

## **RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

### **CABINET**

**9<sup>TH</sup> MARCH 2017**

#### **COUNCIL PERFORMANCE REPORT – 31<sup>ST</sup> DECEMBER 2016 (QUARTER 3)**

#### **REPORT OF THE GROUP DIRECTOR, CORPORATE AND FRONTLINE SERVICES IN DISCUSSION WITH THE RELEVANT PORTFOLIO HOLDER, COUNCILLOR M NORRIS**

**Author:** Barrie Davies, Director of Financial Services - 01443 680559

#### **1. PURPOSE OF REPORT**

- 1.1 This report provides Members with an overview of the Council's performance, both from a financial and operational perspective, based on the first nine months of this financial year (to the 31<sup>st</sup> December 2016).

#### **2. RECOMMENDATIONS**

It is recommended that Members:

##### **Revenue**

- 2.1 Note the General Fund revenue position of the Council as at the 31<sup>st</sup> December (Section 2 of the Executive Summary).
- 2.2 Request that Cabinet approve the virements listed in Sections 2a – d of the Executive Summary that exceed the £0.100M threshold as per the Council's Financial Procedure Rules.

##### **Capital**

- 2.3 Note the updated capital budget for the financial year 2016/17 and changes in the total cost of projects over the 3-year programme (Sections 3a – f of the Executive Summary).
- 2.4 Note the details of the Treasury Management Prudential Indicators as at the 31<sup>st</sup> December 2016 (Section 3g of the Executive Summary).

##### **Corporate Plan Priorities**

- 2.5 Note the current position regarding progress made against the agreed Corporate Plan priorities and confirm whether they are satisfied with the progress being made (Sections 5 a – d of the Executive Summary).

## General

- 2.6 Consider whether they wish to receive further information or explanations from service managers, where Members have any serious concerns about performance or progress.

### **3. REASONS FOR RECOMMENDATIONS**

- 3.1 To agree the Council's financial and operational performance position as at 31<sup>st</sup> December 2016, in line with the requirements set out in its Constitution, and in doing so enable elected Members and other stakeholders to scrutinise the performance of the Council.

### **4. BACKGROUND**

- 4.1 This report provides Members with a third update of the Council's financial and operational performance position for the financial year ending the 31<sup>st</sup> March 2017.
- 4.2 The aim of the report is to bring together the Council's performance into an Executive Summary and also make available more detailed information to the reader through electronic links. Information contained in the Executive Summary includes financial data and progress against our Corporate Plan priorities, and exceptions are highlighted within the detailed sections to ensure that elected Members and other readers are able to quickly identify the key issues.
- 4.3 Members will be aware of the revised basket of measures for the current financial year (2016/17) where for a number of measures this year represents a 'baseline year' and as a result no target has been set, and for other measures performance will be reported on an annual basis. In addition, Members will note that included for quarter 3 is the Living Within Our Means priority, to reflect the timing of when information starts to become available during the year. In this regard, the following table summarises the measures across each priority area and shows when performance up dates will be reported against them.

Priority Area	No. of Measures in Priority <sup>1</sup>	No. of measures reported / with a target			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>Economy</b>	49	7 / 2	18 / 13	27 / 22	49 / 44
<b>People</b>	24	19 / 15	20 / 16	22 / 16	24 / 17
<b>Place</b>	15	5 / 3	5 / 3	7 / 5	15 / 6
<b>Living Within Our Means</b>	8	0 / 0	0 / 0	4 / 2	8 / 4
<b>Total</b>	<b>96</b>	<b>31 / 20</b>	<b>43 / 32</b>	<b>60 / 45</b>	<b>96 / 71</b>

<sup>1</sup> The number of measures in priorities / scheduled to be reported have been revised compared to that reported within the Quarter 1 and 2 Performance Reports, to take account of up dated timescales around the availability of information and the introduction of Living Within Our Means measures.

## **5. QUARTER 3 REPORT**

5.1 The Quarter 3 report is now attached and comprises:

- **Executive Summary** – setting out, at a glance, the overall performance of the Council at quarter 3;
- **Revenue Monitoring** – sections 2a – d setting out the detailed quarterly financial spend against budget across our Revenue Budget with exceptions highlighted;
- **Capital Monitoring** – sections 3a – f setting out capital spend across our Capital Programme with exceptions highlighted and section 3g covering Prudential Indicators;
- **Organisational Health** – includes information on turnover, sickness absence, organisational health related investment areas and Council strategic risks; and
- **Corporate Plan** – three action plans (sections 5a – c) setting out performance and progress against measures and actions across each of the three Corporate Plan priorities and performance measures in respect of the Living Within Our Means cross-cutting priority (Section 5d).

## **6. EQUALITY AND DIVERSITY IMPLICATIONS**

6.1 The Council's Performance Report provides a quarterly up date on financial and operational performance in line with its Constitution, statutory duties and locally determined arrangements that have previously been formally approved, where required. As a result, no Equality Impact Assessment screening form is deemed required for the purposes of this report.

## **7. CONSULTATION**

7.1 There are no consultation requirements emanating from the recommendations set out in the report.

## **8. FINANCIAL IMPLICATIONS**

8.1 There are no financial implications as a result of the recommendations set out in the report.

## **9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

9.1 There are no legal implications as a result of the recommendations set out in the report.



## **10. LINKS TO THE COUNCIL'S CORPORATE PLAN / OTHER CORPORATE PRIORITIES / SINGLE INTEGRATED PLAN**

10.1 The operational performance information included within the report has been aligned to the Council's Corporate Plan and / or Single Integrated Plan and aims to demonstrate the extent of progress Council services are making toward the delivery of these priorities.

## **11. CONCLUSION**

11.1 This report sets out the overall performance of the Council as at the 31<sup>st</sup> December 2016, that is Quarter 3.

11.2 The report demonstrates continued strong financial and operational performance results which will continue to be closely monitored during the last quarter of the 2016/17 financial year.

# COUNCIL PERFORMANCE REPORT QUARTER 3 2016/17 EXECUTIVE SUMMARY

## Contents

### Section 1 – INTRODUCTION

### Section 2 – REVENUE BUDGET

**Revenue Budget Performance** – more detailed breakdowns are included in the following sections:

- 2a Education and Lifelong Learning Services;
- 2b Community and Children’s Services;
- 2c Corporate and Frontline Services;
- 2c Chief Executive’s Division; and
- 2d Authority Wide Budgets.

**Earmark reserve update** – Section 2e provides a breakdown of committed expenditure against service areas.

### Section 3 – CAPITAL PROGRAMME

**Capital programme budget** – more detailed breakdowns are included in the following sections:

- 3a Chief Executive;
- 3b Corporate and Frontline Services;
- 3c Corporate Initiatives;
- 3d Education and Lifelong Learning;
- 3e Community and Children’s Services; and
- 3f Capital Programme Funding.

**Prudential Indicators** – a detailed breakdown is included in Section 3g.

### Section 4 – ORGANISATIONAL HEALTH

- Turnover;
- Sickness Absence;
- Organisation Health related investment areas; and
- Council Strategic Risks.

### Section 5 – CORPORATE PLAN

**Corporate Plan progress updates** – detailed progress updates are included in the following sections:

- 5a – Economy;
- 5b – People;

- 5c – Place;
- 5d - Living Within Our Means; and
- Overall summary of Corporate Plan performance indicators.

## **Section 1 – INTRODUCTION**

The Executive Summary aims to bring together and summarise the Council's financial and operational performance position as at 31<sup>st</sup> December 2016.

Throughout the Summary, electronic links have been included that enable the reader to access more detailed information, as required.

## **Section 2 – REVENUE BUDGET**

### **Revenue Budget Performance**

Service Area	2016/17 – as at 31 <sup>st</sup> December 2016		
	Full Year Budget £M	Projected Expenditure as at Quarter 3 £M	Projected Variance Over / (Under) £M
<a href="#">Education &amp; Lifelong Learning Services (2a)</a>	175.417	175.402	(0.015)
<a href="#">Community &amp; Children's Services (2b)</a>	133.278	133.387	0.109
<a href="#">Corporate and Frontline Services (2c)</a>	59.618	59.479	(0.139)
<a href="#">Chief Executive's Division (2c)</a>	11.492	11.486	(0.006)
<b>Sub Total</b>	<b>379.805</b>	<b>379.754</b>	<b>(0.051)</b>
<a href="#">Authority Wide Budgets (2d)</a>	75.030	74.707	(0.323)
<b>Grand Total</b>	<b>454.835</b>	<b>454.461</b>	<b>(0.374)</b>

### **Key Revenue Projected Variances at Quarter 3**

- Community and Children's Services
  - Provider Services (£0.710M overspend);
  - Commissioned Services (£0.700M overspend);
  - Safeguarding and Support including Children Looked After (£0.632M underspend);
  - Short Term Intervention Services (£0.527M underspend);
  - Management and Support Services – Children's Services (£0.239M underspend);
  - Long Term Care & Support (£0.174M overspend);
  - Management, Safeguarding and Support Services – Adults (£0.139M underspend);
  - Leisure, Parks and Countryside and Community Facilities (£0.128M overspend);
  - Intensive Intervention (£0.121M underspend); and
  - Environmental Health, Trading Standards and Community Safety (£0.056M underspend).

- Education & Lifelong Learning Services
  - School Achievement (£0.055M underspend).
- Corporate and Frontline Services
  - Financial Services (£0.077M underspend).
- Chief Executive's Division
  - Regeneration & Planning (£0.097M overspend).
- Authority Wide
  - Council Tax Reduction Scheme (£0.826M underspend); and
  - Miscellaneous (£0.486M overspend).

### **Earmark Reserve Up Date**

- A breakdown of expenditure committed against approved earmark reserves for Service Areas can be viewed at Section 2e by clicking [here](#).
- Following the completion of a detailed risk assessment of earmark reserves during the quarter, the total available resource has been revised from £13.602M to £13.241M. The difference, amounting to £0.361M, has been released and has been utilised to part contribute to funding the Council's up dated three-year Capital Programme and existing investment priorities, as reported to Council on the 1<sup>st</sup> March 2017.

## **Section 3 – CAPITAL PROGRAMME**

### **Capital Programme Budget**

Service Area	2016/17 - as at 31 <sup>st</sup> December 2016	
	Capital Budget £M	Actual Expenditure £M
<a href="#">Chief Executive (3a)</a>	11.062	1.697
<a href="#">Corporate and Frontline Services (3b)</a>	28.192	13.244
<a href="#">Corporate Initiatives (3c)</a>	2.484	0.771
<a href="#">Education &amp; Lifelong Learning Services (3d)</a>	41.785	28.159
<a href="#">Community &amp; Children's Services (3e)</a>	12.247	6.747
<b>Total</b>	<b>95.770</b>	<b>50.618</b>

### Key Capital Variances at Quarter 3

- Community and Children's Services - New grant approvals introduced into the Capital Programme, for example, Welsh Government Delivery of Adaptations in relation to ENABLE - Support for Independent Living (£0.304M); and
- Re-profiling of a number of projects to reflect changes in the total cost of schemes and revised delivery timescales.

For information on how the Capital Programme is funded see section 3f by clicking [here](#).

### Prudential Indicators

For a detailed breakdown of Prudential Indicators, see section 3g by clicking [here](#).

## Section 4 – ORGANISATIONAL HEALTH

### • Turnover

Service Area	2016/17		2015/16			
	As at 31st Dec 16		As at 31 <sup>st</sup> Dec 15		As at 31 <sup>st</sup> Mar 16	
	Staff Nos.	% Turnover	Staff Nos.	% Turnover	Staff Nos.	% Turnover
<b>Turnover – Council Wide</b>	<b>10,933</b>	<b>10.02</b>	<b>11,288</b>	<b>10.99</b>	<b>11,245</b>	<b>13.13</b>
Community & Children's Services	2,815	8.31	2,955	8.80	2,873	12.04
Corporate & Frontline Services	1,197	4.85	1,219	9.68	1,207	12.34
Education & Lifelong Learning (inc Schools)	6,628	11.77	6,806	12.08	6,865	13.56
Chief Executive	293	7.85	308	13.31	300	16.67

### • Sickness Absence

Service Area	2016/17	2015/16	
	As at 31st Dec 16 %	As at 31st Dec 15 %	As at 31 <sup>st</sup> Mar 16 %
<b>% days lost to sickness absence – Council Wide</b>	<b>4.42</b>	<b>4.58</b>	<b>4.68</b>
Community & Children's Services	6.94	7.24	7.40
Corporate & Frontline Services	3.99	4.06	4.26
Education & Lifelong Learning (inc Schools)	3.53	3.59	3.68
Chief Executive	2.32	3.11	3.06



For a more detailed breakdown of 2016/17 sickness absence information, click [here](#).

- **Organisation Health related investment areas**

Progress in our Investment Priorities – Organisational Health		
Investment Area	Investment Value £M	Quarter 3 Update
IT Infrastructure	0.500	Specific projects are progressing to further exploit information technology and continue to improve the information technology infrastructure. In support of the Agile working pilots and in line with the accommodation rationalisation strategy, ICT has established a number of key strategically located hot-desk zones across the County Borough which are bookable online. ICT has also engaged a number of suppliers around improvements necessary to support a more agile and digital workforce and identified suitable product ranges which are due to be procured during quarter 4.
Council Wide Energy Efficiency	1.050	Of the 49 projects within the overall programme, 30 have been completed, 13 are underway on-site, 5 are at the design / tender stage and 1 is being re-examined in terms of viability. Examples of completed projects include: installing photovoltaic systems at Llwynyrwn and Penywaun Primary Schools and Tonypandy Community College, and heating and lighting system improvements at a number of home for the elderly establishments, leisure centres, schools and offices.
<b>Total</b>	<b>1.550</b>	

- **Council Strategic Risks**

The Strategic Risk Register can be viewed by clicking [here](#). Since quarter 2, there have been no changes to the risk scores associated with the Council's strategic risks.

## Section 5 – CORPORATE PLAN

### Corporate Plan progress updates

- **ECONOMY** (Section 5a)

#### Summary of progress to 31<sup>st</sup> December 2016

Good progress has been made in establishing the governance arrangements for the Cardiff Capital Region City Deal, and in January / February 2017 the ten councils formally committed to creating a regional Joint Cabinet and to make the financial commitments necessary to deliver the £1.2bn investment.

Good progress continues to be made on the physical developments such as the 21<sup>st</sup> Century Schools Programme and the Taff Vale Development. The pupils of Y Pant Comprehensive School moved into their new school buildings before Christmas and good progress is being made at Treorchy, Tonypany, Tonyrefail and Porth Comprehensive School sites. The demolition and clearance of the current Taff Vale site will start in quarter 4 to prepare for the planned development.

The KS4 results for the 2015/16 academic year were published in December, and the pupils of the County Borough achieved their best ever results in respect of the key performance indicators, Level 1 threshold, Level 2 threshold, Level 2 threshold including English/Welsh and mathematics and the capped points score. The level 1 threshold, the Level 2 threshold and the capped points score were in the top 3 of local authorities in Wales.

However, despite this good progress, the schools and the Council had expected the performance to be even higher for the Level 2 threshold plus and the capped points score indicators. The Council and the Consortium will continue to work with the schools that did not achieve their targets and ensure the necessary pupil support and interventions are in place to maximise pupil performance.

Full action plan can be viewed by clicking [here](#).

#### Progress in our KEY PERFORMANCE INDICATORS as at 31<sup>st</sup> December 2016

Total no. of PIs in the Priority	Total no. of PIs reported this qtr	No. of PIs reported this qtr with Target	On Target		Not on Target*		Within 5% of Target*	
			No.	%	No.	%	No.	%
49	27	22	9	41	6	27	7	32

\* Members will note that the results relate to school attainment and attendance for the 2015/16 academic year, and when compared to performance in 2014/15 a clear trend of improvement has been achieved: nine indicators improved, one indicator maintained its performance and continued prioritised attention is being afforded to three indicators that did not show improvement during this period i.e. primary school attendance; percentage difference in the attendance of free school meal / non-free school meal pupils in primary schools; and the number of fixed term exclusions per 1,000 pupils in primary schools.

Progress in our Investment Priorities – Economy		
Investment Area	Investment Value £M	Quarter 3 Update
Empty Property Grant	1.500	Out of a total of 114 application forms issued: 8 approved; 10 surveys completed and awaiting proposed schedule of works; and 12 survey appointments in the process of being arranged. For the remaining 84 applications: 2 cancellations; eligibility checks in the process of being undertaken on 22 applications; 8 applications not eligible due to the property not being vacant for more than 6 months; and 52 forms not yet returned by applicants.
Graduate Officers	0.200	10 <sup>2</sup> Graduate officers have been appointed and commenced employment in September 2016.
Schools	2.000	Programme of works agreed and works have commenced e.g. classroom up grades to Alaw and Heol y Celyn Primary Schools and Bryncelynog Comprehensive School; remodelling at Park Lane Special School to provide changing and hygiene room provision to accompany the hydrotherapy pool; provision of new kitchens at Llwynypia and Pontrhondda Primary Schools; and replacement roof at Ysgol Ty Coch.
Town Centres and Village Centres	0.300	Works progressing that cover resurfacing / re-lining roads, painting fencing/barriers, signage and benches in town centres.
Transport Infrastructure	1.000	A programme of projects are underway that include highway lane widening and improvements to junction layouts and traffic signal arrangements (as reported to Cabinet on 19 <sup>th</sup> April 2016).
Taff Vale Development (New – funding approved during quarter 3)	2.024	Further investment approved by Council (30 <sup>th</sup> November 2016 meeting) to support the next phase of the programme i.e. appointing external project and cost managers to agree the details of the proposal, including the cost plan, business case for the development and to manage the construction phase (the £2.024M funding excludes construction costs and is in addition to the initial £1.5M investment approved by Council on 28 <sup>th</sup> October 2015).
<b>Total</b>	<b>7.024</b>	

<sup>2</sup> Graduate Officers – the Quarter 2 Performance Report noted the number of graduate as 11. This has been revised due to an officer being appointed to a non-graduate position.

- **PEOPLE** (Section 5b)

### Summary of progress to 31<sup>st</sup> December 2016

Quarter 3 performance against the agreed priorities and targets has again been generally positive and progress continues to be made in delivering our multi agency change and improvement programme supported by the Social Services and Well being Act requirement (focussing on supporting independence and control). Our continued focus on wellbeing services (e.g. community based Leisure facilities) and new service models (e.g. Stay Well at Home and Ty Heulog Extra care facility at Talbot Green) is delivering improved outcomes for people and our communities.

We will continue to focus on the areas that now need to be prioritised for improvement e.g. numbers of children looked after, delayed transfers of care and alternatives to traditional models of provision, and are working with a range of partners to deliver a joined up, multi-agency response to these.

Full action plan can be viewed by clicking [here](#).

### Progress in our KEY PERFORMANCE INDICATORS as at 31<sup>st</sup> December 2016

Total no. of PIs in the Priority	Total no. of PIs reported this qtr	No. of PIs reported this qtr with Target	On Target		Not on Target		Within 5% of Target	
			No.	%	No.	%	No.	%
24	22	16	12	75	4	25	0	0

- **PLACE** (Section 5c)

### Summary of progress to 31<sup>st</sup> December 2016

Overall, good progress has been made during the third quarter, building on work undertaken during the first half of the year.

Positive outcomes are starting to be evidenced through the Divert Project that focuses on community safety and cohesion through helping to prevent offending / re-offending by people aged 18 – 25. Since the project's introduction in April 2016, 113 young adults have participated in the programme with a 100% non-reoffending rate to date.

Investment in parks and green spaces continues: two further 3G sports pitches came into use during quarter 3, at Pentre and Caedrawnant (Mountain Ash), these developments being alongside the 3G pitch that became operational at Sardis Road (Pontypridd) in quarter 2. In addition, 20 play areas have been refurbished since April 2016, with further schemes scheduled for completion by March 2017, and works are nearing completion on a programme to up grade playing field changing rooms across the County Borough.

Working in partnership has continued to be a central principle. This has included improvement works to the exterior of Tonypany library, in response to community feedback, and the resettlement of 6 Syrian families (34 people) to date.

The programme of highways investment has continued to make positive progress including the completion of significant bridge works at Aberaman and Fiddler's Elbow.

Recycling performance continues to be better than the target set and preparatory work has begun, supported by funding secured from 'Recycle for Wales', to enable a food waste campaign to be delivered in Ynysbwl, Penrhiwceiber, Gilfach Goch, Treforest and Maerdy early in 2017. Enforcement work to maintain street cleanliness is a high priority with dog fouling patrols being a key focus of attention.

Full action plan can be viewed by clicking [here](#).

### Progress in our KEY PERFORMANCE INDICATORS as at 31<sup>st</sup> December 2016

Total no. of PIs in the Priority	Total no. of PIs reported this qtr	No. of PIs reported this qtr with Target	On Target		Not on Target		Within 5% of Target	
			No.	%	No.	%	No.	%
15	7	5	4	80	0	0	1	20



### Progress in our Investment Priorities – PLACE

Investment Area	Investment Value £M	Quarter 3 Update
Flood Alleviation	0.300	11 schemes have been completed including Tirfounder Fields, Cwmbach; Pendre Crescent, Llanharan; and Cemetery Road, Treorchy.
Green Teams	0.100	Additional operatives have been appointed and have commenced roles.
Highways Infrastructure Repairs	3.500	A programme of work is in the process of being undertaken to resurface and strengthen highways (as reported to Cabinet on 19 <sup>th</sup> April 2016).
Outdoor Leisure Facilities	0.500	Three new all weather 3G pitches are being supported: one pitch came into use in September 2016 (Sardis Road Rugby Club) and the pitches at Pentre and Caedrawnant (Mountain Ash) became operational in December 2016. In addition, preparatory work is underway to construct a 3G pitch at a fourth site, Maritime, Pontypridd.
Play Areas	0.200	Of 40 schemes being delivered, 20 have been completed (e.g. Trehafod Playing Fields; Clydach Park, Ynysbwl; and Heol Celyn, Church Village), 11 are scheduled to be completed in quarter 4 and 9 are scheduled to be completed in quarter 1 of 2017/18.
Waste Recycling Centre - Dinas	0.150	Preparatory work is continuing to enable this project to be progressed, for example, Cabinet at its meeting on 24 <sup>th</sup> November 2016 approved for a local charitable organisation to be commissioned to provide enhanced dog kennelling facilities that could release the land that currently houses the Council's animal shelter to support the re-development of the Dinas Recycling Centre.

**Progress in our Investment Priorities – PLACE**

Investment Area	Investment Value £M	Quarter 3 Update (continued)
Cynon Gateway South – Mountain Ash Cross Valley Link (New phase – funding approved during quarter 3)	2.000	Further investment approved by Council (30 <sup>th</sup> November 2016 meeting) to take forward the next phase of the work, including land acquisition. At the 15 <sup>th</sup> December 2016 Cabinet meeting, it was agreed that authority be granted for a planning application to be submitted.
Structures: St Albans Bridge and Brook Street Footbridge (New – funding approved during quarter 3)	3.500	New investment approved by Council (30 <sup>th</sup> November 2016 meeting) to address the priority works required in these two areas
<b>Total</b>	<b>4.750</b>	

• **LIVING WITHIN OUR MEANS** (Section 5d)

The Council’s Corporate Plan aims to apply a disciplined and planned approach to meeting the financial challenges ahead and has set a number of measures to gauge efficiency and the use of resources. These can be viewed by clicking [here](#) and a summary position is included below.

**Progress in our KEY PERFORMANCE INDICATORS as at 31<sup>st</sup> December 2016**

Total no. of PIs	Total no. reported this qtr	No. of PIs reported this qtr with Target	On Target		Not on Target		Within 5% of Target	
			No.	%	No.	%	No.	%
8	4	2	2	100	0	0	0	0

• **OVERALL SUMMARY OF CORPORATE PLAN PERFORMANCE INDICATORS**

**Progress in our KEY PERFORMANCE INDICATORS as at 31<sup>st</sup> December 2016**

Total no. of PIs	Total no. reported this qtr	No. of PIs reported this qtr with Target	On Target		Not on Target		Within 5% of Target	
			No.	%	No.	%	No.	%
96	60	45	27	60	10	22	8	18

Of the above 45 performance indicators reported this quarter (with Target), 43 have prior year information to compare our year on year performance against. Further context in this regard can be accessed by clicking [here](#).