

ANNUAL PERFORMANCE & PROVISIONAL BUDGET OUTTURN REPORT 2015/16

1. INTRODUCTION

- 1.1 This report provides a brief overview of the Council's performance and achievements over the last 12 months and sets out draft details of the 2015/16 projected financial outturn positions for the General Fund, Housing Revenue Account and Capital Programme.
- 1.2 The Council's statutory Statement of Accounts will be completed and signed by the Responsible Financial (S151) Officer by 30 June and will be presented to Audit Committee in September following external audit. Should there be any significant variations from the figures presented in this report, they will be highlighted at that Committee. The Outturn now presented is in management format.

2. BACKGROUND

- 2.1 Much of the focus for 2015/16 centred upon the new administration and the development of their strategic plan for the next four years. Consequently this is the final performance report against 'Delivering for our communities', the Council's corporate plan for 2012-2016 with 'Our corporate plan' now setting the strategic direction for 2016-2020.
- 2.2 Alongside the development of 'Our corporate plan' and the appointment of a new Chief Executive, the organisation also embarked on a significant management restructure and reorganisation while maintaining its performance in its key delivery areas as illustrated within this report.
- 2.3 The Council's financial planning process supports the delivery of the corporate objectives and the annual budget, and its performance is an element of the overall corporate plan. The General Fund budget for 2015/16 was set at £18.327 million with no increase in Council Tax. Band D Council Tax remained at £155.76.
- 2.4 The provisional Outturn (some areas of account still need to be resolved) for the year is an overall saving of £1.774m. The significant staffing changes resulted in some temporary underspends within operational budgets and a review of the Asset Management Programme also resulted in considerable savings during the year. Additional income has contributed to this position, including interest returns and Government new burdens grant being received.

3. ACHIEVEMENTS

The following illustrations highlight some of the Council's many achievements during 2015/16.

Supporting local business



- More than 70 local businesses exhibited at the first ever New Forest Business Expo, organised by the New Forest Business Partnership, which is administered by the council, and Brand New Forest, the council's campaign to back the local economy. 600 business people attended.
- 24 New Forest businesses celebrated their successes at the tenth annual New Forest Brilliance in Business Awards on Thursday 26 November 2015. Eight of those businesses won awards, which were presented by Lord Montagu of Beaulieu, President of the New Forest Business Partnership.
- Over 300 businesses provided special offers for the Brand New Forest campaign.
- 50 local businesses learnt about alternative finance solutions for future growth at one of several business breakfasts organised by the New Forest Business Partnership

Providing local homes

- A major project to construct 21 new council homes and regenerate the North Milton estate began. The council's largest housing project in 25 years also includes extensive new landscaping to improve life for all the residents.
- Planning permission was granted to build 35 one and two-bedroom council homes in Calmore, Totton. We granted planning permission to 1,079 projects, including new residential developments.
- New tenants moved into four new one-bedroom council flats at Testwood Crescent, Totton, which were the first homes to be designed in-house, project-managed and fully funded by the council for at least 20 years.
- 32 homes were bought to add to the council's housing stock
- Vacant property turnaround improved by 25%
- The Homesearch waiting list reduced by 10%



Working with our community



- Introduced new building works system enabling our tenants to report repairs and book an appointment slot then receive text message confirmation and reminders.

- Successfully implemented a new model for resident involvement to give tenants a greater involvement in service delivery
- Worked with affected residents and partners, including the CAB, to communicate the impacts of welfare reforms
- Increased the use of digital communications to keep our residents up to date, including reaching 16,869 people via Twitter on Our Day, the local government tweetathon.
- Over 50 people from the New Forest are now making the most of being on line, after we ran five events as part of national Be Online Week, including helping families stay safe online and getting people online for the first time.
- Hundreds of people attended a public engagement event to discuss designs for replacement beach huts at Milford-on-Sea in August. The aim was to hear the views of locals, visitors and beach hut licence holders.

Doing our bit for the environment



- Secured Department for Environment, Food and Rural Affairs funding of £23m for English coastal monitoring work for the next five years.
- Ran campaigns and 72 events involving more than 7000 residents promoting waste minimisation and recycling.
- Distributed 10,000+ *Recycle Right* leaflets giving advice to residents in the areas of the district where recycling rates are lowest, which achieved a positive increase in rates of recycling of the right items.
- Kerbside collections and bottle banks enabled residents to recycle around 5,000 tonnes of glass in addition to 10,000 tonnes of clear sack recycling and 3,000 tonnes of composting. Around 35,000 tonnes of household black bag waste was used to generate electricity through Hampshire's energy recovery facility.
- Worked with the New Forest National Park Authority, the Forestry Commission and the Verderers on the Clean for the Queen national litter-pick event and with the NPA and Forestry Commission on our Leave nothing but footprints anti-litter drive.

Together with our partners

Our collaborative relationships with partner organisations play an important role in contributing to their achievements across the district. In 2015/16 these included:

- Supporting the Hyde Community Project to help deliver community broadband to nearly 500 rural premises in Hyde and Ellingham. We are now developing a community broadband toolkit to enable communities to improve and fund their own broadband provision in areas not covered by government support or commercial providers.
- Working closely with Brockenhurst College, through the New Forest Business Partnership and EM3 LEP (Enterprise M3 Local Enterprise Partnership), to help develop students' employability skills to match the needs of our local businesses. Collaboration such as this has helped the college to develop their successful bid for £3.7m to build a new centre for science, technology, engineering and maths - known as STEM.
- Supporting small businesses in our towns and villages by offering free parking across the district on Small Business Saturday, a national campaign backed by the Federation of Small Businesses.
- Jointly with Hythe and Dibden Parish Council, we honoured a First World War hero at an event at the place of his birth in the New Forest, with three generations of his family and guests from the Armed Forces.
- The Supporting New Forest Families Programme supported 111 families in areas including worklessness, homelessness prevention, debt management, education, mental health and children in need. The programme, where we work in partnership with Hampshire Police, the Probation Service, Hampshire County Council, the Youth Offending Team and the Department for Work and Pensions, was one of the best performing programmes nationally.

Helping keep our community healthy



- Membership at our five New Forest Health and Leisure centres rose to 7,000 and 34 per cent of adults aged over 16 in the New Forest now take part in sport or active recreation at least three times a week, compared with the national average of 26 per cent (Sport England).
- We funded Sports Reminiscence groups in the district, designed to help people with dementia unlock powerful memories, and a free memory group in Lyndhurst. As part of the New Forest Dementia Forum we were involved in launching a dementia newsletter and supporting local volunteers to set up Dementia Action groups to deliver support and raise awareness of dementia in their communities.
- Men aged over 55 were invited to free weekly cookery demonstration sessions offered by New Forest District Council and Hampshire County Council in Ringwood, New Milton, Totton, Lymington and Hardley.

Keeping it personal

- Four former apprentices were successful in getting roles at NFDC and are now permanent employees
- The Respect campaign recognised 286 employees and their achievements
- Staff were encouraged to communicate about projects they are working on through the introduction of Yammer, an informal internal electronic forum.
- Health and Leisure staff raised £3847.44 for Sport Relief.



4. BUDGET OUTTURN POSITION

4.1.1 The Annual budget is an important element of the delivery of the Council's financial strategy which supports the delivery of core services and provides value for money to local taxpayers. Details of the provisional Budget Outturn position for the General Fund are set out below.

General Fund Provisional Budget Outturn 2015/16

	Budget	Provisional Outturn	Variation
	£'000	£'000	£'000
Refuse & Recycling	3,866	3,712	154
Other Environment	5,013	4,508	505
Tax & Benefits	1,037	965	72
Other Finance & Efficiency	3,964	4,146	-182
Health & Leisure Centres	2,205	1,990	215
Other Health & Leisure	628	573	55
Housing	1,312	1,393	-81
Communities	525	481	44
Planning	1,847	1,506	341
Transportation	(170)	(736)	566
Employment & Tourism	471	461	10
Other Portfolios/Committees	695	620	75
	21,393	19,619	1,774
Asset Rental Income	(2,031)	(1,906)	-125
NET SERVICE REQUIREMENT	19,362	17,713	1,649
Minimum Revenue Provision	1,052	1,019	33
Interest	(315)	(600)	285
New Homes Bonus	(1,935)	(1,938)	3
Other Specific Grants	(195)	(324)	129
Contribution to Town and Parish Councils	200	200	0
Contribution to Earmarked Reserves	158	483	-325
Saving Achieved		1,774	1,774
BUDGET REQUIREMENT	18,327	18,327	0
Financed by:			
Council Tax	(10,778)	(10,778)	0
Formula Grant	(7,549)	(7,549)	0
	(18,327)	(18,327)	0

*Income credits are shown (in brackets)

The saving achieved will enable the General Fund reserve to be increased. This increase is in response to the risks identified by the Medium Term Financial Plan in the period up to 2020. The reserve will be used to protect the delivery of visible services, supported by an efficiency plan to ensure the on-going balanced budgets are deliverable.

4.1.2 The following table provides a breakdown of the significant variations;

	Variation £'000	Total £'000
Increased Costs		
Local Plan Review (provision)	-326	
Senior Management Review	-300	
Homeless Assistance	-132	
		-758
Reduced Income		
Recyclables Income		-150
Savings in Costs		
AMG Programme Review	574	
P&T Staff Restructure	175	
Street Scene Operational Costs	186	
Bank Charges / Insurance	110	
Environmental Health / Pest Control	104	
Transportation Schemes / Street Lighting	100	
Fuel Savings	91	
P&T / PDC Supplies and Services	67	
Community Safety / Troubled Families	57	
Other Cost Savings	395	
		1,859
Increased Income		
Interest Earnings	285	
Parking Income	147	
Government Grants	124	
Garden Waste & Cemeteries	57	
Other Increased Income	106	
		719
Improved Trading Position		
Health & Leisure Centres		104
Saving Achieved		1,774

4.2 Housing Revenue Account Provisional Outturn 2015/16

	Budget	Provisional Outturn	Variation
	£'000	£'000*	£'000
Dwelling Rents	(26,379)	(26,516)	137
Other rents and Service Charges	(1,457)	(1,452)	-5
Other Income	(329)	(395)	66
TOTAL INCOME	(28,166)	(28,363)	198
Repairs and Maintenance	4,529	4,220	309
Supervision and Management	5,042	5,082	-40
Capital Financing Costs	4,486	4,484	2
Other Expenditure	164	60	104
MANAGEMENT EXPENDITURE	14,221	13,846	375
OPERATING SURPLUS	(13,945)	(14,517)	573

*Income credits are shown (in brackets)

The operating surplus of the Housing Revenue Account improved upon the budget by £573,000. This was principally due to additional dwelling rents of £137,000; an underspend of £309,000 in repairs and maintenance costs and lower than budgeted bad debt charges by £95,000.

4.3 Capital Programme Provisional Outturn 2015/16

	Budget	Spend	Yearend Rephasing	Variation
	£'000	£'000	£'000	£'000
Coast Protection	460	254	193	13
Beach Hut Replacement	297	233	64	0
Cemeteries	310	45	269	-4
Vehicles & Plant	572	488	84	0
Eling Experience	933	86	847	0
Opens Space Developers' Contributions	870	872	-4	2
Transportation Developers' Contributions	344	289	55	0
Other Schemes	163	126	37	0
TOTAL NON HOUSING	3,949	2,393	1,545	11
Housing Private Sector	842	764		78
Housing Public Sector	9,706	13,095		-3,389
TOTAL HOUSING	10,548	13,859	0	-3,311
TOTAL CAPITAL PROGRAMME	14,497	16,252	1,545	-3,300

Additional funding of £3.75m was approved during 2015/16 to provide for additional Housing Acquisitions. The variation of £1.556m on non-housing items principally relates to rephasing of expenditure into future years.

5. ORGANISATIONAL INDICATORS

5.1 In support of the Council's performance an overview of the key organisational indicators for 2015/16 is detailed below.

Key Organisational Indicators 2015/16

	Desired DOT	UNITS	Actual 2014/15	Actual DOT	Actual 2015/16	Achieved target?	Target 2015/16
'Delivering where it counts'							
Council Tax - band D property	→	£	155.76	→	155.76	✓	155.76
Council Tax collected	↑	%	98.9	→	98.8	-	-
Audit Commission – Value for Money, Annual Governance Report	-	Conclusion	2013/14 Satisfied	→	2014/15 Satisfied	✓	2014/15 Satisfied
'Supporting local business'							
Visitors to Brand New Forest website	↑	Number	21,846	↑	24,857 Estimate	✓	20,000
'Providing local homes for the future'							
Applicants on the homesearch register that are of high priority	↓	Number	93	↑	95	-	-
Additional council owned homes provided	↑	Number	38	↓	32	✓	29
Affordable homes delivered through registered providers (housing associations)	↑	Number	21	↑	31	▲	46
Households in B&B during the year	↓	Number	144	↓	127	▲	100
Processing of major applications within 13 weeks	↑	%	58.73	↑	78.79	✓	60
'Working with our community'							
Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	↓	Days	5	↓	4	✓	9
Processing of minor planning applications within 8 weeks	↑	%	61.4	↑	68.2	✓	65
Availability of NFDC website home page	↑	%	99.8	↑	99.8	-	-

'Doing our bit for the environment'

Household waste sent for reuse, recycling and composting	↑	%	30	↑	30.5	▲	37
Residual household waste per household	↓	Kg/ Household	512.19	↓	511.73 Estimate	●	500

'Together with our partners'

Businesses engaged in economic development programme	↑	Number	385	↑	393	▲	450
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'Helping keep our community healthy'

Percentage of council homes classed as non-decent	↓	%	1	→	1	✓	1
Total visits to the health and leisure centres	↑	Number	1,596,893	↑	1,629,000	●	1,650,000

Desired Direction of Travel (DOT)	↑	Bigger is better
	→	Should stay the same
	↓	Smaller is better
	P	Plan is best
Actual Direction Of Travel (DOT)	↓→↑	Improved
	↓→↑	Stayed the same or small movement
	↓→↑	Got worse
Hit Target?	✓	Hit target
	●	Marginally missed target
	▲	Missed target

6. ENVIRONMENTAL, CRIME AND DISORDER AND EQUALITY IMPLICATIONS

6.1 There are no environmental, crime and disorder or equality implications arising directly from this report.

7. PORTFOLIO HOLDER'S COMMENTS

7.1 Leader: I am delighted to note that the Council is performing so well, especially during the very challenging circumstances of the last 12 months. I am grateful to the Chief Executive, staff and Members for their continued commitment to meeting the needs of local people and the business community of the New Forest.

7.2 Finance and Efficiency: I am pleased that the Council is continuing to deliver savings while providing consistently high quality front line services.

8. RECOMMENDATIONS

8.1 It is recommended that Cabinet:

- (a) Note the performance and achievements as set out within the Annual Report.
- (b) Note the provisional General Fund outturn position
- (c) Note the provisional outturn position of the Capital Programme
- (d) Note the provisional outturn position of the Housing Revenue Account.

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Background Papers: