative of corporate performance.
- There is a significant level of business change being undertaken within and supported Corporate Resources and the wider Council, all of which sits alongside business-as-usual service delivery.
- The range of performance indicators need to better represent the services delivered within Corporate Resources, and key measures of success for these services need to be developed.
- New indicators that add strategic value will be developed and added to future publications to ensure that this document evolves alongside the needs of the Council.

In respect of other priorities within the Directorate, good progress is being made on establishing a fit for purpose response to supporting the challenges and opportunities facing the Council. This includes:

- The development of business partnering – aligning Corporate Resources services and reporting to the needs of the business.

- Improving performance reporting to provide a better oversight of overall Council performance – this report and the new financial monitoring arrangements are good examples of this.
- Focussing on controls and management of risk – both of which have been enhanced through the operation of a financial control panel and corporate risk register reporting.

One of the key aims of Corporate Resources is to enable other services within the Council to function effectively. We must continue to make progress on collaborative working across all directorates and ensure that the support we provide is focussed on the needs of the services the Council delivers. We must be responsive to these needs and not limited by a silo view of the organisation.

13. CORPORATE RESOURCES DIRECTORATE – FINANCIAL POSITION

The key financial variations for the Corporate Resources Directorate are as follows:

Corporate Resources Directorate	Q1 Over / (Under) Spend	Q2 Over / (Under) Spend	Impact on deficit - change from Q1 to Q2
Property Services (was included under Place in Q1)			
The Commercial rent budget was increased by £400,000 to include new leases which are now unlikely to complete this financial year and the Fit for Future anticipated savings of £132,000 have not been met. In addition, it is anticipated rent concessions of £250,000 are likely to secure lease renewals as assumed in the rent forecast reported via the MTFs.	357,000	1,124,250	767,250
Surrey County Council vacated the Civic Offices on 21 st April 2023 resulting in a shortfall of income of rents at the Civic Offices of £114,250.			
It has been possible to mitigate these costs following a review of the Civic Offices operational costs in year, also reported as part of the Gateway savings (£115,000).			
A dilapidation settlement of £176,000 has been received in respect of Midas House. These monies will need to be expended to make the floor lettable. Feedback from letting agents is that these works need to be completed to stand any chance of attracting tenants. Furthermore, we will need to seek legal advice as to whether dilapidation money which is paid by a tenant for a landlord to reinstate the premises can be used for alternative works from what it was received for.			
For information, the estimated rental value for this space is £475,000 and the loss in business rates £168,448, Service Charge £156,165 and insurance total £330,203.			
Until legal advice is received the forecast for monitoring purposes is that these monies will be expended.			
There is an underspend of £1,000,000 against the budget for Business Rates due rate revaluations, back dated rate valuation changes, and the timing difference between the budget being set and the current reporting period. Rate mitigation has been achieved by using an agency who specialise in placing charities in			

short term lettings specifically to reduce the business rate liability to the council. Revaluations and rate mitigation efforts will continue throughout the year and the variation will be updated monthly to reflect these changes as they happen.			
These savings are partly offset by rate mitigation agency fees revaluation fees of £150,000.			
Due to the shortfall in rents, there is an increase in voids service costs of £750,000 mostly attributed the larger offices and shopping centre (Midas House, Dukes Court, Wolsey Place and Export House).			
Only essential repairs and maintenance are being carried out resulting in an underspend against budget of £200,000. Landlord incentives can be agreed to secure a lease and costs to date have totalled £89,000.			
During 2023/24 £144,000 of compensation payments are due to tenants to remove their security of tenure and enable maximum market value.			
Due to the bad state of garages, repairs have become expensive. In addition, the number of void garages is increasing due to the poor condition and the lack of capacity within the housing team to deal with reviewing the void garages and getting any relet has resulted in a forecast overspend of £80,000.			
There is an overspend against budget at Provision House of £95,000, of which £11,000 is due to void space, £24,000 due to under recovery of service charge from a charity letting and the balance is due to out-of-date budgets £60,000.			
Due to the removal of the Town Centre Management Agreement (TCMA) reserve, there will be an overspend of £250,000 due to works which had already commenced such as the Chertsey Road works.			
Due to inflation a higher contribution has been received from Surrey Heath Borough Council of £9,000 towards CCTV. In addition, transmission maintenance is anticipated to be £6,000 lower than budget.			
Election Services			
Additional costs due to introduction of voter ID	115,000	65,000	(50,000)
Marketing and Communications			
Small overspend from pay inflation, offset by minor underspends on services	11,000	4,618	(6,382)
Financial Services			
The overspend relates to the costs of interim staff, partly mitigated by Internal Audit savings.	153,000	144,568	(8,432)
Corporate Management			
The overspend relates to the costs of the Commissioners and the Interim Section 151 Officer partly offset by vacancies.	259,000	301,000	42,000
Human Resources			
Overspend on Temporary staff, £104k on Graduate Programme and £3k on Subscriptions that are not budgeted for.	139,000	113,945	(25,055)
Democratic Services			
Overspend on staff costs/salaries	23,000	23,000	0
Other Minor Variations	58,000	201,554	143,554
Total Projected Overspends	1,115,000	1,977,934	862,934
Legal Services			

Head of Legal vacancy, partially offset by Pay Award.	(142,000)	(121,878)	20,122
Underspend due to reduction in external printing.			
Election Services			
Saving arising from scaling back Civic and Mayoral events and services.	(25,000)	(25,000)	0
Underspend due to Electoral Services Officer vacancy.	*NEW*	(20,000)	(20,000)
Total Mitigations	(167,000)	(166,878)	122
Total Projected Variance on Corporate Services Directorate Services ([overspend])	948,000	1,811,056	863,056

14. CORPORATE RESOURCES DIRECTORATE – KEY PERFORMANCE INDICATORS

Financial Services – Nicola Regis							
KPI	Description	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Target
CO-021	Invoices paid within 30 days or within supplier payment terms – cumulative. Higher outturn is better.	97.80%	97.90%	97.90%	90.70%	93.60%	97.00%
Revenues & Benefits – David Ripley							
EC-011	Council Tax Collected (cumulative target Q1. 30.10%, Q2. 59.30%, Q3. 87.90%, Q4. 98.40%). Higher outturn is better.	56.95%	84.67%	97.90%	29.64%	57.50%	59.30%
EC-012	Business Rates Collected (cumulative target Q1. 32.33%, Q2. 57.61%, Q3. 87.52%, Q4. 98.46%). Higher outturn is better.	62.30%	86.00%	98.06%	32.81%	57.86%	57.61%
NI 181	Average time taken to process Housing Benefit and Council Tax Support claims. Lower outturn is better.	7.00	7.30	5.60	6.79	6.99	8.00
SO-004	Benefit Overpayments Recovered Higher outturn is better.	110%	80%	82%	118%	125%	75%

KPI PERFORMANCE SUPPORTING INFORMATION

CO-021 (Invoices paid within 30 days or within supplier payment terms) - Q2. is showing as amber due to initial delays resulting from the introduction of the Financial Control Panel (FCP) following the serving of the Section 114 notice at the beginning of June 2023. This control delayed some payment of invoices whilst FCP approval was sought. This process is now established and in turn brings the percentages more in line with target.

EC-011 (Council Tax Collected) - Government has introduced a change which enables residents to pay Council Tax over 12 months rather than the default scheme of 10 months (April to January). The change has impacted this performance indicator because quarterly collection rate targets are continuously adjusted as more residents opt for this payment schedule. Outside factors such as the cost-of-living crisis and interest rates can also negatively affect this performance indicator.

EC-012 (Business Rates Collected) - The current collection rates are within the target range set.

NI 181 (Average time taken to process Housing Benefit and Council Tax Support claims) - The current performance is within target. However, this KPI is currently affected by claimants failing to provide evidence in support of their claims. We proactively remind and chase applicants, but under legislation they have one calendar month to supply the required supporting evidence.

SO-004 (Benefit Overpayments Recovered) - Current recovery rates are above target, but this KPI can be significantly affected in any quarter due to a range of influences i.e., possible backdated benefit fraud investigations which may result in large overpayments of Housing Benefit. The most recent large overpayment recovery was in July 2023 for £27k.

PLACE DIRECTORATE – BEVERLEY KUCHAR

The Place Directorate is comprised of the following functions:

Planning & Building Control: (Arboricultural Services, Building Control, Development Management, Enforcement, Planning Policy).

Car Parking: (Off-Street Parking, Permits).

Environmental Health: (Air Quality, Food Safety, Pollution Control, Licensing, Housing Standards).

Neighbourhood Services: (Environmental Maintenance, Neighbourhood Officers, Waste & Recycling, Climate Change, Green Spaces, Biodiversity & Habitats, GIS, Street Name and Numbering).

15. PLACE DIRECTORATE – INTERIM STRATEGIC DIRECTOR SUMMARY

The Place Directorate focuses primarily on service delivery to provide a safe, healthy, green, and prospering Borough for our residents.

Within our KPI's we are presenting a picture of performance in key areas of this service delivery and the following should be taken into account:

- This report is the first that has been produced under the new performance management regime and has involved a considerable degree of reviewing and re-establishing data criteria to ensure what is captured is representative of Place performance.
- There is a significant level of business change being undertaken within the organisation which has an effect on the 'business as usual' service delivery of the Place Directorate, with further changes ahead as the organisation becomes smaller.
- New indicators that add value will be developed and added to future publications to ensure that this document evolves alongside the needs of the Council.
- Many of the KPI's included present a picture of service delivery which may not be within the control of the Council, but reflect the workload and performance output, for example, the number of planning applications and complaints or requests for service received.

Going forward and as we continue to identify savings, meet the recommendations of the Improvement and Recovery Plan and approach phase 2 of the staff consultation, it is important that we monitor performance to ensure that we are meeting statutory duties and providing a safe and healthy place for our residents to live and work, and to encourage visitors and future development within the Borough.

Looking forward to the next quarter, the Car Parking Strategy, commissioned earlier this year, is set to report back in the Autumn, highlighting opportunities for maximising income and more effective use of the Council's car parking estate. We are also progressing the procurement of a new grounds maintenance and street cleaning contract.

A further challenge will be ensuring we are fully prepared for when Biodiversity Net Gain becomes mandatory for major development in January next year. And, finally, we are working with a number of developers on significant town centre proposals, both for residential and grade A office uses, with interest at a much higher level than we saw last year.

16. PLACE DIRECTORATE – FINANCIAL POSITION

The key financial variations for the Place Directorate are as follows:

Place Directorate	Q1 Over / (Under) Spend	Q2 Over / (Under) Spend	Impact on deficit - change from Q1 to Q2
Development Management			
Fee income looks likely to be close to target for the year. If the current proposals for a national fee increase are implemented in the next couple of months, then this position should be improved, depending on start date. However, the expected increase in expenditure relates to the costs involved in defending the Council's decision, at public inquiry, to refuse the planning application at Technology House. This results in an overall overspend of £17,000.	100,000	16,799	(83,201)
Building Control			
There is now a significant shortfall emerging due to the effects of the interest rates on the construction market and mitigating actions are being reviewed to reduce overheads in staffing.	96,085	176,085	80,000
Parking Services			
There are overspends on business rates of £701,000 mainly due to under-provision of budgets for Red and Green Car Parks and over-provision of savings from appeals on business rates. Electricity costs for Red Car Park had not been budgeted for resulting in an estimated overspend of £148,000. Also, water at Victoria and Red Car Parks are over budget by £13,000. Estimated additional works on repairs, maintenance and facilities management at car parks result in a overspend of £45,000. Newly signed cleaning contract enables a saving of £34,000 in Red and Green car parks which can partly offset the overspends. The forecast outturn for car park incomes including parking fees and season tickets are less than the estimated income target by £1.27m. Two separate service faults during August and September affected cash and card payments which resulted in a loss of income. Despite this impact, the total income for April to September is around £380,000 more than for the same period last year. The Parking strategy is due by the end of November. We anticipate introducing a new tariff structure early in 2024 which could see an increase in income for the final two months. Estimated increases of £290,000 from PCN Penalty Charge Notice income partly offset the overspends.	1,367,000	1,853,000	486,000
Environmental Health and Housing Standards			
An estimated reduction in the number of inspections for animal welfare licences will reduce income of £13,000. The removal of internal contributions from Parks and Countryside for patrols and dog control reduce income by £48,000. The additional costs for security out of hours handling covered partly by recharge result in an overspend of £3,000, However, there are savings of £15,000 from less estimated expenditure on equipment and marketing, and additional income from penalty charges on HMO licenses. A recharge of £24,000 from the Homes For Ukraine income to fund the time spent completing essential housing checks enhances	23,000	10,000	(13,000)

further savings. In addition, the recharges from Primary Authority work and Licence inspection enable savings of £15,000 to partly cover the overspends.			
Licensing			
There are overspends of £8,000 in Employee costs. The projected income is reduced by £21,000 mainly due to less fees from Private Car Hire and Taxi Licences and removal of recharge from CRB fees.	8,000	29,000	21,000
HIF project			
There are overspends of £16,000 in Employee costs. We are seeking to recover these costs from Homes England. Progress will be reported in a future Budget Monitoring Report.	20,291	16,000	(4,291)
Total Projected Overspends	1,614,376	2,100,884	486,508
Planning Strategy			
A Planning Policy post is vacant, and there are currently no plans to recruit. A temporary member of staff has been used to cover the Planning Policy Manager's post. From October this post will be filled on a permanent basis. CIL administrative costs will be charged to CIL receipts at year end in line with legislation.	(94,000)	(71,303)	22,697
Economic Development			
Underspend of £103,055 is mainly due to cancellation of Celebrate Woking activities of £100,000, Overspend of £23,620 on staff not budgeted for and £26,675 underspend on Business liaison project.	(92,605)	(103,055)	(10,450)
Waste and Recycling			
There are overall savings of £145,000 from Waste and Recycling due to estimated reducing variable costs in waste collection, increase of recycling credit and higher level of payments for bin replacement as the bin stock ages. The estimated slightly lower take up of garden waste subscriptions offsets part of the savings.	(145,237)	(145,000)	237
Green Infrastructure			
A vacant post in Green Infrastructure contributes savings of £11,000. Additional savings of £66,000 are expected from reducing non-essential activities for tree, vegetation, and footpath improvement, holding off on works in repair and maintenance in play and sports equipment, and reducing ground maintenance in allotments, parks and countryside sites. Expenditure for works for Biodiversity Net Gain can be offset by grants and increased fees income from ice-cream licences thereby releasing savings of £22,000. Estimated reduction in service payment to consultants on climate change and other green infrastructure issues provide an underspend of £10,000. An underspend on dog control for Parks and Countryside saves £48,000 which has been internally recharged to Environmental Health. Termination of partner contribution for Basingstoke Canal generates savings of £53,000 which contributes to our gateway savings target. However, there is a reduction in budgeted income of £8,000 on rent received for the mast in Sheerwater which was decommissioned in 2022 linked to the regeneration scheme and a projected overspend of £16,000 on the corporate car club and car hire budget, which is the subject of a gateway savings proposal.	(50,000)	(186,000)	(136,000)
Neighbourhood Services			
A vacant post contributes a saving of £25,000. Underspends on Street Furniture, grounds maintenance and maintenance of other land where WBC has an interest result in savings of £31,000. There is an estimated increase in income of £13,000 from Roundabout	*NEW*	(74,000)	(74,000)

sponsorship. Removed budget for business rate which is not required enables saving of £5,000.			
Fees and Charges			
Proposed increases in various Fees and Charges from 1st January 2024 should generate additional income.	*NEW*	(92,940)	(92,940)
Other Minor Variations	25,300	(10,565)	(36,865)
Total Mitigations	(356,542)	(683,863)	(326,321)
Total Projected Variance on Place Directorate Services ([overspend])	1,257,834	1,418,021	160,187

17. PLACE DIRECTORATE – KEY PERFORMANCE INDICATORS

Neighbourhood Services – Mark Tabner							
KPI	Description	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Target
EN-101	The quarterly % of household waste reused, recycled, and composted. Higher outturn is better.	54.6%	60.9%	49.7%	61.3%	55.0%	61.0%
EN-093a	The number of missed collections per 100,000 collections of household waste. Lower outturn is better.	54	38	42	47	33	80
NI-196	Cumulative Number of Fly Tipping Incidents. Data only.	546	891	1186	328	608	Data Only
NI-196a	Cumulative Number of Fly Tipping Enforcement and Investigation Actions. Data only.	728	1137	1450	314	614	Data Only
Development Management – Thomas James							
EN-013	Major Planning Applications decided in 13 weeks or an agreed time extension. Higher outturn is better.	100%	100%	100%	100%	100%	66%
EN-014	Minor Planning Applications decided in 8 weeks or an agreed time extension. Higher outturn is better.	88%	87%	86%	92%	86%	65%
EN-015	Other Planning Applications decided in 8 weeks or an agreed time extension. Higher outturn is better.	89%	88%	87%	82%	79%	80%
EN-016	Appeals allowed against the decision to refuse planning applications. Lower outturn is better.	22%	35%	36%	50%	50%	35%

NI 154	Cumulative total Net Additional Homes Provided. Higher outturn is better.	146	587	650	49	74	292
P006	Cumulative Net Additional Affordable Homes Provided. Higher outturn is better.	0	4	12	0	0	102
Environmental Health – Emma Bourne							
KPI	Description	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Target
EN-073	Inspecting food premises - planned visits plus adjustments resulting from new sites opening, closing, inspection findings, and requests for paid re-inspections. Higher outturn is better.	80%	44%	276%	28%	38%	100%
EN002	Percentage of completed inspections (YTD) for overdue D and E rated food businesses. Higher outturn is better.	N/a	N/a	N/a	13%	16%	25%
E003	Percentage of food businesses with a food hygiene rating of 3 or better. Higher outturn is better.	96%	95%	94%	95%	94%	Data only
EH01 New	Total number of Environmental Health complaints (i.e., food, health and safety, animal welfare, statutory nuisance, pollution, etc). Data only.	New PI for 2023/24			495	436	Data only

KPI PERFORMANCE SUPPORTING INFORMATION

EN-101 The cumulative % of household waste reused, recycled, and composted - Q2. has seen a seasonal dip in the recycling rate due to the change of weather, which typically results in less green waste tonnage being collected. This quarter also includes the school summer holidays with many residents away resulting in less waste and recycling generated. There were 5 more refuse collection days than recycling days in Q2.

EN-093a (Missed collections per 100,000 collections of household waste) - This KPI is performing well due to stable staffing levels and the fact that the contractor has implemented a Power BI dashboard to monitor and address missed bins.

NI-196 (Fly Tipping Incidents) - The trend in the number of fly tipping incidents is broadly in-line with expectations based on 2022/23 data.

NI-196a (Fly Tipping Enforcement and Investigation Actions) - The trend in the number of fly tipping incidents is broadly in-line with expectations based on 2022/23 data.

EN-013 (Major Planning Applications decided in 13 weeks or an agreed time extension) - Performance continues to be maintained at 100%. From Q3 it is proposed to differentiate which applications have relied on applicants agreeing to an 'Extension of Time' to meet the performance target. It is noted that, because of the Special Protection Area designation, all granted Major applications in the Borough must be subject to a S.106 Legal Agreement which can rarely be drafted and completed within the statutory 13 weeks and performance therefore relies on applicants agreeing to an Extension of Time.

<p>EN-014 (Minor Planning Applications decided in 8 weeks or an agreed time extension) - Performance remains above target. From Q3 it is proposed to differentiate which applications have relied on applicants agreeing to an 'Extension of Time' to meet the performance target. This can give a clearer indication of performance in real terms.</p>
<p>EN-015 (Other Planning Applications decided in 8 weeks or an agreed time extension) - Performance has dropped sharply over the year and is now marginally below the target in Q2. This application type represents the greater part of the team's caseload and the number of applications being received remains higher than the pre-Covid period. 2.5 FTE Case Officers have left the Authority in 2023 and are unable to be replaced because of the S.114 Notice. Remaining officers' caseloads are consequently extremely high with a resultant impact on performance.</p>
<p>EN-016 (Appeals allowed against the decision to refuse planning applications) - A relatively small number of decisions are issued by the Planning Inspectorate each quarter meaning that 1-2 allowed appeals can significantly impact on figures as in Q 1 and 2.</p>
<p>NI 154 (Cumulative total Net Additional Homes Provided) - The total dwellings delivered in 2022-23 was significantly higher than in most years as a result of the completion of the residential element of Victoria Square. This has more than outweighed the cumulative undersupply against our housing requirements over past years.</p>
<p>P006 (Cumulative Net Additional Affordable Homes Provided) - The new affordable dwellings delivered through the planning system included four flats at Rydens Way and eight houses at Sheerwater, Copper Phase. All dwelling completions recorded in the year were either at Victoria Square (where provision of affordable dwellings was shown to be unviable, although the housing at the new Fire Station was associated with this development); prior approval change of use developments, minor developments and an extra care housing scheme, where we were unable to require affordable housing (although the revision of the Affordable Housing SPD will allow us to do so for extra care housing in future); Sheerwater Copper Phase; and the later phases of Broadoaks, where the affordable element has already been delivered. Numerous other affordable dwellings were under construction at Sheerwater and at Portugal Road in 2022-23, although some of these are now unlikely to be delivered as affordable.</p>
<p>EN-073 (Inspecting food premises) - The number of inspections completed is below target as we are a reactive service with demands at different times of the year, for example, a higher number of noise and bonfire complaints during summer months may result in the reallocation of resources. We are also finding that more food businesses are poorly compliant due to staff issues, cost of living, etc. therefore inspections take longer and require enforcement action. It is expected that we will meet inspection targets by the end of Q4.</p>
<p>EN002 (Completed inspections for overdue D and E rated food businesses) - A number of lower risk food businesses are overdue their programmed food hygiene inspection due to the covid pandemic when we couldn't visit, businesses were closed, or staff were redeployed to assist with business continuity and the Covid response. The number of these inspections completed is below target as we will prioritise due inspections, high risk, new businesses, and complaints before completing the lower risk, more compliant food business inspections.</p>
<p>E003 (Food businesses Establishments with a food hygiene rating of 3 or better) - A food hygiene rating is given in accordance with compliance with food hygiene law after each food inspection. This figure shows the percentage of food businesses which have achieved a rating of 3, 4 or 5 and are therefore considered to be 'broadly compliant'.</p>
<p>EH01 (Total number of Environmental Health complaints) - The number of complaints made cannot be controlled but does show the volume and variety of service requests dealt with by Environmental Health. Complaints may require a verbal or written response, visits, analysis of</p>

diary sheets, consideration of applications or consultations from Planning and Licensing, and enforcement actions. This also provides a picture showing why the completion of food hygiene inspections may be under target. The figure does not include infectious disease investigations, accident report investigations, or Housing Standards complaint / service requests.

18. CAR PARKS INCOME

	Off Street PCNs	Off Street Parking Fees	Off Street Season Tickets	Total
Annual Budget	30,000	5,818,000	1,477,000	7,325,000
Budget to Date	15,000	2,803,000	896,000	3,714,000
Actual to Date	43,000	2,322,000	934,000	3,299,000
Variation to Date	+28,000	-481,000	+38,000	-415,000
	+187%	-17%	+4%	-11%

The 2023/24 income budget for off-street parking is £7.325m. The £3.299m income secured to-date falls short of the £3.714m target (-11%).

19. COMMUNITY INFRASTRUCTURE LEVY (CIL) FUNDING AVAILABLE BY AREA

CIL is a charge levied on new developments to contribute towards infrastructure delivery. A proportion of the money received from this charge is allocated to Wards or Neighbourhood Areas where the development occurred, to be used for local community projects. Ward Councillors can apply for this funding and work with providers and resident groups to deliver identified community projects. The table below sets out the proportion of the CIL income that has been earmarked for the various Wards and Neighbourhood Areas at September 2023.

Area	Funding Receipts (£)	Funding Commitments yet to be Paid (£)	Money Paid (£)	Available Funding (Receipts less Commitments) (£)
Brookwood Neighbourhood Area	16,065.24	0.00	0.00	16,065.24
Byfleet and West Byfleet Ward	0.00	0.00	16,452.22	-4,482.19
Canalside Ward	388,468.06	66,054.74	15,060.02	322,413.32
Goldsworth Park Ward	2,149.81	281.87	6,615.69	1,867.94
Heathlands Ward	85,857.66	0.00	0.00	85,857.66
Hoe Valley Ward	45,795.11	3,500.00	0.00	42,295.11
Hook Heath Neighbourhood Area	63,734.09	11,669.00	3,331.00	52,065.09

Horsell Ward	41,530.63	9,000.00	6,969.84	32,530.63
Knaphill Ward	43,787.06	2,000.00	720.74	41,787.06
Mount Hermon Ward	166,783.53	3,500.00	9,600.00	163,283.53
Pyrford Neighbourhood Area	58,318.58	0.00	14,000.00	58,318.58
Pyrford Ward	5,860.82	0.00	0.00	5,860.82
Pyrford Ward within West Byfleet Neighbourhood Area	2,630.77	0.00	0.00	2,630.77
St Johns Ward	25,965.13	118.00	8,314.36	25,847.13
West Byfleet Neighbourhood Area	1,066,832.31	4,731.78	10,909.86	1,062,100.53
Total	2,013,778.81	100,855.39	91,973.73	1,908,441.23

FINANCIAL AND TREASURY MANAGEMENT INFORMATION

20. EMPLOYEE COSTS

	Original Budget 2023/24 £	Variations £	Latest Budget 2023/24 £	Budget to September £	Actual Expenditure to Sept £	Variation from Budget to Sept £
Corporate Resources	9,142,753	0	9,142,753	4,570,793	4,859,409	288,616
Place	4,487,829	0	4,487,829	2,244,336	2,267,122	22,786
Communities	7,911,763	0	7,911,763	3,955,701	3,823,810	-131,891
Salary budget	21,542,345	0	21,542,345	10,770,830	10,950,341	179,511
Contribution towards costs	-3,293,326	0	-3,293,326	-1,645,839	-1,863,122	-217,283
	18,249,019	0	18,249,019	9,124,991	9,087,219	-37,772

Notes

- At its meeting on the 23 February 2023 the Executive agreed that the staffing budget for the year would be limited to £18.720m and an annual average number of staff for the year of 360 FTE. CLT will manage the staffing budget flexibly within these two parameters.
- The above figures exclude costs of £1,554 on redundancy payments, which will be met from the management of change budget. The amount is split as follows:

General Fund	1,554
Housing Revenue Account	0
	<u>1,554</u>

- Contributions towards costs reflect costs included in main table for which we receive some external funding.
- The variation above is split between the General Fund and Housing Revenue Account as follows:

General Fund	53,238
Housing Revenue Account	-91,010
	<u>-37,772</u>

21. CAPITAL RECEIPTS

GENERAL FUND		
DETAILS OF RECEIPT	ESTIMATED RECEIPTS (full year) £	ACTUAL RECEIPTS (to date) £
Land Sales	0	2,500
TOTAL RECEIPTS 2022/3	0	2,500

HOUSING		
DETAILS OF RECEIPT	ESTIMATED RECEIPTS (full year) £	ACTUAL RECEIPTS (to date) £
Right To Buy Sales*	3,330,000	2,278,900
Land Sales (including target disposals)	0	0
Equity Share Sale	0	0
Repayment of Discount	0	0
TOTAL RECEIPTS 2022/23	3,330,000	2,278,900
Receipt Retained by WBC	723,191	340,169
Treasury Share of Receipt	535,801	535,801
Earmarked for replacement housing	2,071,008	1,402,930
	3,330,000	2,278,900

* 4 properties were sold under the Right To Buy to the end of September, at a discounted price of £262,398 compared with a forecast of 15 for the year @ £222,000 each. The Treasury Share will be retained on the same conditions as we currently retain the 1-4-1 receipts.

22. INTEREST RECEIPTS AND PAYMENTS

This information is being developed and will be submitted to the November O&S Committee as part of the Mid-Year Treasury Report. Detail will be included in this document from Q3. Onwards.

23. SUMMARY OF EXTERNAL COMMITMENTS

This information is being developed and will be submitted to the November O&S Committee as part of the Mid-Year Treasury Report. Detail will be included in this document from Q3. Onwards.

24. LONG TERM LOANS

This information is being developed and will be submitted to the November O&S Committee as part of the Mid-Year Treasury Report. Detail will be included in this document from Q3. Onwards.

INDICATORS – Q4. REPORTING

This document reports strategic KPI's that require quarterly monitoring. This frequency enables key services to be reviewed at regular intervals and ensures action can be taken if performance significantly differs from targets. Corporate indicators that require less frequent reporting will also be monitored, however these will be included in an expanded Q4. publication at the end of each financial year. For completeness, the list of indicators that will be reported at Q4. are as follows:

25. DIRECTORATE Q4. INDICATORS

KPI	COMMUNITIES
NI-158	Annual Percentage of non-decent Council homes
SO-015	Number of Rough Sleepers (Annual)
SO-071	Annual Energy efficiency of Council owned homes
C002	Repair and maintenance appointments attended on time
E004	Number of noise complaints
E005	Number of construction noise related complaints received.
E006	Prior Consent Notices served.
E007	Number of S60 Notices served.
E007a	Number of dust complaints received.
EH02	Number of Infectious Disease notifications.
EH03	Number of Accident Reports.
EH04	Number of Housing Standards service requests and complaints received.
	Cumulative number of affordable homes delivered
CORPORATE RESOURCES	
EC-002	Percentage of Adult Population on the Electoral Register
EC-003	Percentage of rising 18-year-olds on the Electoral Register
EC-004	Percentage of those on the Electoral Register who voted
EC-005	Percentage of people who voted by post
EC-007	Percentage of clerical errors recorded at the last election
EC-008a	Rolling Registration Alterations - Creations
EC-008b	Rolling Registration Alterations - Deletions
EC-008c	Rolling Registration Alterations - Amendments
EC-008	Number of Postal Votes Issued (due after the election)
EC-009	Number of Postal Votes Received (due after the election)
E-010	Percentage of Postal Votes Returned (due after the election)
CO-001	Top 5% of earners who are women
CO-001a	Top 5% of earners who are disabled
CO-001b	Top 5% of earners who are BME
CO-006	Leavers – early retirement
CO-008	Percentage of disabled staff employed the Council
CO-009	Percentage of ethnic minority staff employed at the Council
PLACE	
EN-084	Abandoned Vehicles investigated in 24 hours
EN-085	Abandoned Vehicles removed in 24 hours