

# Performance Management



## 2022/23: Provisional Outturn

Ref	Budget Heading	Original Budget £'000	Revised Budget £'000	YTD Budget £'000	Actual £'000	Provisional Outturn £'000	Provisional Variance £'000	E' Reserve Impact £'000	Gen Fund Impact £'000	RAG	Page Ref
1	Business Transformation	1,762	1,816	1,816	1,562	1,562	254	(15)	269	GREEN	
2	Community Services	4,855	4,830	4,830	5,294	5,294	(464)	(313)	(151)	RED	
3	Regulatory	492	492	492	544	544	(52)	(120)	68	GREEN	
4	Partnership Services	2,126	2,121	2,121	2,217	2,217	(96)	212	(308)	RED	
5	Planning	871	871	871	760	760	111	(148)	259	GREEN	
6	Welfare Services	1,133	1,109	1,109	1,338	1,338	(229)	(97)	(132)	RED	
<b>8</b>	<b>Total Service Expenditure</b>	<b>11,239</b>	<b>11,239</b>	<b>11,239</b>	<b>11,715</b>	<b>11,715</b>	<b>(476)</b>	<b>(481)</b>	<b>5</b>	GREEN	
9	Enterprise Zone	5,028	5,028	5,028	5,141	5,141	(113)	(113)	0	GREEN	
10	Insurance Receipt in respect of Unit 4E Fire	0	0	0	(213)	(213)	213	213	0	GREEN	
11	Capital Financing and Treasury	(28)	(28)	(28)	(660)	(660)	632	210	422	GREEN	
<b>12</b>	<b>Total Expenditure</b>	<b>16,239</b>	<b>16,239</b>	<b>16,239</b>	<b>15,983</b>	<b>15,983</b>	<b>256</b>	<b>(171)</b>	<b>427</b>	GREEN	
13	New Homes Bonus	(499)	(499)	(499)	(499)	(499)	0	0	0	GREEN	
14	Enterprise Zone	(5,028)	(5,028)	(5,028)	(5,141)	(5,141)	113	113	0	GREEN	
15	Business Rates	(4,300)	(4,300)	(4,300)	(2,977)	(2,977)	(1,323)	(1,323)	0	GREEN	
16	Council Tax Requirement	(5,094)	(5,094)	(5,094)	(5,217)	(5,217)	123	123	0	GREEN	
17	Services Grant	(162)	(162)	(162)	(162)	(162)	0	0	0	GREEN	
18	Lower Tier Services Grant	(105)	(105)	(105)	(105)	(105)	0	0	0	GREEN	
<b>19</b>	<b>Total External Funding</b>	<b>(15,188)</b>	<b>(15,188)</b>	<b>(15,188)</b>	<b>(14,101)</b>	<b>(14,101)</b>	<b>(1,087)</b>	<b>(1,087)</b>	<b>0</b>	GREEN	
20	Appropriations (to) / from Earmarked Reserves	0	0	0	1,258	1,258	1,258	1,258	0	GREEN	
21	Appropriations (to)/ from General Fund Balance	1,051	1,051	1,051	624	624	(427)	0	(427)	GREEN	
<b>22</b>	<b>Total Appropriation (to) / from Reserves</b>	<b>1,051</b>	<b>1,051</b>	<b>1,051</b>	<b>1,882</b>	<b>1,882</b>	<b>(831)</b>	<b>1,258</b>	<b>(427)</b>	GREEN	

<b>RED</b>	Not on target and / or the level of risk (of not meeting target) is high and needs urgent remedial action
<b>AMBER</b>	Not fully on target but not significantly off target and / or the level of risk (of not meeting target) is manageable but requires close monitoring
<b>GREEN</b>	On target and / or the risk (of not meeting target) is low and under control

# Integrated Performance Management

## 2022/23 Provisional Outturn - Executive Summary

- Total (net) annual **Service Expenditure** is £11.715m against an approved budget of £11.239m an adverse variation of £0.476m. Within this outturn pressures of £0.560m relating to pay and price pressures, including provision for the approved pay award of £1,925 per FTE employee have been mitigated via Earmarked Reserves for that purpose. A lower level of inflation was incorporated into the budget as set in February 2022. However, as subsequent inflationary pressures were becoming increasingly apparent when the accounts were closed for 2021/22, an Earmarked Reserve of £600k was established to manage the immediate impact of inflation which has been applied to the forecast inflationary pressures.
- Other significant variations included within the £0.474m and not explicitly linked to inflation and funded through that reserve total include;
  - £237k pressures in Leisure Operations, primarily due to lower than budgeted income from classes as recovery to pre-Covid levels of attendance continues, amidst temporary reductions in capacity due to refurbishments. There was some evidence however of a fourth quarter recovery in Leisure memberships.
  - £176k in Estates and Assets due to empty units at Element Court and Four Ashes and one off revenue costs associated with Wombourne redevelopment.
  - £254k saving against budget in Business Transformation. Some additional spending has been funded via Earmarked Reserve but this has been more than offset by staffing vacancies and other savings on IT and mobile phone contracts.
  - £104k Additional Customer Services staffing resources, primarily to cover Blue Bag / Chargeable Green Waste enquiries and largely funded via Earmarked Reserves
  - £333k adverse variation in Benefits. That related to staffing and Agency Costs (to cover absences) of £184k is funded by Earmarked Reserve. Balance, impacting on General Fund arises from housing benefits not being entirely funded through eligible subsidy and an underachievement against target for Housing Benefit overpayment recovery.
- Separately, variations to budget but not impacting on the General Fund balance as funded through Earmarked Reserves includes:
  - £104k Additional Customer Services staffing resources to cover Blue Bag / Chargeable Green Waste enquiries and largely funded via Earmarked Reserves.
  - £177k Covid related spend on Track and Trace staffing resources funded via Earmarked Reserve.

- Decision taken by the Council to lock into planned borrowing at historically low interest rates, coupled with higher interest rates receivable for balances held has contributed towards a £0.632m windfall for the Council. Of this, £210k can be applied to Earmarked Reserves to protect the Council against on-going inflationary pressures in 2023/24 with the remainder applied to the General Fund Reserves.
- Collection Fund deficits and prior year liabilities relating to Business Rates (£0.700m) are, according to rules applied to South Staffordshire at the end of the year and are funded via the specific Earmarked Reserve for this purpose. Timing differences have resulted in a surplus on the Collection Fund at the end of the year which will benefit Council finances in 2023/24.
- New Homes Bonus forecasts are as budgeted. Differentials in i54 business rates received are matched by payments.
- Collection rates, which primarily held up during the Covid-19 pandemic will be monitored closely to quickly pick up any adverse impacts due to cost of living crisis. However, there is no underlying risk to this year's budget as any shortfall is mitigated by the way in which Collection Fund related deficits are funded in future years.
- The budget for 2022/23 assumed a deficit (adjusted for contributions from Earmarked Reserves) to be funded from General Fund reserves of £1.051m. The outturn shows a contribution from General Reserves of £0.624m is a £0.427m improvement against budget.



## 2022/23: Provisional Outturn – Business Transformation

	Approved Budget	Revised Budget	Year to Date Budget	Actual	Provisional Outturn	Provisional Variation to Budget	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Business Change Programme	225	225	225	113	113	112	112	0	
Internal Audit	94	94	94	83	83	11	0	11	
Information Comms Technology	1,443	1,498	1,498	1,366	1,366	131	(127)	258	
<b>Total Business Transformation</b>	<b>1,762</b>	<b>1,816</b>	<b>1,816</b>	<b>1,562</b>	<b>1,562</b>	<b>254</b>	<b>(15)</b>	<b>269</b>	

Revenue Budget	RAG	Comments
Business Change Programme		Savings have been achieved on the Customer Experience Programme in-year. Earmarked Reserve proposed to be set aside to cover anticipated expenditure in 2023/24.
Internal Audit		Minor savings as budget for unexpected / unplanned audit work not called upon during 2022/23.
Information Comms Technology		Staffing vacancies have more than offset costs arising from the agreed pay award. Expenditure accrued on Business Transformation projects will be funded via Earmarked Reserve for that purpose. Savings made on ICT contracts, mobile phone contracts and staffing vacancies within ICT will contribute towards the Council's General Fund in-year.



## 2022/23: Provisional Outturn – Community Services

	Annual Budget	Revised Budget	Year to Date Budget	Actual	Provisional Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Facilities	860	860	860	1,016	1,016	(156)	(8)	(148)	Red
Bereavement	(78)	(78)	(78)	(50)	(50)	(28)	(30)	2	Green
Emergency Planning	40	40	40	40	40	0	0	0	Green
Leisure Services (Operations)	524	524	524	707	707	(183)	(12)	(171)	Red
Recycling	(251)	(251)	(251)	(412)	(412)	161	(48)	209	Green
Street Scene	1,125	1,125	1,125	1,154	1,154	(29)	(44)	15	Green
Assistant Director	90	90	90	89	89	1	0	1	Green
Waste Collection	2,545	2,520	2,520	2,749	2,750	(230)	(171)	(59)	Red
<b>Total Community Services</b>	<b>4,855</b>	<b>4,830</b>	<b>4,830</b>	<b>5,293</b>	<b>5,294</b>	<b>(464)</b>	<b>(313)</b>	<b>(151)</b>	Red

Revenue Budget	RAG	Comments
Facilities Management	Red	There are a number of adverse variations against this Service, particularly in relation to utility costs. In addition, there are increases to the insurance premium for 2022/23 for the Hub and pressures on the amended specification for the cleaning contract and technical accounting adjustments for depreciation. The latter is offset corporately so no net impact on the General Fund. There are also pressures in relation to the agreed pay award for Council employed staff for 2022/23 funded via Earmarked Reserve. Increased room hire income and some savings against business rates have offered some mitigation against these pressures.
Bereavement	Green	Cemetery and pre-purchase income exceeded budgetary targets. One off expenditure incurred on drainage work at Strawberry Lane cemetery offset by Earmarked Reserve set aside for this purpose.
Emergency Planning	Green	No variations to report

Leisure Operations		<p>Significant pressures identified within Leisure Services with most significant elements listed below.</p> <p>Memberships have continued to recover well post pandemic against the budget and only showed an adverse variation of £9k. However, other areas of income have reduced where activities are now included within the Membership package such as the Energise income £22k.</p> <p>Greater income losses have been incurred against classes, in particular swimming where, exacerbated by closures, income was below budget by £237k. This was largely due to a loss of Swim Academy income during the refurbishment pool closures of £196k and pool air handling repairs closure loss of income £18k</p> <p>Other income areas, such as Energise, instruction and vending machine income across the centres also showed a deficit against budget of £33k.</p> <p>Above inflation pay increases (funded via Earmarked Reserve) added £86k to the costs but these were offset by savings of £34k due to vacancies and a further £12k due to less than anticipated reliance on Agency Staff.</p> <p>Reduced depreciation charges have also provided a benefit to the Service budget of £54k (although offset corporately according to accounting rules).</p> <p>Future maintenance of the Wombourne 3G pitch will be funded through an Earmarked Reserve (sink fund) for which revenue contributions are made each year from the General Fund</p> <p>The Service also benefitted from an in-year legacy of £60k which has been set aside as an Earmarked Reserve for future use at Baggeridge in accordance with the terms of the will.</p>
Recycling		<p>There are three significant variations within recycling. The service has benefitted from price increases in the sale of recyclate materials to Biffa which generated a £213k surplus against the budgeted target. In addition to net savings of £54k on the Mixed Recycling Facility (MRF) contract, these benefits offset the costs of pressures incurred through reduced volumes of dry recycling credits, the latter being £87k short of budgetary target.</p> <p>Overall, alongside other minor variations a net benefit of £211k to the General Fund has been achieved.</p>
Street Scene		<p>Majority of Street Scene pressure relates to the costs of the 2022/23 pay award (£45k) which can be funded via the Pay and Inflation Earmarked Reserve. Unfunded costs impacting on the General Fund include £5k for additional fleet insurance premiums, £19k for cameras, trackers and new livery for new vehicles (partly offset through sales of old vehicles) and £6k being the net costs of additional utility bills. These pressures have been mitigated by additional Grounds Maintenance and Tree Work yielding £5k, staffing saving of £9k through vacancies and a saving against the budget for Street Naming of £4k. Alongside other minor variations, the net pressure on the General Fund is £15k.</p>
Assistant Director		No significant variations to report
Waste Collection		Significant inflationary costs of the Biffa contract of around £184k (which can be funded via the Earmarked Reserve for Inflation. Other (non-inflation) adverse variations include some variable costs associated with the Biffa

[REDACTED] contract (including rebates for damaged bins for example) and a £25k income shortfall against budget for green waste subscriptions which will impact on the General Fund.

## 2022/23: Provisional Outturn – Partnership Services

	Annual Budget	Revised Budget	Year to Date Budget	Actuals	Provisional Outturn	Provisional Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Pay and Pensions Adjustments	137	137	137	182	182	(45)	20	(65)	Red
Elections & Performance	175	175	175	185	185	(10)	(1)	(9)	Yellow
Commercial Accommodation	(460)	(460)	(460)	(569)	(569)	109	6	103	Green
Economic Development	167	167	167	(39)	(39)	206	176	30	Green
Corporate Leadership Team	610	610	610	609	609	1	0	1	Green
Estates & Assets	(1,539)	(1,539)	(1,539)	(1,391)	(1,391)	(148)	59	(207)	Red
Miscellaneous Corporate	961	961	961	1,169	1,169	(208)	79	(287)	Red
Finance Team	554	554	554	551	551	3	(28)	31	Green
Human Resources	406	406	406	430	430	(24)	(40)	16	Green
Legal Services	130	130	130	131	131	(1)	(27)	26	Green
Member Support	576	576	576	555	555	21	(1)	22	Green
Policy & Partnership	409	404	404	404	404	0	(31)	31	Green
<b>Total Corporate</b>	<b>2,126</b>	<b>2,121</b>	<b>2,121</b>	<b>2,217</b>	<b>2,217</b>	<b>(96)</b>	<b>212</b>	<b>(308)</b>	Red



Revenue Budget	RAG	Commentary
Pay and Pensions adjustments		Net of some minor, miscellaneous savings, the decision to write off a number of historic debts owed to the Council yet considered irrecoverable is the primary reason for the draw on the General Fund. A receipt of £20k in relation to Commercial Opportunities Seed Funding will be placed in an Earmarked Reserve to be applied as required.
Elections and Performance		Minor overspend incurred in consultancy support and miscellaneous costs in the prelude to the 2023 District Elections.
Commercial Accommodation		Additional commercial rents at Community Hub since budget was set. In particular Staffordshire Police have contributed to income in excess of target and rental income from period of Three Hammers hosing the café.
Corporate Leadership		No significant variations to report
Economic Development		Staffing vacancies have led to a small benefit against this budget head.
Finance Team		Pressures relate to EFin system upgrade (funded via Earmarked Reserve and the impact of assumed 2022/23 pay award which is also funded via specific Earmarked Reserve). Other minor variations allow for a small surplus to be applied to the General Fund.
Estates and Assets		There are currently two long term empty units at Four Ashes and Element Court respectively incurring costs of approx. £58k. Additional revenue costs relating to the development at Wombourne £118k (finders fees, business rates, utility & water recharges). These have been partly offset by improved occupancy on other sites especially 4E (fire damaged site) where a temporary tenant is in place.
Miscellaneous Corporate		Majority of the reported variation (with General Fund impact) represents the Corporate Vacancy adjustment of £242k. This pressure is being offset by reported staffing vacancies across organization and other minor variations which have been added to Earmarked Reserves for future application including savings against the budget for insurance claims below excess, savings on External Audit costs and New Burdens funding received in-year.
Human Resources		Identified pressure relates to assumed 2022/23 pay award and contract extension for one employee. Both are funded via Earmarked Reserve.
Legal Services		No significant variations impacting on the General Fund. Earmarked Reserve available to fund additional pressures created through the assumed 2022/23 pay award and the costs of an Apprentice post.
Member Support		Staffing vacancies contributing towards minor contribution to General Fund.
Policy and Partnership		Staffing vacancies contributing towards the General Fund. Other variations are either positively contributing to Earmarked Reserves (lottery receipts) or relate to specific localities expenditure which can be funded via Earmarked Reserve.



## 2022/23: Provisional Outturn – Planning

	Annual Budget	Revised Budget	Year to Date Budget	Actual	Provisional Outturn	Provisional Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Building Control & Land Charge	24	24	24	14	14	10	0	10	
Planning Enforcement	174	174	174	190	190	(16)	(16)	(0)	
Planning Services	584	584	584	468	468	116	(132)	248	
Parking Enforcement	0	0	0	(1)	(1)	1	0	1	
Strategic Housing	0	0	0	0	0	0	0	0	
Assistant Director	89	89	89	89	89	0	0	0	
<b>Total Planning</b>	<b>871</b>	<b>871</b>	<b>871</b>	<b>760</b>	<b>760</b>	<b>111</b>	<b>(148)</b>	<b>259</b>	

Building Control & Land Charge		No significant variations to report
Planning Enforcement		No significant variations to report. Salary pressures emerging due to assumed 2022/23 pay award which can be funded via the pay and price inflation Earmarked Reserve. No variation to report against the General Fund.
Planning Services		Additional income raised through significant additional planning applications arising through West Midlands Interchange and extension of staffing contract with Lichfield DC which will materially benefit the General Fund. Identified Earmarked Reserves will be applied to meet the costs of other expenditures coded against this service area (including Climate Change project and Tree work).
Parking Enforcement		No significant variations to report. Small benefit of income from parking fines imposed.

Strategic Housing		No significant variations to report
Assistant Director		No significant variations to report



## 2022/23: Quarter 3 – Regulatory Services

	Annual Budget	Revised Budget	Year to Date Budget	Actual	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Community Safety	31	31	31	14	14	17	5	12	
Environmental Health	461	461	461	530	530	(69)	(125)	56	
<b>Total Regulatory</b>	<b>492</b>	<b>492</b>	<b>492</b>	<b>544</b>	<b>544</b>	<b>(52)</b>	<b>(120)</b>	<b>68</b>	

Revenue Budget	RAG	
Community Safety		No significant variations to report.
Environmental Health		A significant element of additional spend refers to costs incurred on Covid Track and Trace salary payments. These will be fully funded through Earmarked Reserves set aside for this purpose – and any savings through vacancies will be applied to a Track and Trace reserve for future years. Costs of assumed 2022/23 pay award are intended to be funded via the Earmarked Reserve for Pay and Price inflation. In addition, there are a number of miscellaneous, positive variations against several budget heads. It is similarly intended that an Earmarked reserve is approved to enable anticipated future year expenditures for the EDMS/IDOX upgrade to be funded.



## 2022/23: Provisional Outturn– Welfare Services

	Original Budget	Revised Budget	Year to Date Budget	Actual	Forecast Outturn	Forecast Variance	Impact on ER	Impact on GF	RAG
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Customer Services	539	515	515	619	619	(104)	(90)	(14)	Yellow
Homelessness & Welfare Support	0	0	0	(46)	(46)	46	46	0	Green
Housing Operations	119	119	119	193	193	(74)	(69)	(5)	Yellow
Revenues	270	270	270	35	35	235	165	70	Green
Benefits	115	115	115	448	448	(333)	(149)	(184)	Red
Assistant Director	90	90	90	89	89	1	0	1	Green
<b>Total Welfare Services</b>	<b>1,133</b>	<b>1,109</b>	<b>1,109</b>	<b>1,338</b>	<b>1,338</b>	<b>(229)</b>	<b>(97)</b>	<b>(132)</b>	Red

Revenue Budget	RAG	Commentary
Customer Services	Yellow	Pressures on salaries due to additional staffing required for Blue Bag roll out, Chargeable Green Waste renewal, and Meet & Greet (Welcome Host). It is proposed that the majority of this variation will be funded through Earmarked Reserves.
Homelessness & Welfare Support	Green	No major variation to report.
Housing Operations	Yellow	The Homelessness Grant which is a 'ring-fenced' Earmarked Reserve will cover the majority of identified pressures. Additional spend incurred on Housing Plus temporary accommodation funded via General Fund.
Revenues	Green	Receipt of New Burdens Grant and increased court income have contributed to positive variation. These have been partially offset by Agency Costs (funded by NBG), the costs of engaging Inform CPI (with associated benefits for the Collection Fund) and some increase in print costs. The balance of unutilised NBG applied to Earmarked Reserve to cover future anticipated pressures in this area.

Benefits		Increased cost of Agency staff to cover vacancies, on-going pressures and one-off project work being covered by Earmarked Reserve and in-year DWP grants. The remainder of the adverse variation has arisen from underachieved budget for the recovery of Housing Benefit overpayments (of £54k) and a £47k difference between Housing Benefits actually paid and eligible subsidy received.
Assistant Director		No major variation to report.



## 2022/23: Provisional Outturn - Capital

Capital Scheme	22/23 Budget £'000	Spend to date £'000	Provisional Outturn £'000	Provisional Slippage £'000	Commentary	RAG
Commercial Asset Strategy	12,281	2,953	2,953	9,328	<p>Budget includes</p> <ul style="list-style-type: none"> <li>• Wombourne Enterprise Park development</li> <li>• Restoration of Unit 4E Four Ashes following fire damage (funded via insurance claim)</li> <li>• Capital receipt to be set aside for future viable purchase(s) if business case justifies. This element is likely to be slipped into 2023/24</li> </ul> <p>Some delay at Wombourne Enterprise Park caused by key contractor entering administration.</p>	
Leisure Centre Upgrades	3,096	1,947	1,947	1,149	<p>Joint user agreements (inclusive of the investment programme) are currently awaiting approval from County Council colleagues in relation to Codsall Leisure Centre. Alliance Leisure and their contractors have commenced work at Cheslyn Hay and Wombourne Leisure Centre. Refurbishment at Penkrige is complete. Confirmation has been received that Leisure Centre capital works will not adversely impact upon Council's partial exemption for VAT purposes.</p>	

Baggeridge	120	120	120	0	Work to facilitate improved road access now complete	
I-Trent Upgrades	20	0	0	20	Further to appraisal of alternatives to the Council time and attendance system monies will not be applied to the original intended purpose of this budget. A time and attendance system is still required for Leisure Centre staff however for which this budget can be applied subject to Member approval.	
Business Transformation	92	32	32	60	Budget to facilitate the replacement of workstations and peripheral equipment on a rolling basis. On track.	
Disabled Facilities Grant	1,860	1,049	1,049	811	Better Care Fund allocations to fund necessary adaptations. Prior year accruals are reason for negative year to date expenditure. This is the final year of the existing contract with the current service providers, Millbrook. Funding for any backlog in completing approved work can be applied to the new contract.	
Street Scene Fleet	384	133	133	251	The budget for Street Scene fleet capital has been split to recognise the principal value of seven leased vehicles (caged tippers and tippers). Four new mowers have been purchased outright.	
Social Housing Grant	127	0	0	127	South Staffordshire Council contribution to South Staffordshire Warmer Homes project.	
Electric Car Charging Points	95	95	95	0	Project included installation of carports, solar panels and a battery storage system. Now fully complete.	
Refuse Vehicles New Contract	3,046	0	0	3,046	As part of the extension of the existing contract, a new fleet of vehicles is being hired by the service provider to include 'split back' recycling vehicles to facilitate the dual stream collection	
Waste Bins New Contract	877	77	77	800	As part of the dual stream collection methodology, reusable bags are being purchased to separately collect fibre products.	
<b>Total</b>	<b>21,998</b>	<b>6,406</b>	<b>6,406</b>	<b>15,592</b>		



