

The Highland Council

Agenda Item	7
Report No	CP/17/24

Committee: Communities and Place

Date: 5 September 2024

Report Title: Near Final Outturn Revenue Budget Monitoring for 2023/24 and Service Performance Reporting for Q1 2024/25

Report By: Assistance Chief Executive - Place

1. Purpose/Executive Summary

- 1.1 The report provides Members with the near final outturn revenue budget monitoring statement for 2023/24. The Service budget is £43.734m with a predicted year end overspend of £1.962m (4.49%).
- 1.2 This report also provides performance information on:
 - Corporate Indicators
 - Contribution to the Performance Plan
 - Service Plan Progress
 - Mitigation of Service Risks
 - Service updates out with the Corporate Indicators or Service Plan

The content and structure are intended to:

- assist Member scrutiny and performance management
- inform decision making to aid continuous improvement, and
- provide transparency and accessibility

2. Recommendations

2.1 Members are asked to:

- i. **CONSIDER** the Service's revenue monitoring position; and
- ii. **SCRUTINISE** the Service's performance and risk information.

3. Implications

3.1 **Resource** - These are described throughout the report including discussing the latest budget positions.

- 3.2 **Legal** - This report contributes to the Council's statutory duties to report performance and secure best value in terms of; Section 1(1)(a) of the Local Government Act 1992, and Section 1 of the Local Government in Scotland Act 2003, respectively.
- 3.3 **Risk** - Risk implications to the budget position will be kept under regular review with updates reported to this Committee.
- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - There are no immediate health and safety implications arising from this report.
- 3.5 **Gaelic** - There are no implications for Gaelic arising from this report.

4. Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is a monitoring report and therefore an impact assessment is not required.

5. Communities and Place Revenue Budget – Near Final Outturn 2022/23

- 5.1 The near final outturn revenue budget monitoring statement for 2023/24 showing net position can be found at **Appendix 1** and the gross position at **Appendix 2**.
- 5.2 The near final outturn position at year end was £45.696m against a budget of £43.734m which represents an overspend of £1.962m (4.49%).
- 5.3 Members are reminded that the pressures in 2023/24 continued to be higher vehicle lease and contractor costs. In an addition to this, the sale of lairs was lower than anticipated. These were partially offset by staff underspends and higher than anticipated achieved income within the Waste Management service. The Administration heading includes all the Service's unallocated efficiency savings from previous years which are yet to be allocated permanently to the other budget headings in the Service.

6. Service Performance – Corporate Indicators

- 6.1 Service performance in relation to Absence, Complaints, FOIs, and Invoice Payments are set out in the following sub-sections.
- 6.2 **Service Attendance Management**
Staff absence is a nationally benchmarked indicator. Effective absence management supports staff, maintains productivity, and contributes to the Council's benchmarked performance. In Q1 the Service lost an average of 4.21 days per employee compared to an average of 3.24 for the Council as a whole.

Communities and Place

Average number working days per employee lost through sickness absence

Average Days Lost	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Q3 23/24	Q4 23/24	Q1 24/25
Communities and Place	3.45	2.74	3.60	3.80	4.27	4.38	4.31	4.21
Highland Council	1.58	1.89	2.88	2.48	2.08	3.35	3.48	3.24

6.2.1 The Service will continue to focus on increased engagement and support to staff utilising all HR Policies available to improve this area. This includes fully utilising the Occupational Health services and critically appraising the range of data including long-term absences to better understand the reasons for absence and how best to support staff back into work wherever practicable. The HR Attendance Support Officers continue to play an important role in assisting both managers and employees and their support extends to situations where absence has become very complex or when an employee faces a life changing or terminal diagnosis.

6.3 Service Complaints Response Times

Monitoring complaints provides important feedback which can facilitate decision making and service design. Services are responsible for responding to complaints which are issued on their behalf by the Customer and Resolution Improvement Team ('CRIT').

Performance for complaints during Q1 against a corporate target of 80% was as follows:

Complaints - Communities and Place

Number of closed complaints and the % compliant with the legislative timescale

Frontline Resolution within 5 days

	Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24		Q3 23/24		Q4 23/24		Q1 24/25	
Communities and Place	64	94 %	33	100 %	22	95 %	64	97 %	37	92 %	36	89 %	57	82 %	62	85 %
Highland Council	163	90 %	137	93 %	101	90 %	159	92 %	132	78 %	150	80 %	189	76 %	223	84 %

Investigation Resolution within 20 days

	Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24		Q3 23/24		Q4 23/24		Q1 24/25	
Communities and Place	4	100 %	2	50 %	4	0 %	11	36 %	8	38 %	2	100 %	7	43 %	7	43 %
Highland Council	54	31 %	49	47 %	63	41 %	97	63 %	85	49 %	67	48 %	98	46 %	87	46 %

Escalated Resolution within 20 days

	Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24		Q3 23/24		Q4 23/24		Q1 24/25	
Communities and Place	5	20 %	3	33 %	2	50 %	8	75 %	4	75 %	5	80 %	4	75 %	7	57 %
Highland Council	34	32 %	22	36 %	15	33 %	32	50 %	32	41 %	28	57 %	34	35 %	47	32 %

Performance of frontline complaint handling continues to be above the corporate target. Just under half of investigation complaints are delivered within the required timescale and this remains an area of focus for the service.

6.4 Service Freedom of Information ('FOI') Response Times

FOI requests are co-ordinated by CRIT in collaboration with the Service teams which may hold information relevant to the request.

The performance for FOI response times during Q1 against a corporate target of 90% was as follows:

Freedom of Information Requests - Communities and Place

% of FOIs closed compliant with the legislative timescale

% FOIs Compliant - Communities and Place	Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24		Q3 23/24		Q4 23/24		Q1 24/25	
		63	92 %	101	86 %	96	84 %	63	90 %	58	95 %	56	95 %	103	87 %	103

% FOIs Compliant - Highland Council	Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24		Q3 23/24		Q4 23/24		Q1 24/25	
		364	82 %	478	81 %	536	75 %	399	84 %	333	88 %	338	89 %	548	77 %	511

Tables display the number of FOIs closed within the quarter and % of those that were compliant with the legislative timescale (20 working days) for the service and the Highland Council overall.
The Scottish Information Commissioner requires the Council to achieve a minimum compliance rate of 90%.

Q1 performance fell slightly short of the target of 90%, although improving on the previous quarter, and continues to compare favourably to Council performance. The number of FOIs remains high and represents around a fifth of all those received within the organisation.

6.5 Service Invoice Payment Times

Payment of invoices within 30 days of receipt is a Council Statutory Performance Indicator (PI). The Council also monitors the number of invoices paid within 10 days of receipt.

The performance for invoice payment times within 30 days and 10 days during Q1 against a target of 95% and 77%, respectively, was as follows:

Communities and Place - Invoice Payments

Invoice Payment within 30 days	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Q3 23/24	Q4 23/24	Q1 24/25
Communities and Place	97.2 %	96.8 %	96.4 %	97.5 %	98.4 %	98.6 %	96.9 %	80.8 %
Highland Council	94.2 %	95.1 %	94.9 %	95.1 %	96.7 %	95.6 %	93.6 %	87.7 %

Invoice Payment less than 10 days	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24	Q3 23/24	Q4 23/24	Q1 24/25
Communities and Place	78.6 %	75.2 %	72.7 %	81.2 %	90.6 %	89.2 %	86.0 %	49.7 %
Highland Council	73.4 %	70.4 %	71.6 %	72.8 %	80.9 %	75.3 %	69.7 %	57.0 %

There has been a reduction in invoice payment time performance compared to previous quarters, where performance consistently was above target. This is reflected across the organisation and is assessed to be related to the introduction and implementation of the new finance system in the first quarter of 2024/25. It is anticipated that performance will return to previous levels in the next quarter.

7. Service Contribution to the Corporate Plan

7.1

PIs/Actions in the Corporate Plan	Period	Data	Period	Data	Period	Data
Involved Communities: Area Place Plans for each Council area CP2.04/CP3.07/CP4.03/CP5.06	Q3 23/24	On Target	Q4 23/24	On Target	Q1 24/25	On Target
Street Cleanliness Score CP2.07 ENV3c	FY 21/22	93.70 %	FY 22/23	96.10 %	FY 23/24	96.40 %
Continue partnership with ILM CP4.06	Q3 23/24	On Target	Q4 23/24	On Target	Q1 24/25	On Target
% Household waste recycled CP4.06 ENV6a	FY 21/22	37.4 %	FY 22/23	37.2 %	FY 23/24	
Increase areas identified for food growing and ecological benefit CP4.11	Q3 23/24	On Target	Q4 23/24	On Target	Q1 24/25	On Target
ERDs being completed - CPL CP5.01	Q3 23/24	Some Slippage	Q4 23/24	Some Slippage	Q1 24/25	Some Slippage
The 'My Council' project CP5.03	Q3 23/24	On Target	Q4 23/24	On Target	Q1 24/25	On Target
Supporting and engaging with Community Councils CP5.05	Q3 23/24	On Target	Q4 23/24	On Target	Q1 24/25	On Target

7.2 Overall, progress against the PIs and actions are positive. Work continues to deliver ERDs (Employee Review and Development) across the Service in line with the new ERD process designed by HR.

8. Service Plan Progress

8.1

Community Development and Involvement Approaches Q1 24/25						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Agreement of new Allotments policy	Q4 23/24	Completed	Q1 24/25			Completed Q4 23/24
Involved Communities: Area Place Plans for each Council area CP2.04/CP3.07/CP4.03/CP5.06	Q4 23/24	On Target	Q1 24/25	On Target		Due to complete Q3 25/26
Develop and implement a new integrated impact assessment tool	Q4 23/24	On Target	Q1 24/25	Completed		Completed Q1 24/25
Develop a marketing approach to promote and increase civil ceremonies offering	Q4 23/24	On Target	Q1 24/25	On Target		Due to complete Q1 24/25
Development of Community Benefits Policy Procured and Voluntary Benefits	Q4 23/24	Some Slippage	Q1 24/25	On Target		Due to complete Q4 23/24
External Annual Examination by National Records of Scotland	CY 2022	96 %	CY 2023		98 %	annual update November
Implementation of new SPSO Child Friendly Complaints process – UNCRC	Q4 23/24	Some Slippage	Q1 24/25	On Target		Due to complete Q4 24/25
Review of the Community Council Scheme	Q4 23/24	On Target	Q1 24/25	On Target		Due to complete Q3 25/26
Undertake Review of Customer Services process/operations and implement changes	Q4 23/24	On Target	Q1 24/25	Some Slippage		Due to complete Q1 24/25

8.2

Bereavement Services, Transforming Services for Significant Life Events Q1 24/25						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Bereavement: Progressing Lean review of burials	Q4 23/24	Some Slippage	Q1 24/25	Some Slippage		Due to complete Q4 23/24
Delivery of Burial Ground Projects	Q4 23/24	On Target	Q1 24/25	On Target		Targets set in project plan
Develop an approach for refurbishment /modernisation of Inverness crematorium	Q4 23/24	Completed	Q1 24/25			Completed Q4 23/24

8.3

Environmental Health Q1 24/25						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
95% of high risk private water supplies are inspected and sampled	FY 22/23	44 %	FY 23/24		95 %	annual update August
Business case to review resources re sampling private water supplies	Q4 23/24	Completed	Q1 24/25			Completed Q4 23/24
Develop revised PI for food safety based on risk of premises	Q4 23/24		Q1 24/25			Complete Q3 23/24

8.4

Transforming our Approach to Community Spaces Q1 24/25						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Review playpark strategy	Q4 23/24		Q1 24/25			Completed Q3 23/24
Develop community volunteering policy	Q4 23/24	Some Slippage	Q1 24/25	Some Slippage		Due to complete Q3 23/24
Progress the workstreams in the Amenities Review	Q4 23/24		Q1 24/25			Completed Q2 23/24

8.5

Fleet Rationalisation [Sustainable Business Travel] Q1 24/25						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Continue low emission approach for provision of heavy fleet	Q4 23/24	On Target	Q1 24/25	Completed		Completed Q1 24/25
Design Sustainable Business Travel Approach and Action Plan	Q4 23/24		Q1 24/25			Completed Q2 23/24

8.6

Waste Q1 24/25						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Street Cleanliness Score CP2.07 ENV3c	FY 22/23	96.10 %	FY 23/24	96.40 %	95.70 %	annual update December
% Household waste recycled CP4.06 ENV6a	FY 22/23	37.2 %	FY 23/24			annual update September
Deliver RIF Project – Implementation [phased]	Q4 23/24	On Target	Q1 24/25	On Target		Due to complete Q2 25/26
Deliver the Lochaber Waste Transfer Station Project	Q4 23/24	On Target	Q1 24/25	Some Slippage		Due to complete Q3 24/25
Delivery Bulky Waste Shredders	Q4 23/24	Some Slippage	Q1 24/25	Some Slippage		Due to complete Q1 24/25
Net Cost of Waste Collection per Premise ENV1a	FY 22/23	£ 87.72	FY 23/24			annual update November
Net Cost of Waste Disposal per Premise ENV2a	FY 22/23	£ 103.06	FY 23/24			annual update November
Net Cost of Street Cleaning per 1000 popn ENV3a	FY 22/23	£ 9,880	FY 23/24			annual update November
% adults satisfied - refuse collection ENV7a	FY 22/23	92.0 %	FY 23/24			annual update December
% adults satisfied - street cleaning ENV7b	FY 22/23	69.7 %	FY 23/24			annual update December
Undertake feasibility assessment into Energy from Waste Plant	Q4 23/24		Q1 24/25			Completed Q3 23/24

- 8.7 Overall, progress against the PIs and actions is very positive. Key points of note would be:
- Review of customer services processes, is reporting some slippage which relates to finalising documentation and will be complete in the coming weeks
 - The lean review of burials administration aims to be completed by December 2024. This has been delayed due to competing priorities and limited resources.
 - Work on the development of a community volunteering policy will recommence during Q2. Delivery of the policy continues to report some slippage which relates to a change in staffing.
 - Through the work being undertaken with our Project Design Unit, the delivery of the Lochaber waste transfer station is forecast to be constructed and fully operational by May 2025.
 - The delivery of two bulky waste shredders is on target to be installed and fully operational by April 2025.

9. Service Risks Mitigation

- 9.1 The Service is further developing the administration of the Service Risk Register to be managed on PRMS (Performance and Risk Management System). This includes delivery of key projects, availability of parts/stock/vehicles, finance and sustainable workforce.

Designation: Assistant Chief Executive - Place

Date: 16 August 2024

Authors: Alison Clark, Head of Community Support, Contact & Engagement
Caroline Campbell, Head of Community Operations & Logistics
Alan Yates, Strategic Lead Environmental Health & Bereavement Services
Alan McKinnie, Strategic Lead (Waste Strategy & Ops)
Sophie Stuart, Corporate Performance Business Partner

Appendices:

Appendix 1: Communities and Place Near Final Outturn 2023/24 – Net Position

Appendix 2: Communities and Place Near Final Outturn 2023/24 – Gross Position

Appendix 1

COMMUNITIES AND PEOPLE / PLACE SERVICES BUDGET 2023/24 NEAR FINAL				
	£'000	£'000	£'000	£'000
	Annual	Actual	Year End	Year End
	Budget	YTD	Estimate	Variance
BY ACTIVITY				
Waste Management Services	26,001	25,400	25,400	(601)
Public Health & Bereavement Services	3,442	3,619	3,619	177
Community Spaces	2,475	2,463	2,463	(12)
Community Support, Contact & Engagement	3,324	2,998	2,998	(326)
Stores & Logistics	8,758	10,345	10,345	1,587
Administration	(266)	871	871	1,137
TOTAL	43,734	45,696	45,696	1,962
BY SUBJECTIVE				
Staff Costs	38,224	37,299	37,299	(925)
Other Expenditure	31,503	34,039	34,039	2,536
Gross Expenditure	69,727	71,338	71,338	1,611
Grant Income	(305)	(640)	(640)	(335)
Other Income	(25,688)	(25,002)	(25,002)	686
Total Income	(25,993)	(25,642)	(25,642)	351
NET TOTAL	43,734	45,696	45,696	1,962

Appendix 2

COMMUNITIES AND PEOPLE / PLACE SERVICES BUDGET 2023/24 NEAR FINAL														
	GROSS EXPENDITURE				VARIANCE ANALYSIS		GROSS INCOME				NET TOTAL			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Staff Costs Variance	Other Costs Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance
BY ACTIVITY														
Waste Management Services														
Kerbside Refuse Collections	10,233	10,517	10,517	284	285	(1)	(5,918)	(5,832)	(5,832)	86	4,315	4,685	4,685	370
Waste Disposal (Transfer, Haulage & Landfill)	14,087	13,972	13,972	(115)	(185)	70	(559)	(552)	(552)	7	13,528	13,420	13,420	(108)
Recycling Centres, Transfer & Treatment	6,074	5,963	5,963	(111)	24	(135)	(249)	(724)	(724)	(475)	5,825	5,239	5,239	(586)
Street Cleaning	2,383	2,125	2,125	(258)	(262)	4	(50)	(69)	(69)	(19)	2,333	2,056	2,056	(277)
Public Health and Bereavement Services														
Environmental Health & Regulation	3,539	3,320	3,320	(219)	(217)	(2)	(867)	(840)	(840)	27	2,672	2,480	2,480	(192)
Bereavement Services, Burials & Cremations	5,889	5,803	5,803	(86)	(241)	155	(6,279)	(6,019)	(6,019)	260	(390)	(216)	(216)	174
Public Conveniences	1,425	1,543	1,543	118	22	96	(265)	(188)	(188)	77	1,160	1,355	1,355	195
Community Spaces														
Grounds Maintenance & Play Areas	8,654	8,461	8,461	(193)	(573)	380	(6,179)	(5,998)	(5,998)	181	2,475	2,463	2,463	(12)
Community Support, Contact and Engagement														
Ward & City Management	689	740	740	51	47	4	0	(28)	(28)	(28)	689	712	712	23
Ward Discretionary Grant	932	917	917	(15)	0	(15)	0	0	0	0	932	917	917	(15)
Policy & Community Support Co-ordination	572	520	520	(52)	(10)	(42)	(20)	(111)	(111)	(91)	552	409	409	(143)
Customer Contact (Service Points, Service Centre & Registrars)	1,804	1,643	1,643	(161)	(203)	42	(653)	(683)	(683)	(30)	1,151	960	960	(191)
Stores and Logistics														
Fleet & Plant	11,632	12,897	12,897	1,265	(584)	1,849	(3,778)	(3,526)	(3,526)	252	7,854	9,371	9,371	1,517
Stores	1,651	1,732	1,732	81	27	54	(1,009)	(1,006)	(1,006)	3	642	726	726	84
Travel Desk	262	248	248	(14)	(20)	6	0	0	0	0	262	248	248	(14)
Administration														
Service Leadership	(99)	937	937	1,036	965	71	(167)	(66)	(66)	101	(266)	871	871	1,137
TOTAL	69,727	71,338	71,338	1,611	(925)	2,536	(25,993)	(25,642)	(25,642)	351	43,734	45,696	45,696	1,962