

Harborough District Council

Report to the Corporate & Performance Overview & Scrutiny Panel



26 September 2024

Title:	2024/25 Performance Report – Financial (Outturn) and Corporate Performance Quarter 1 (Year ending 31 March 2025)
Status:	Public
Key Decision:	No
Report Author:	Clive Mason, Director of Resources (& S.151 Officer)
Portfolio Holder:	Cllr Phil Knowles, Strategy Cllr Mark Graves, Finance
Appendices:	<p>Annex A – 2024/25 Performance Report – Financial (Outturn) and Corporate Performance Quarter 1 (Year ending 31 March 2025) reported to Cabinet 9 September 2024.</p> <p>Annex B – Appendices 1-9 Financial Performance, to the 2024/25 Performance Report (Q1) reported to Cabinet 9 September 2024.</p> <p>Annex C – Appendix 7 Key Activity Quarterly Report – Quarter 1, to the 2024/25 Performance Report (Q1), reported to Cabinet 9 September 2024.</p> <p>Annex D – Appendix 8 Strategic Performance Dashboard – Quarter 1, to the 2024/25 Performance Report (Q1), reported to Cabinet 9 September 2024.</p>

Executive Summary

This report covers the financial and corporate performance quarter 1 for 2024/25 which was reported to Cabinet on the 9 September 2024; with the report attached as Annex A and associated appendices attached as Annex B to D.

In respect of the key outturns, for:

- **Finance**, highlighted in Annex B,
 - i. Revenue underspend of £486k; a positive variance to the approved budget of 3.3%.
 - ii. Capital is forecasting to be on budget.
- **Performance**, a refresh of the corporate plan Key Activities was undertaken prior to 1 April 2024, resulting in 21 Key activities for 2024/25.
 - iii. Annex C contains a report of progress against all 21 Key activities in the Corporate Plan. At the end of Quarter 1 there are no activities at red status.
 - iv. Annex D contains a report of 19 key performance indicators (KPI's). At the end of Quarter 4, 1 KPI had a red status.

Recommendation
It is recommended that the Corporate & Performance Overview & Scrutiny Panel consider and comment on the contents of this report.
Reasons for Recommendation
The Council's Performance Management Framework requires that both Scrutiny and the Cabinet have a role in monitoring the finance and performance of the Council against its Budget and Corporate Delivery Plan.

1. Purpose of Report

- 1.1 To consider and comment on the contents of this report.

2. Background

- 2.1 Financial and Corporate Performance is monitored and reported to Officers and Members on a quarterly basis as part of the Council's Financial and Performance Management Framework. Finance and Performance Reports are submitted to both Scrutiny and the Cabinet via quarterly reports.

3. Details

- 3.1 This report consists of:

Annex A: Outturn Report to Cabinet

- 3.2 A copy of the report that was presented to Cabinet on the 9 September 2024. This provides a commentary on both the financial and corporate performance of the Council for quarter 1 of 2024/25.

Annex B: Summary of 2024/25 Revenue Budgets and Capital Programme

- 3.3 This annex is Appendix 1 to 6 to the Cabinet report. It includes a summary for the 2024/25 revenue and capital programme.
- 3.4 In respect of **Revenue**, for 2024/25 this is showing a revenue underspend of £486k; representing 3.3% of the approved budget. Appendix 3 shows a detailed variance analysis based on the directorate division of budgets. The most significant variations are noted below:

i. Additional Income/Underspend

- **Resources**
 - a. **Investment Income:** £846k (income). This has occurred because the Council has benefited from the high-interest rate environment that the UK economy has been subject to.

ii. Reduced Income/Overspends

- **Deputy Chief Executive:** £123k; the significant items relate to unbudgeted licence costs (£70k) and delays in transformation implementation (£51k).
- **Resources**
 - a. **Market Hall:** £95k. Increased direct cost of cleaning (£35k), utility costs (£33k) and reduced income (£25k).
 - b. **Insurance:** £43k. Higher than anticipated insurance premiums.
- **Communities**
 - c. **HDC Temporary Accommodation:** £26k. Higher costs of temporary accommodation due to demand and higher accommodation costs.
- **Planning**
 - g. **Development Control:** £51k. Reduction in income due to less expected receipts of major planning applications.

3.5 It should be noted that a number of these overspends will be addressed as part of the 2025/26 budget setting process.

3.6 In respect of the £486k revenue underspend, Cabinet has agreed to allocate £400k to a new sub-reserve within the Corporate Plan & Strategy reserve. As noted in para 3.9 of Annex A, the Government has announced plans to make changes to the National Planning Policy Framework. The direct impact of these change proposals are not known, but the allocation will assist the Council in helping to deal with any consequential impacts of the proposed changes if and when they are implemented.

3.7 In respect of the **Capital Programme (Appendix 5)**, the programme is expected to be on budget.

Annex C: Key Activity Quarterly Report

3.8 This report details the 21 key activities that support the delivery of the Corporate Plan, and their achievement (performance) is categorised as per the table below:

Status	Description
Red	Planned actions have not been achieved or have missed their target date. Issues are now impacting on delivery or expected outcomes.
Amber	Most actions completed. Some issues recognised which may impact on the delivery or expected outcomes.
Green	Planned actions completed, project on track. There are no known issues.
Complete	The project has been completed.

3.9 At this time the Council is not forecasting any “red” activities.:

Annex D: Strategic Performance Dashboard

3.10 The Strategic Performance Dashboard provides a display of the 19 key performance indicators, of these one has a red status

FS03; 90% of payments to creditors within 30 days; outturn performance of 77.9%. The Council went live with a new finance system in November 2023. As expected there has been a process of transition as systems and processes settle back down. This is an improvement of the 2023/24 outturn position of 64.1%..

4. Implications of Decisions

Corporate Priorities

4.1 The contents of this report are evidence of how the Council has performed in meeting its Corporate Priorities.

Financial

4.2 No financial issues arise directly from this report.

Legal

4.3 No legal issues arise directly from this report.

Policy

4.4 No policy issues arise directly from this report

Environmental Implications

4.5 No environmental issues arise directly from this report.

Risk Management

4.6 Risks are managed alongside performance through the Council’s Performance Management database. Risk reports are provided to the Cabinet at regular intervals during each year.

Equalities Impact

4.7 Equality actions are identified as part of the Business Planning Process and are captured where relevant for each Key Activity.

Data Protection

4.8 No data protection issues arise directly from this report.

5. Alternative Options Considered

Not applicable.

6. Background papers

- Cabinet report 15 July 2024.