Public Document Pack

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06 September 2022

CABINET - TUESDAY, 13TH SEPTEMBER, 2022
SUPPLEMENTARY REPORT PACK – AGENDA ITEM 5 – RESOURCING BETTER OUTCOMES

Please find enclosed, for consideration at the next meeting of the Cabinet taking place on Tuesday, 13th September, 2022, at 6.30pm the following report that was unavailable when the agenda was published.

Agenda No	Item
5	**Resourcing Better Outcomes - Finance and Corporate Performance Report for July (Period 4)** **(Pages 1 - 80)** Report of Executive Director (Finance and Resources) attached

Rob Harris
Principal Democratic Services Officer

Southend-on-Sea City Council

Report of the Deputy Chief Executive and Executive Director (Finance & Resources)
To
Cabinet

On
13 September 2022

Agenda Item No.
5

Report prepared by:
Pete Bates, Interim Director of Financial Services,
Caroline Fozzard, Senior Finance Lead (Strategy, Sustainability and Governance), Gareth Nicholas (Insights Manager)

Resourcing Better Outcomes – Finance and Corporate Performance Report 2022/23 – Period 4
All Scrutiny Committees
Cabinet Members: Councillor Stephen George and Councillor Paul Collins
Part 1 (Public Agenda Item)

1 Purpose of Report

The Resourcing Better Outcomes finance and corporate performance report is a key tool in scrutinising the Council's overall performance. It is designed to provide an overview to all relevant stakeholders at regular stages throughout the financial year. It is essential that the Council monitors its budgets and assesses its performance regularly to ensure that it is meeting its strategic objectives and providing value for money. This approach highlights where corrective action is necessary and reasonable mitigation is required to try to deliver a balanced financial position by the end of the year. Given the current operating environment and the significant increases experienced in both service demand and unavoidable inflationary cost pressures arising from the global cost of living crisis, this will be an incredibly difficult ambition to achieve in 2022/23. This report summarises the current forecast position for this financial year and highlights the need to make some difficult choices and take decisive action.

2 Recommendations

That, in respect of the 2022/23 Revenue Budget Performance as set out in appendix 1 to this report, Cabinet:

2.1 **Note the forecast outturn for 2022/23 for the General Fund and the Housing Revenue Account as at 31 July 2022;**

2.2 **Note the management action taken and to be taken to reduce the forecast overspend of the Council's revenue budget for 2022/23;**

2.3 **Approve the transfer of £500,000 from HRA reserves to support the increase in repairs and maintenance costs;**

2.4 **Approve the planned budget transfers (virements) of £2,327,766 from earmarked reserves, as set out in section 4.50.**

That, in respect of the 2022/23 Capital Budget Performance as set out in appendix 2 of this report, Cabinet:

2.5 **Note the expenditure to date and the forecast outturn as at 31 July 2022 and its financing;**

2.6 **Approve the requested changes to the capital investment programme for 2022/23 and future years, as set out in section 4 of appendix 2.**

2.7 **Note the Corporate Performance Report as at 31 July 2022 set out in appendix 3.**

3 Unprecedented Levels of Uncertainty and Financial Challenge Continues

3.1 The Local Government Association (LGA) has recently raised concerns about the “disastrous” impact that rising inflation from the cost of living crisis could have on council services, which would go on to affect residents.

3.2 Where possible Local Authorities are setting up contingency funds and earmarking reserves specially for inflationary pressures. Members will recollect that for this authority, as part of the cabinet report in June on the Council’s favourable outturn for 2021/22 and its resilient reserves position, it was resolved to set up an initial new cost of living reserve of £2m to support both residents and the council in combatting the latest pressures from the cost of living crisis.

3.3 In other Local Authority’s for example, Tonbridge and Malling Council has set aside £700,000 to enable it to keep its leisure centre open by helping the not-for-profit trust that runs the centres to absorb any increases in costs.

3.4 However, it is likely that such contingencies will not be sufficient to meet the scale and speed of the inflationary increases. Kent County Council has said that they are anticipating £40M to £50M of unbudgeted inflationary costs this year alone. Luton Borough Council are putting a recovery plan in place as this year’s budget is forecast to be overspent by £10M. Devon County Council has recently predicted a potential overspend in this financial year of up to £40M saying that it had “never before faced a combination of demand growth and price shock pressure of this scale”. Plymouth City Council are predicting a £14M projected overspend this financial year with the causes including rapidly rising energy and material costs and increasing demand and costs for social care services.

3.5 Nationally, budgeted 2022/23 spend for children's social care increased by 3.2% or £348M above 2021/22 levels, while adult social care budgeted spend increased by 1.8% or £351M, with most other council services seeing real-terms cuts. However, these increases in budgets are not likely to be sufficient. Demand for adult social care has been increasing for some time and inflation and cost of living pressures have added to the cost of delivering social care. The Independent Review of Children's Social Care found that costs are too high in the sector and that the children's placements market is in need of urgent reform. The Council has not been immune from this national position and both Children's and Adult services are experiencing significant in year cost pressures.

3.6 A letter has been written to the Health Secretary by the chair of the LGA's community wellbeing group to warn that social care reforms could push some Local Authorities "over the financial edge" and force others to cut back on vital council services. This comes alongside a warning that this winter could be the most challenging for social care in recent times. It also comes after a survey from the Association of Directors of Adult Social Care found that more than 540,000 people were waiting for assessment, care, Direct Payments or adult social care reviews.

3.7 More will be known about the scale of the financial impact of the combination of increases in demand for services combined with inflationary cost pressures when Local Authorities have completed their medium-term financial strategies. However, it is becoming clear that more extremely difficult choices will need to be made this financial year and in the years to come.

3.8 Southend-on-Sea City Council, along with most Local Authorities across the country, is arguably facing its greatest challenge yet in continuing to provide essential services to meet the needs of local residents within the level of resources it has at its disposal. As reported throughout 2021/22 the direct operational service arrangements of the Council and its partners continued to be severely impacted by the COVID-19 pandemic. Despite these challenges the Council remained financially resilient and responded proactively to support local communities throughout 2021/22.

3.9 As detailed in the "Delivery of Southend 2050 Outcomes and Priorities: Annual Report and Provisional Resources Outturn 2021/22" report to Cabinet in June, excluding the requirements for grant reserves due to the impact of COVID-19, the Council finished the year with a higher level of reserves than it started with. This is a testament to both the financial resilience and strong effective financial management of the Council's overall level of resources over the last decade despite the lengthy period of austerity and the two years of the covid pandemic.

3.10 Some commentators have described the last few years as potentially some of the most volatile and unpredictable periods in recent history. Clearly Brexit considerations initially and then the response and impact of the pandemic have caused huge disruption and concern to everyday life. Public health worries and economic impacts, together with levels of Government borrowing never seen before in peace time years have all contributed to huge extra fiscal challenges for the country. This context has created additional pressure and uncertainty locally and made effective financial and service planning for Southend-on-Sea extremely challenging.

3.11 Although the direct operational impact of the pandemic on the Council began to reduce during the last quarter of 2021/22, most local authorities continue to struggle with the challenges of uncertainty, financial pressures, service demands and concerns for their residents and local areas. Effectively coping with the aftermath of the pandemic has been exacerbated and made much more complex by the implications of the horrific events in Ukraine and an unprecedented rise in energy prices. This has contributed to monthly general inflationary increases at a level not seen since the 1970s. The 12-month Consumer Prices Index to July 2022 increased to 10.1% and most professional commentators are predicting general inflation to increase further in the coming months. The Council is now facing the perfect storm of huge increases in service demand post the pandemic combined with unavoidable rapid increases in operating costs across almost every aspect of its Organisation. This is having a huge financial impact on the Council's financial plans for 2022/23 and the general economic climate is creating serious cost of living challenges for local residents.

3.12 The Council was already learning of major concerns from lots of residents about the impacts of cost of living rises on their day-to-day lives. Price increases for food and fuel, as well as in supply chains for other goods, are leading to many more local residents 'just about managing' or actually falling into poverty. This situation was getting worse locally even before the latest price increases started to take effect.

3.13 The challenge of delivering a balanced financial outturn for 2022/23 is significant. The predicted, but unprecedented rapid rise in inflation, together with more recent changing professional opinions on the depth and duration of continued inflationary increases, is adding significant new pressures and local challenges. This new inflation forecast data has been published since the Council's 2022/23 budget was approved and will mean some very difficult choices and prioritisation of existing approved spending plans for both capital and revenue during 2022/23 will have to be undertaken.

3.14 Unfortunately, other major areas of concern that were highlighted in 2021/22 included the potential impact and increase on service demand 'post COVID-19' or 'living with COVID-19' in the future. This risk added to the precarious economic situation for many residents, due to the rapid increases in energy and inflationary pressures has translated into large increases in service demand for the Council. The other major area of concern that was highlighted was the impact locally of the Government withdrawing the temporary financial support that was provided during the pandemic, this has coincided with huge increases in unavoidable operating costs, creating the worst combination of factors that could threaten the financial sustainability of the Council.

3.15 Even at this very early stage of the year – urgent action is needed to try to reduce all non-essential expenditure and/or generate extra income. This priority must be achieved whilst ensuring that our most vulnerable residents are looked after appropriately, and our statutory responsibilities are effectively discharged. Improving efficiency and productivity is essential but the scale of the unprecedented financial pressures will inevitably lead to a reduction in the range, quality, cost and responsiveness of other discretionary Council services.

3.16 This report will focus on providing some detail and commentary of the financial variances at a portfolio level that are currently forecast for 2022/23. It should be noted that these estimates have been based on the best information we currently have available and have also been calculated at a very early stage of the financial year.

Comprehensive Spending Review or Not?

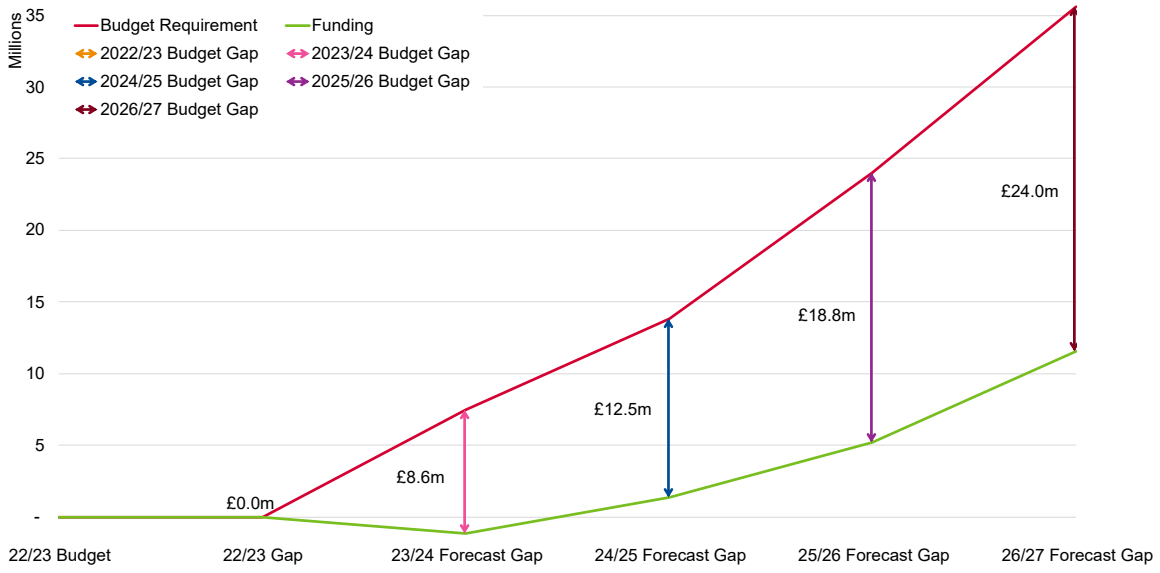
3.17 Given the events over the last couple of months in Downing Street and as we now know the Country's new Prime Minister, we will await announcements that may impact on Local Government but it clearly remains uncertain at this stage whether the Local Government Sector will be issued with a single one-year financial settlement for 2023/24, a 2-year settlement as suggested by the then Minister for the Department of Levelling Up and Communities or if a new Comprehensive Spending Review for the next three years will be launched for consultation. The Council ended 2021/22 in a relatively strong financial position but the size of the financial challenge for the future is arguably the biggest in the Council's history. Depending upon national funding and policy decisions taken by Central Government over the coming months then this position could get even more challenging for 2023/24 onwards.

3.18 To help to begin to address and close the estimated budget gap over the next five years the Council will continue to aim to achieve financial sustainability by growing local income sources and relying less on grant support from Central Government in the future. The Council will continue to work collaboratively with its partners, increase its focus on the delivery or joint commissioning of services in a targeted way to ensure that those in most need and who will receive the greatest benefit are the recipients of services. It is vital that we learn from our COVID-19 experience and tailor our services and working practices accordingly.

4 Revenue – General fund

4.1 In February 2022, the Council approved a General Fund Revenue Budget requirement for 2022/23 of £140.741M. This report provides details of the current projected outturn position for 2022/23 based on information as at the end of July 2022 (Period 4). In headline terms Council Corporate Budgets and Service Portfolios are currently forecasting a gross overspend by the year-end of £14.483M for 2022/23, which will remain if no action is taken. Action is and will be taken to further mitigate this potential overspend. The total projected overspend currently stands at around 4.4% of the Council's gross expenditure budget.

4.2 Alongside the budget the Council also approved the Medium Term Financial Strategy which included a medium term financial forecast with an expected budget gap of £24.0M in 2026/27. (2023/24 = £8.6m, 2024/25 = £3.9m, £2025/26 = £6.3m, 2026/27 = £5.2m). The Council's forecast profile of this budget gap for each of the next five years is detailed in the following chart which illustrated the estimated funding gap to 2026/27 as reported to Council in February 2022.



4.3 The potential budget gap is now going to be significantly larger over the medium term as a result of the significant impact of inflation and if the 2022/23 fixed base is not fully corrected by the year-end. Some initial work has been done on re-casting the medium-term financial forecast and the intention is to provide a revised illustration of the potential impact on the Council's budget over the medium term until 2027/28 in the Period 6 financial performance update which is scheduled to be reported to the Cabinet meeting in November 2022.

4.4 Our 'Getting to Know Your Business' programme for service managers continues in 2022/23 and will be essential in assessing the new operating environment, financial challenges and value for money (VFM) of services. The ambition is that all service managers in Southend-on-Sea City Council will have a continuing comprehensive understanding of their business areas in terms of their benchmarked operational and financial performance, key demand and cost drivers, income levels, commercial opportunities, value for money and customer insight. This programme is designed to support managers to improve productivity and efficiency in all our business areas ensuring that we secure best value but also to support a more targeted outcomes-based approach to investment.

4.5 Alongside the "Getting to Know Your Business" programme, the Executive Director of Finance & Resources also put into place at the start of this financial year a set of 12 budget planning principles for the organisation to follow, which are as follows;

The Dozen Principles

1. **Budget Management** - To deliver at least an overall balanced revenue outturn against the approved budget for 2022/23. Everyone takes responsibility for spending on essential/critical items. We are all custodians of public funds.

2. **Recovery Plans** - That recovery plans for both Children's and Adults are maintained and where possible enhanced to ensure that services deliver balanced financial positions for 2022/23 and across the medium term.

3. **Budget Monitoring** - A formal governance control process is introduced to oversee and track the full delivery of approved revenue savings, planned investments and to develop a prioritised programme of targeted transformation reviews. This will include an officer Finance Monitoring Panel led by myself and separately by Member challenge sessions through the Cabinet Member with responsibility for Corporate Performance and Service Delivery.

4. **Capital** - Effective delivery of a viable and affordable Capital Investment Programme highlighting measurable outputs/outcomes. Given the pressure of substantial increases in the costs of schemes. The reviews will consider the impact of the following

   - Not starting new schemes
   - Deferring schemes/projects to later years
   - Cash limiting budgets
   - Pausing existing schemes/commitments
   - Rigorous assessment of the viability and robustness of schemes that are still subject to business case development

   These arrangements will be overseen and monitored by the Capital Programme Delivery Board and separately by Member challenge sessions by the Cabinet Member with responsibility for Corporate Performance and Service Delivery.

5. **Knowing your Business** - The “Knowing your Business” programme is further embedded across all services with clear accountability and expectations are allocated to all Business Leaders/Budget Holders to ensure a focus on VFM.

6. **Annual Conversations** - That all business leaders who had an Annual Conversation objective setting in 2021, has a review to assess what action they have undertaken to deliver the following agreed objective....

   “To champion the requirements of the Council’s ‘Knowing Your Business’ programme, being accountable for demonstrating strong financial acumen and sound budget management, evidencing value for money outcomes and developing greater commercial awareness.”
   In addition to the above objective, that an appropriate baseline should be established and a commitment for further development and improvement in VFM for all services is included as an additional objective in ALL business leaders 2022 Performance and Development Reviews.

7. **Zero-based budget reviews** - Members have approved the need to undertake targeted zero-based budget reviews as part of approving the 2022/23 budget in February 2022. Therefore, a prioritised programme will be developed and commenced in 2022/23 – which will contain clear parameters on the expectations for service change, risks, outcomes we expect from the spending, implications and potential savings established. These reviews could also lead to the reallocation of resources - investment/disinvestment. The process will be overseen by the new Finance Monitoring Panel.

8. **Budget Planning** - That all services now plan on the assumption that they will receive a cash limited budget for 2023/24 at the same level as approved for 2022/23. Additional provisions will be considered for pay awards, inflation and for evidenced statutory requirements only. (In simple terms any requests for additional investments/growth in the revenue budget MUST be met by equivalent (or higher) levels of savings/income generation options/proposals).

9. **Procurement** - That all future procurement activity is contained to existing current budgeted levels as a maximum and ideally a target to be set for a reduction in historical spend levels. Individual assessment and reporting will be undertaken across all major engagements with the market.

10. **Staffing** - A Workforce Transformation Panel will be introduced to oversee a service delivery change programme and ALL new staffing restructures. These could be generated by other associated reviews in this paper or by innovation and creative changes volunteered by Services to change their operations and reduce their cost base. All restructures will be subject to a viable business case and any exit costs MUST be built into the assessment/appraisal and paid for by the Service over an agreed number of years across the medium term. We will need to learn from other service redesigns/restructures to ensure we deliver appropriate changes and timely savings. The Panel will also undertake a comprehensive review of alternative sourcing and resourcing practices with the objective of reducing Interim/Agency/Fixed Term/Temporary Consultancy spend by the Organisation (Currently estimated to be over £10M in 2021/22).

11. **Business Cases** - Robust business cases will need to be developed for any additional investment requests to establish the viability and VFM of new Capital and Revenue projects and this will continue to be overseen by the Investment Board.

12. **Budget 2023/24** - A draft proposed balanced budget package for 2023/24 (without any reliance on reserves) will be developed and available for consideration by Summer 2022 to enable CMT/Cabinet to assess and agree on the difficult choices that will need to be made. Options to bring forward any 'in-year' proposals i.e., new fees & charges, commercial opportunities, changes in service/contract arrangements etc that will deliver savings or generate extra income should be proactively pursued immediately.

4.6 Services are considering the impact and risks of making reductions in their budgets and are continuing to develop recovery and mitigation plans to try to improve the current financial situation and to prepare for the significant future financial challenge. All services are being challenged to try to improve efficiency and productivity to ensure that the resourcing of better outcomes for our residents are achieved at the best value for the local taxpayer. More details will be included as part of the Period 6 monitoring report.

4.7 In the meantime, to aim to reduce the forecast overspend this year and remain on a sound financial footing to deal with the budget gap in this and future years, a number of tactical mitigations are also being put in place:

- Giving consideration to what non-essential spending can be stopped, delayed or deferred.
- Reviewing all third-party supplies and services contracts.
- Constructively challenging all recruitment and resourcing requests.
- Giving consideration to whether our organisation has the right structure which is of a proportionate size.

4.8 Some of the action already commenced by officers to support the 2022/23 budget position and 2023/24 budget planning are;

- The mothballing/storage use only of the top five floors of the Civic Centre to reduce expenditure on our utility costs.
- The review of our estate to ensure administrative buildings are only being used on an essential basis by staff and where possible to reduce usage accordingly to save on relevant premises and utility costs.
- A fundamental review of the capital investment programme to reduce the need to borrow and therefore less financing costs impact for the revenue budget (more details of this review is contained in section 6).
- Directors have been asked to model the impact of a 15% reduction in their 2022/23 cost base and for this to be assessed as part of 2023/24 budget planning in the face of these unprecedented inflationary and demand pressures.

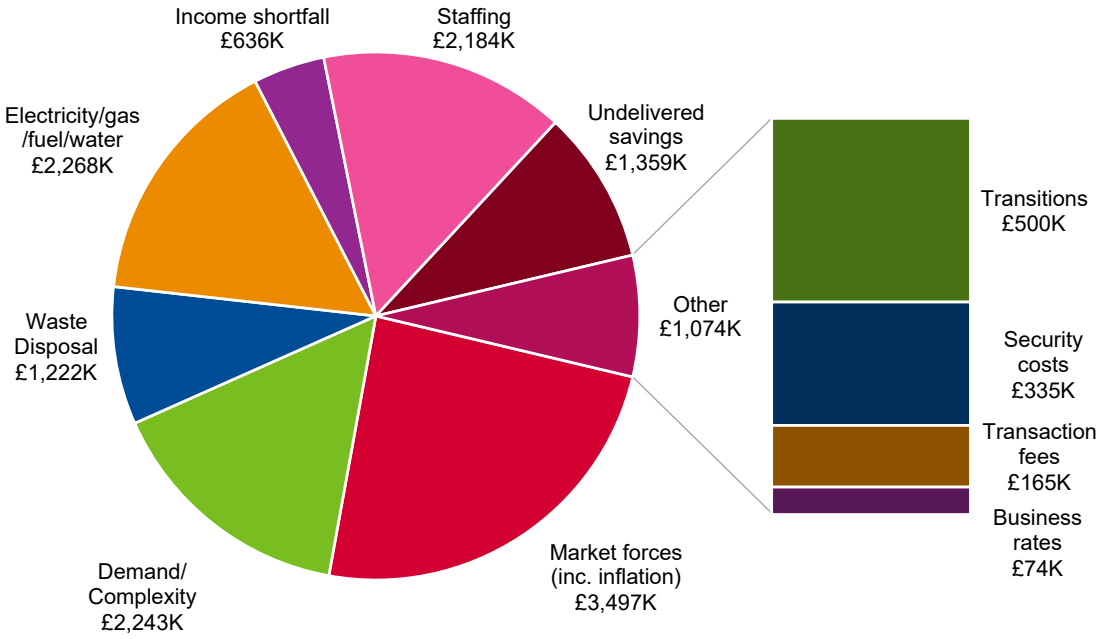
- A review of third party suppliers and service contracts is underway which will look at all priority contracts and will require engagement with the market – this is being worked through and more will be reported in the period 6 budget monitoring report but continued action will be undertaken by officers in the meantime.
- Advice is being sought on assessing the Council's cost base and how our services benchmark against other unitary authorities including staffing structures.
- A range of councillor and staff briefings are being set up to help to understand the Council's financial position and the actions that are being taken/to be taken over the next month.
- A communications strategy is being developed for stakeholders, businesses and residents.
- A set of internal budget challenge sessions are being set up to challenge the cost base of service budgets. This will be carried out by the Corporate Management Team by department and separately challenge sessions with departments and cabinet members overseen by the Cabinet Member for Asset Management and Inward Investment and the S151 Officer;
- The Workforce Transformation Panel has been set up which will review and act as a sign off for essential only recruitment (permanent and temporary) and it will also review the current range of interim staffing. It will also review any new restructures proposed and also request areas of the organisation to be reviewed in the light of benchmarking and other associated information around services.

4.9 Within all of this work it will be essential to work within a set of priorities and where possible to protect resources - areas of higher priority will be;

- Vulnerable Adults and Children
- Isolated individuals
- Supporting families in the cost of living crisis
- Climate change
- Highways pavement works
- Tourism
- Maintaining prioritised subsidies to services as best we can
- Which of our discretionary services may be done by our third sector

Summary of the major factors contributing to the forecast overspend in 2022/23

4.10 The forecast revenue overspend of £14.483M is driven by a wide range of factors which have been broadly summarised in the following pie chart.



4.11 The variances in the pie chart and referenced throughout the report are after application of staffing contingency budget of £2.33M and non-staffing contingency budget of £3.5M.

4.12 The National Employers made a final one-year offer to unions representing the main local government National Joint Council (NJC) workforce on 25th July 2022. This offer consisted of:

- an increase of £1,925 on all NJC pay points 1 and above, with effect from 1 April 2022.
- an increase of 4.04 per cent on all allowances, with effect from 1 April 2022.
- an increase of 1 day to all employees' annual leave entitlement, with effect from 1 April 2023.
- the deletion of pay point 1 from the NJC pay spine, with effect from 1 April 2023.

Based on this offer the ongoing cost to the Council would be circa £4.0M a year. The estimated cost of the pay award at budget setting was £2.33M, the difference of £1.68M is an in-year budget pressure and creates a permanent pressure of equivalent value in the Council's revenue base budget from 2023/24 onwards and will increase the current forecast financial gap by circa £1.7M per year.

The pay award pressure is identified by portfolio in Appendix 1. Other staffing pressures are identified by service in paragraphs 4.44 and 4.48 of this report.

4.13 The combined impact of increases in demand and the level of complexity of service user needs in both Adults and Children's is resulting in a forecast overspend of £2.243M. These pressures are explored in more detail in paragraphs 4.32, 4.33 and 4.39 to 4.41.

4.14 There were a range of budget savings and income generation initiatives that were approved as part of the setting of the 2022/23 budget, totalling £4.837M. As reported throughout 2021/22 there has been difficulty in delivering the ICT savings which have been severely impacted by COVID-19, the cumulative total of these undelivered savings is £0.61M. A further pressure of £0.75M is caused by the continued delay in implementation of the Business Support Service Redesign due to challenge from unions. The independent review has now concluded, and the redesign can be implemented but it is estimated that savings will not start to be realised until the final quarter of 2022/23.

4.15 The rising cost of energy and fuel has been widely covered in the media and as part of setting the 2022/23 budget the Council increased the amount earmarked in contingency to circa £1.0M to mitigate some of the impact on services. The increase in costs has far exceeded the amount earmarked and there remains a pressure across all the services of £2.268M. The most significant contributors to this overspend are explored in more detail in paragraphs 4.37 and 4.47.

4.16 In July 2022 the rate of inflation, as measured by the Consumer Price Index (CPI), increased to 10.1%. This is the first time that annual inflation has been in double-digits since February 1982, over 40 years ago. Inflation increases are being driven partly by energy costs, as discussed in paragraph 4.15, but also by the cost of labour and raw materials due to global demand exacerbated by supply chain issues in key areas due to the pandemic and the war in Ukraine. According to the Office for National Statistics (ONS) goods prices have risen by 2.7% and services by 4.9%.

This has had a significant impact on the cost of services which the Council delivers and is reflected in the £3.497M pressure which is being attributed to market forces. As well as inflation, market forces encompass the availability of supply of services which is having particular impact on Adults and Children's social care, paragraphs 4.34 and 4.41 provide more detail.

4.17 The cost of waste disposal is causing a pressure of £1.222M, more detail on this can be found in paragraph 4.29.

4.18 A shortfall in income is expected within some services, most significant of these is due to the scheduled refurbishment of the cremators at the crematorium, see paragraph 4.30.

4.19 Other pressures include £0.5M from the cost of Children who have transitioned to Adult social care provision (see paragraph 4.33), £0.335M from security costs (see paragraphs 4.38 and 4.49), transaction fees (see paragraph 4.46) and business rates which have increased as a result of valuation changes for two properties in particular, one being a Children's Centre (£43k) and the other the Equipment Services store (£31k).

Corporate Matters and Performance Delivery

4.20 The expected pressure from the pay award across this portfolio of services is £346,000.

4.21 The most significant forecast financial pressure is within Digital and Technology, at this stage of the year a £350,000 overspend is predicted. This is due to a combination of significant delays experienced in the delivery of planned savings due to the impact of COVID-19, extra cost involved in managing a secure remote working environment and reducing levels of external income generated, which together total an overspend of £609,000. Offsetting this overspend is income of circa £300,000 which is due to the Council as part of their ongoing agreement with City Fibre's work across the city.

4.22 Managed underspends on some third-party budgets and proactive vacancy management across several services within the strategy, change and governance directorate is helping to reduce the total level of forecast overspend at this stage of the year.

Environment, Culture & Tourism

4.23 The delivery of the Parks and Grounds Maintenance services is severely impacted by the high inflationary pressures on utility and fuel costs. There is a pressure of £230,000 for these elements as well as £50,000 from the pay award. Vehicle and machine hiring and leasing costs are creating a further pressure of £100,000 and income is expected to be £60,000 below target this year.

4.24 A number of significant Development Control and Building Control applications have come into the Council this year which has seen a considerable amount of income received in the first 4 months of the year. With this additional income and work it is expected that some additional resources will be required to support it. However, it is anticipated that the net impact on the income budget will be a surplus of approximately (£130,000). There are also forecast underspends within ICT systems and vacant posts within the team.

4.25 Culture and Tourism are currently reporting a forecast overspend of around £1.04M. Increased energy costs account for £646,000 and expected pressure from the pay award accounts for a further £104,000, as outlined in paragraphs 4.12 and 4.15.

4.26 There is an in-year pressure of £154,000 on recovery of income from the leisure contract but this is temporary as Fusion Lifestyle have agreed that the income will be recovered in 2023/24.

4.27 Other, smaller, pressures are caused by the provision of barricades for the Queen's Jubilee baton relay event and repairs and maintenance on aging assets, such as the Cliff Lift.

Public Protection

4.28 As a result of changes in people movements and consumer habits (increased time spent or working at home, coupled with a significant increase in home deliveries) there is an increase in the volumes of waste generated from residential properties. Although some of this increase will be recyclable material, there is also an increase in residual waste.

4.29 As the waste disposal authority this increased tonnage is resulting in an estimated extra disposal cost pressure of around £1,200,000. Any increase in recycling performance will negate some of this additional cost.

4.30 The crematorium refurbishment programme is due to commence later in the year. As a result of the works a temporary cremator will be used and services will be reduced. This is expected to contribute significantly to an estimated income shortfall in the region of £575,000. Inflationary pressures on gas and electricity consumption are estimated to be approximately £170,000 although this may reduce as a result of reduced service in the latter part of the year.

Adult Social Care & Health Integration

4.31 Adult Social Care are reporting a forecast overspend of £2.2m; which is predominantly due to the delivery of statutorily required care and support to people with physical or learning disabilities aged 18-64. There is an expected pressure from the pay award accounts for a further £274,000, as outlined in paragraph 4.12.

4.32 As expected, levels of service use have increased with clients who have not received care over the last two years now restarting their care, which in some cases is now more complex and therefore more costly. This increase in demand and/or complexity is estimated to account for circa. £600,000 of the pressure on the service.

4.33 Another driver of increased demand, and therefore cost, is the transition of clients into Adult Social Care from either Children's Services or an Educational placement. These are currently being forecast to cause a pressure of circa. £500,000.

4.34 Further cost pressure comes from the Adult Social Care market, where inflation is driving up the cost of existing provision as individual providers respond to the increased cost of living.

4.35 Alongside increased demand/complexity and market forces there are several national policy and funding changes that present a financial risk to the authority. The Department for Health and Social Care (DHSC) are currently consulting on the distribution of funding for adult social care charging reform in 2023/24, which is worth £772 million nationally. The essence of the reforms is to open access to local authority-funded care to households with more assets, through the cap on care costs and the extension on the means tested thresholds, which has the potential to increase demand on Council service provision even further.

4.36 The Government has also stated its intention to review its approach to distributing the £600 million to be allocated through the Market Sustainability and Fair Cost of Care Fund in 2023/24.

Asset Management & Inward Investment

4.37 There is significant pressure on the Property and Commercial budget caused by the forecast impact of increased energy costs relating to Civic 1 and 2 and the Tickfield Centre. The Corporate Management Team is currently considering what action can be taken to mitigate these costs in the short- to medium-term.

4.38 With the completion of the new care home, Brook Meadows House, several properties across the Council's estate have been vacated by services which have relocated to the new facility. There are costs associated with holding these properties vacant and these are being reported as a pressure. The asset management team are working to minimise the period that these properties are held vacant and expedite the process of preparing the sites for sale in order to maximise the capital receipt to the Council.

Children & Learning and Inclusion

4.39 What is quickly now becoming a national issue, Children Social Care has opened up in 2022/23 with a significant overspend of £6.617M excluding the one off £2.5M specific children earmarked reserve for 2022/23, and this is unfortunately mainly due to the now very high cost of residential care placements and in particular for children with complex needs. Market forces impacted by increased demand nationally outstripping supply haven driven up residential placement costs dramatically.

4.40 As reported in the final position report for 2021/22, it was highlighted that during the last quarter of 2021/22 children in care numbers had started to rise, and an increased opening spend pressure was expected due to this rise and the resultant increased requirement of external foster care placements, and as agreed through the 2022/23 budget a one off £2.5M specific ear marked reserve was created to support Children Social Care in the recognition of cost pressures continuing. However, in addition, what has also now materialized was the unanticipated and significant increased cost of residential care placements for new complex placements in 2022/23.

4.41 On average from 2021/22, residential care numbers have increased by six to 32 as at the end of July 22 which is equivalent to10% of the children in care placements as at the end of July 22, 312 in total. Even though this remains a small cohort of children placed in residential care compared to the total number of children placements, it is again both the cost of each new residential placement and the now average of cost of residential placements that has driven up this pressure. The average residential care placement cost to social care directly is now running at £270,000 per annum, which is an average increase of £70,000 per placement compared to 2021/22.

4.42 Work continues within Children Social Care to seek to reduce these costs where possible and safe for the child, including working with health where a child's needs can meet assessment for health contributions, but equally, it has to be noted any further required residential care placements will add further cost pressure to this current position.

4.43 Work also continues on building and sustaining capacity within the Inhouse foster carer provision and engaging regionally with the risks of the costs of the care market to Councils.

4.44 Other smaller financial pressures within Children Services remain from 2021/22, and this includes continued reliance on temporary agency staff to cover critical social work or operational posts. Again, Councils now having to rely on agency workers to cover vacant Social Work posts is a national problem. There are also further smaller but continuing pressures on Unaccompanied Asylum Seeking children placements where the young adults have now turned 18 and Home Office support funding reduces, the cost of placements supporting children with disabilities, and some now very high and complex placements within the care leaver provision where these now young adults have transitioned from previous residential care placements.

Economic Recovery, Regeneration & Housing

4.45 As part of the 2022/23 budget there was an agreed permanent investment of £200,000 to fund several staff in the Housing Register and Housing Solutions teams. Recruitment has been challenging for these roles and only recently have candidates been sourced for some of these roles. As a result of the posts being vacant for the early part of the year there is an expected underspend of (£100,000) for this year only.

Highways, Transport and Parking

4.46 Before COVID-19 there was a slow decline in the use of cash, but the pandemic sped that up considerably. As a result, 81% of parking payment transactions are now made by card or phone app and the impact of that is higher costs for card transaction and processing fees. The overspend for this is expected to be in the region of £235,000. Cash collection costs have not reduced to offset some of this as there is still cash to be collected, just less of it.

4.47 Across our entire estate, street lighting energy costs are the highest cost area for electricity. Although the rate is fixed for 12 months until April 2023, the inflation on utility costs is resulting in an overspend of £350,000 in this area. This is after the significant LED conversion programme undertaken in recent years, without which the impact of increasing energy costs would have been even greater.

4.48 There are also a range of staffing pressures in the service and currently the most senior management role in the service is being temporarily filled by an interim member of staff whilst a permanent solution is sought within the labour market.

4.49 The operation of the Travel Centre in Chichester Road continues to bring with it additional cost pressures due to increased security, cleaning and utility costs totalling approximately £120,000 and the pressure of the anticipated pay award in this portfolio is £91,000.

Budget Virements

4.50 All budget transfers (virements) over £250,000 between portfolios or between pay and non-pay budgets are considered and approved by Cabinet. These budget transfers have a net nil impact on the Council's overall budget. The following budget transfers for Cabinet approval this period are:

£	
362,500	Planned transfer from the Passenger Transport Joint Venture Reserve
450,230	Planned transfer from the Technology Transition and Systems Modernisation Reserve
306,027	Planned transfer from the Public Health Reserve
616,200	Drawdown from contingency for annual inflation on existing contracts.
338,509	Increase in pay budgets and decrease in non-pay budgets funded by Dedicated Schools Grant.
254,300	Final opening 2022/2023 Public Health Budget (PFASCHI) funded by Public Health Grant (PFGENGRANT) and contingency (PFBTL)
2,327,766	**TOTAL**

5 Revenue – Housing Revenue Account

5.1 In February 2022, the Council approved a balanced 2022/23 Housing Revenue Account budget. This section of the report details the projected outturn position for this year based on actual activity and financial performance as at the end of July 2022 (Period 4).

5.2 The forecast for the Housing Revenue Account (HRA) at period 4 indicates that it will have a net deficit of £800,000 in 2022/23, a variance of around 2.9% of the gross operating expenditure.

5.3 This position is due to the inflationary pressures experienced by key contractors and anticipated rent losses due to the number of void properties held, primarily as part of the Queensway regeneration project.

5.4 The reduced supply of building materials and a shortage of specialist skills are increasing the unit costs on the repairs and maintenance contract. Whilst we have a duty to meet our regulatory and statutory requirements, the repairs programme is currently being reviewed in an attempt to reduce costs where possible, without compromising the safety of tenants.

5.5 Recommendation 2.3 earlier in this report is in response to these inflationary pressures on repairs and maintenance.

6 Capital

6.1 Successful and timely delivery of the capital investment programme is a key part of achieving the Southend 2050 ambition and delivering priority outcomes. The investment contributes to the five main themes in the following way:

6.2 Pride and Joy – the key investment areas are: the ongoing refurbishment and enhancement of Southend's historic pleasure pier and the town's cultural and tourism offer, including parks, libraries and museums.

6.3 Safe and Well – the key investment areas are: the construction and acquisition of new council homes and the refurbishment of existing ones via the decent homes programme.

6.4 Active and Involved – the key investment area is the Cart and Wagon Shed for the coastal community team to use as part of their community interest company.

6.5 Opportunity and Prosperity – the key investment areas are: the Launchpad at the Airport Business Park to deliver benefits for both local businesses and local communities, creating thousands of job opportunities and attracting inward investment; the schools high needs and special provision programmes to enhance the facilities and number of places available for children with special educational needs and disabilities or requiring alternative provision; refurbishment works at the Victoria Centre to make a significant contribution to the attraction and amenity of the centre and improve and enhance that end of the City Centre; the Levelling Up Fund projects at Leigh Port, the Cliffs Pavilion and City Beach.

6.6 Connected and Smart – the key investment areas are: the investment in the borough's highways and transport network, including improvements funded via the Local Transport Plan and Local Growth Fund; investment in the Council's ICT infrastructure and networks to enable and transform outcome focussed service delivery.

6.7 In February 2022 the Council agreed a capital investment programme budget for 2022/23 of £99.1M. The outturn for 2021/22 showed a final spend of £69.0M against a revised budget of £78.6M, an underspend of £9.6M. The proposed budget carry-forwards, accelerated delivery requests and other budget re-profiles and amendments at June Cabinet resulted in a revised budget for 2022/23 of £115.5M. Of this amount £89.7M is deliverable directly by the Council and £25.8M is to be delivered by South Essex Homes Limited, Porters Place Southend-on-Sea LLP and Kent County Council.

6.8 This amount should be considered in the context that there is a further list of schemes that are not in the approved programme but are subject to viable business cases. This includes schemes where the costs have been estimated, totalling £97M and schemes that are yet to be costed. There may also be urgent health and safety works that might occur that are as yet unforeseen.

6.9 All Councils are being affected by inflationary pressures and supply chain issues which will affect deliverability and affordability. There are multiple causes for the inflationary pressures:

- wage inflation due to scarcity of labour.
- base material price inflation due to global demand exacerbated by supply impacts in key areas due to the pandemic and the war in Ukraine.
- energy cost inflation impacting on all areas from production to logistics to on site energy costs.
- contractor risk pricing.

6.10 Forecasts suggest that Construction Price Inflation is currently in double figures with major spikes for certain materials and products sometimes in excess of 20%. This not only has an impact on the current capital investment programme but also on future projects for which the Council may bid for funding.

6.11 Given the above and the Council's finite capacity to deliver capital schemes, the Capital Programme Delivery Board has been considering four options for assessing the ongoing delivery of projects:

No.	Option Description	Considerations
1	Increase the available budget to support the project to take into account inflationary pressures	The negative impact on the affordability of the programme as a whole and the resulting budget pressure that would need to be met from savings or income generation
2	Do less – understand and accept how much less the Council can delivery with existing budgets	The negative impact on the delivery of the Southend 2050 and recovery priorities
3	Stop project delivery	Requires effective prioritisation
4	Defer or slow down delivery	This could put pressure on the programme in later years and impact on the delivery of key priorities

6.12 A generic approach to the programme as a whole would not be appropriate, as each project is different in the way the impact of the inflationary pressures and supply chain issues will be felt. The way that projects are funded also needs to be considered as grant and third-party funding would have to be returned if not spent or if delayed beyond the agreed expenditure timeframe. It is also recognised that these options need to be considered alongside the MoSCoW review (categorising capital projects as 'must have', 'should have', 'could have' or 'will not have' (at this time)) and the forthcoming capital challenge sessions.

6.13 The capital investment programme should continue to be subject to continuous review and re-prioritisation to ensure resources are aligned to the Council's Southend 2050, recovery priorities and joint administration priorities. This will inevitably lead to some difficult decisions having to be made regarding the programme with the delivery of some schemes being scaled back, delivered over a longer timescale, paused or removed.

6.14 Progress of schemes will be re-assessed and some schemes may be removed from the main programme entirely and others held as 'subject to viable delivery plans' until it can be demonstrated that there is the capacity and resources to deliver them in the timescales indicated. Schemes can then be brought back into the main programme as and when it is appropriate to do so. This approach follows the current approach introduced two years ago when schemes can enter the programme during the financial year and not just annually at budget setting.

6.15 As this review progresses via challenge meetings, the Capital Programme Delivery Board and the Investment Board, re-profiles and other adjustments to the programme for 2022/23 and future years will be put forward for approval.

6.16 The results of the early stages of this review are included in this report but the review is on-going and further changes will be included in the Period 6 performance report to Cabinet in November. Capital challenge sessions relating to the strategic schemes have been undertaken with the Cabinet Member for Asset Management and Inward Investment and the resulting requested changes to the capital investment programme have been included in this report. Further capital challenge sessions are due to take place with the Cabinet Member for Asset Management and Inward Investment in early October and the resulting requested changes to the capital investment programme from those sessions will be included in the Period 6 performance report to Cabinet in November.

6.17 Approximately 36% of the capital investment programme is financed by Government grants and external developer and other contributions and at the end of July nearly 60% of that had been received. The rest of the programme is funded by capital receipts, the use of reserves or by borrowing. Funding schemes by borrowing has a revenue consequence of approximately £70k p.a. for every £1M borrowed.

6.18 This report details the projected outturn position for 2022/23 based on information as at the end of July (period 4). The report includes details of progress in delivering the 2022/23 capital investment programme and in receiving external funding relating to that year.

6.19 This report includes any virements between schemes, re-profiles across years, new external funding, transfers from the 'subject to viable business case' section to the main capital investment programme and any proposed scheme deletions.

6.20 The progress of schemes for 2022/23 is detailed in sections 1 to 3 of Appendix 2 with Section 4 setting out the resulting requests to:

For schemes to be delivered by the Council:

- Carry forward £15,804,000 of 2022/23 scheme budgets, £11,892,000 into 2023/24 and £3,912,000 into 2024/25.
- Bring forward £120,000 of budget from 2023/24 into 2022/23.
- Add scheme budgets totalling £22,000 into 2022/23, £3,151,000 into 2023/24 and £3,151,000 into 2024/25 where new external funding has been received.

- Remove £104,000 from 2022/23 for scheme budgets no longer required.
- Action virements of budget between approved schemes.
- Move scheme budgets totalling £10,068,000 from the 'subject to viable business case' section up into the main Capital Investment Programme, £68,000 into 2022/23 and £10,000,000 into 2024/25;

For schemes to be delivered by Subsidiary Companies, Partners and Joint Ventures:

- Carry forward £6,100,000 of 2022/23 scheme budgets, £5,100,000 into 2023/24 and £1,000,000 into 2026/27.

6.21 As at the end of July the capital outturn for 2022/23 is currently estimated at £73,984,000 for schemes to be delivered by the Council and £19,749,000 for schemes to be delivered by subsidiary companies, joint ventures and partners. The amount to be delivered by the Council is expected to reduce following the on-going review of the capital investment programme as highlighted in 6.13 to 6.15. An updated assessment will be included in the Period 6 performance report and presented to Cabinet in November 2022.

6.22 The 2022/23 capital budget is part of the wider capital investment programme spanning several years. The table below shows the revised programme if all the above requests are approved:

Programme to be delivered by the Council (GF and HRA):

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
At June Cabinet	89,682	32,178	12,268	5,818	5,960	145,906
Amendments	(15,698)	14,923	17,063	0	0	16,288
Revised programme	73,984	47,101	29,331	5,818	5,960	162,194

Programme to be delivered by Subsidiary Companies and Joint Ventures:

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	Total £000
At June Cabinet	25,849	17,062	9,598	3,250	0	55,759
Amendments	(6,100)	5,100	0	0	1,000	0
Revised programme	19,749	22,162	9,598	3,250	1,000	55,759

7 Corporate Performance

7.1 The Corporate Performance Dashboard July 2022 report (appendix 3) covers performance indicators that link to the Resourcing Better Outcomes financial report. The report shows our performance predominantly for the period July 2022, with some exceptions where data is unavailable at this time. Data has been RAG rated against targets where applicable and compares our current position to the previous month and previous year where data is available. It is presented by Portfolio Holder, with the intention to align against the new corporate priorities following the adoption of the new Corporate Plan in September.

7.2 The indicators currently showing as red on their RAG status, indicate that they are at risk of missing target. These indicators are noted below by way of exception:

Corporate matters and performance delivery

7.3 **SCC working days lost per FTE due to sickness - excluding school staff [Cumulative YTD]**

Staff sickness continues to perform under target across the council, tracking against the national trend of increased sickness from 2020 – 2021 noted by ONS in 2022, with rates being at their highest in more than 10 years. This may cause pressures within services that are finding it difficult to have staff in place; exacerbating the need for agency staff. The knock-on effect of this may be disruption to services and reduced performance, especially where service demand has seen an increase/is predicted to see an increase as highlighted in 3.11 and 3.14.

7.4 **Percentage of general complaints received answered within timescales (all stages) [Monthly Snapshot]**

Complaints continue to be under target primarily due to the amount overdue at stage 1 of the process and the record high backlog of complaints in April 2022. This service is due to be managed under the new business support hub which has been highlighted as overdue at 4.14; there will be renewed focus on improving in this area as part of the new structure.

Adult Social Care & Health Integration

7.5 **Proportion of those that received short-term service during the year where sequel was either no on-going support or support of a lower level**

This indicator has seen reduction against June 2022 (47.2%) and when compared against June 2021 (56%) with a value of 44.8%; this is attributed to the high level of service users requiring long term service, in line with the predicted increase in service demand for adult social care, highlighted in 4.31 and 4.32 and could be an indicator of the impact of increased service demand on the increase of budgeted spend highlighted in 3.5.

7.6 **Proportion of adults in contact with secondary mental health services who live independently with or without support**

On face value the correlation of this indicator would be similar to that seen at 7.5, however this Performance Indicator has recently been updated to include all service users (where previously there were restrictions on the services used and referenced in the indicator). This has meant that the gap between target and value remains but that it is a more comprehensive view of all users.

7.7 **Proportion of adults with a learning disability in paid employment**

The impact of COVID-19 on disabled people in employment saw a widening gap when compared against people without disabilities as noted by the House of Commons Library 2022. 3.8 notes the impact of the pandemic against service provision; this measure brings the added context of the legacy impact of COVID-19, and the tensions between the two, that the council continues to navigate through.

7.8 **Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services**

Although the council has limited control over this measure as the NHS lead on this, it does indicate the increased demand on public services as set out in 4.35.

7.9 **Wellbeing referral Programme - Number of individuals completing 12 weeks of Wellbeing Referral Programme**

This measure has not yet met target since its launch; the council is developing an improved programme alongside our partners Fusion Lifestyle and Everyone Health. This will support catering for a larger number of people in need than is currently provided.

7.10 **Rate of children in care per 10,000 population under 18 years old**

Service demand continues to outweigh provision, as more children enter care than leave. Children's care plans are to be reviewed to ensure service provision is appropriately provided, ensuring safety of children while balancing the budget pressures highlighted in 4.40 and 4.42.

Children & learning and inclusion

7.11 **Percentage of children who have been in care for at least 5 working days, who have had a visit in the 6 weeks (30 working days), prior to the last day of the month**

This indicator is linked to the increase of children in care (7.10) and persisting vacancies within social work teams, exacerbating the need for agency social workers to help fill the vacancy gap (7.14).

7.12 **Percentage of children who have been in care for 2.5 years and in the same placement for 2 years OR are placed for adoption and their adoptive placement together with their previous placement together last for at least 2 years for CLA under the age of 16**

Children's care plans are to be reviewed to ensure service provision is appropriately provided, ensuring safety of children while balancing the budget pressures highlighted in 4.40 and 4.42.

7.13 **Percentage of placements in residential and PVI (private, voluntary, and independent sector) settings**

There is a national shortage of placements able to care for children with complex needs, increasing the need for residential placements. The cost to the council for the ongoing need for residential placements is highlighted in 4.41.

7.14 **Percentage of agency social workers (Children's)**

The reliance on agency social workers is above the national average and our statistical neighbours, demonstrating the continued demand and increase of services. This compounds the overspend of the service, associated to children's placements (7.13) and the data showing we are not on track to meet target for related service provision (7.10, 7.11, 7.12, 7.13). Staff sickness rates in this area is the second highest for the council, adding to the need for agency staff at a local level, alongside the cover required for vacant Social Work posts at the national level, highlighted in 4.44.

8 Other Options

8.1 The Council could choose to monitor its budgetary performance against an alternative timeframe, but it is considered that the current reporting schedule provides the appropriate balance to allow strategic oversight of the budget by members and to also formally manage the Council's exposure to financial risk. More frequent monitoring is undertaken by officers and considered by individual service Directors and the Council's Corporate Management Team (CMT) including the implementation of any necessary remedial actions.

9 Reasons for Recommendations

9.1 The regular reporting of Revenue and Capital Budget Monitoring information provides detailed financial information to members, senior officers and other interested parties on the financial performance of the Council. It sets out the key variances being reported by budget holders and the associated management action being implemented to address any identified issues.

9.2 It also informs decision making to ensure that the Council's priorities are delivered within the approved budget provision.

9.3 It is important that any adverse variances are addressed in order for the Council to remain within the approved budget provision or where this cannot be achieved by individual service management action, alternative proposals are developed and solutions proposed which will address the financial impact. Members will have a key role in approving any actions if the alternative proposals represent significant changes to the service delivery arrangements originally approved by them.

9.4 The challenge of delivering a balanced financial outturn for 2022/23 is significant. Even at this very early stage of the year – urgent action is needed to try to reduce all non-essential expenditure and/or generate extra income. This priority must be achieved whilst ensuring that our most vulnerable residents are looked after appropriately, and our statutory responsibilities are effectively discharged. Improving efficiency and productivity is essential but the scale of the unprecedented financial pressures will inevitably lead to a reduction in the range, quality, cost and responsiveness of other discretionary Council services.

10 Corporate Implications

10.1 Contribution to the Southend 2050 Road Map

The robustness of the Council's budget monitoring processes and the successful management of in-year spending pressures are key determinants in maintaining the Council's reputation for strong financial probity and effective stewardship. This approach also enables the Council to redirect and prioritise resources to ensure the delivery of agreed outcomes for the benefit of residents, local businesses and visitors to Southend-on-Sea.

10.2 Financial Implications

As set out in the body of the report and accompanying appendices.

10.3 Legal Implications

The report provides financial performance information. It is good governance and sensible management practice for the Council to consider monitoring information in relation to plans and budgets that it has adopted.

Section 3 of the Local Government Act 1999 requires the Council as a best value authority to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Monitoring of financial and other performance information is an important way in which that obligation can be fulfilled.

The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council is also required by section 28 of the Local Government Act 2003 to monitor its budget and take corrective action, as necessary. The Council's chief finance officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for effective budgetary control. To comply with these best practice arrangements, it is important that Cabinet receive information and comment accordingly on the performance of the revenue and capital budgets as set out in the report.

10.4 People Implications

As various mitigating actions are worked through for 2022/23 and also consideration of options for 2023/24 there is likely to be an impact on staffing. As and when these are assessed they will be taken through the necessary Council procedures and governance routes.

10.5 Property Implications

There will be an impact on the Civic Centre with the closure of the top five floors and also a potential impact on other administrative and operational businesses through closure and/or realignment of opening and closing times.

10.6 Consultation

Engagement has already been made with staff and cabinet members and now with full councillors and this will continue as options to mitigate for 2022/23 are progressed as well as options for delivering a robust balanced budget for 2023/24.

10.7 Equalities and Diversity Implications

Some of the actions may have equality and diversity implications and these will be considered as part of our normal equalities impact assessments.

10.8 Risk Assessment

Sound budget monitoring processes underpin the Council's ability to manage and mitigate the inherent financial risks associated with its budget, primarily caused by the volatility of service demand, market supply and price. The unprecedented levels of inflationary cost pressures and service demand experienced across almost every aspect of the Council's operations are adding significant risk to its future financial sustainability. This challenge is replicated across most upper tier local authorities right across the country.

The primary mitigation lies with the expectation on CMT and Directors to continue to take all appropriate action to keep costs down and optimise income. Any adverse variances will require the development of remedial in year savings plans and appropriate spending reductions wherever possible. The ultimate back-stop mitigation would be to draw on reserves to rebalance the budget, but this will only be done at year end and will only be considered should all other in year measures fail.

With the likely scale of funding pressures and future resource reductions continuing, it is important that the Council holds a robust position on reserves and maintains the ability to deal positively with any issues that arise during this and future financial years.

10.9 Value for Money

The approved budget reflects the Council's drive to improve value for money and to deliver significant efficiencies in the way it operates. Monitoring the delivery of services within the budget helps to highlight areas of concern and to assist in the achievement of improved value for money.

10.10 Community Safety Implications

There may be impacts arising from options considered and the impact on Community Safety will be taken into account

10.11 Environmental Impact

The various options may have an environmental impact but again will be fully assessed before action is taken and also the difficult financial position may make investment difficult to support our climate change aspirations.

11 Background Papers

Approved 2022/23 Budget – Report to Council 24 February 2022

Medium Term Financial Strategy 2022/23 – 2026/27

12 Appendices

Appendix 1 Period 4 – July 2022 Revenue Budget Performance 2022/23

Appendix 2 Period 4 – July 2022 Capital Investment Programme Performance 2022/23

Appendix 3 Corporate Performance report – July 2022

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BOROUGH COUNCIL

Appendix 1

Budget Monitoring & Reporting 2022/2023

Period 04 - July 2022 Revenue Budget Performance

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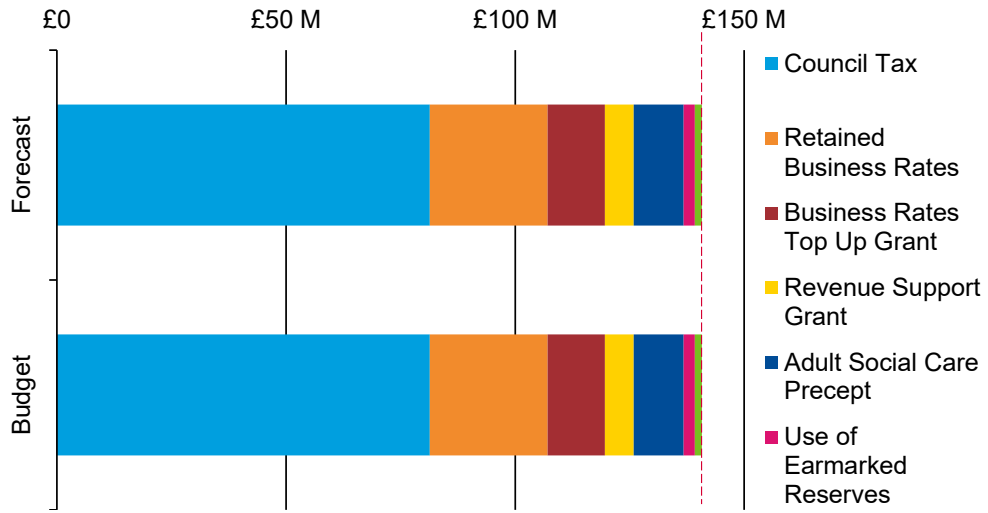
SOUTHEND 2050
it all starts here

Summary

Last Reported Variance £M	Portfolio	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Leader: Corporate Matters and Perfomance Delivery	19.835	20.202	0.367
0.000	Deputy Leader (May-Oct): Environment, Culture and Tourism	11.342	12.603	1.261
0.000	Deputy Leader (Nov-May): Public Protection	14.303	16.556	2.253
0.000	Adult Social Care & Health Integration	44.907	47.085	2.178
0.000	Asset Management and Inward Investment	4.498	5.291	0.793
0.000	Children and Learning and Inclusion	32.471	39.089	6.618
0.000	Economic Recovery, Regeneration and Housing	3.614	3.385	(0.229)
0.000	Highways, Transport and Parking	0.922	2.164	1.242
0.000		**131.892**	**146.375**	**14.483**
0.000	Corporate Budgets	21.807	21.807	0.000
0.000		**153.699**	**168.182**	**14.483**
0.000	Contribution to / (from) earmarked reserves	(0.764)	(0.764)	0.000
0.000	Revenue Contribution to Capital	0.418	0.418	0.000
0.000	Non Service Specific Grants	(12.612)	(12.612)	0.000
0.000	**TOTAL**	**140.741**	**155.224**	**14.483**
0.000	Funding (including Collection Fund)	(138.241)	(138.241)	0.000
0.000	Planned contributions from reserves	(2.500)	(2.500)	0.000
0.000		**0.000**	**14.483**	**14.483**

Sources of funding (£s)

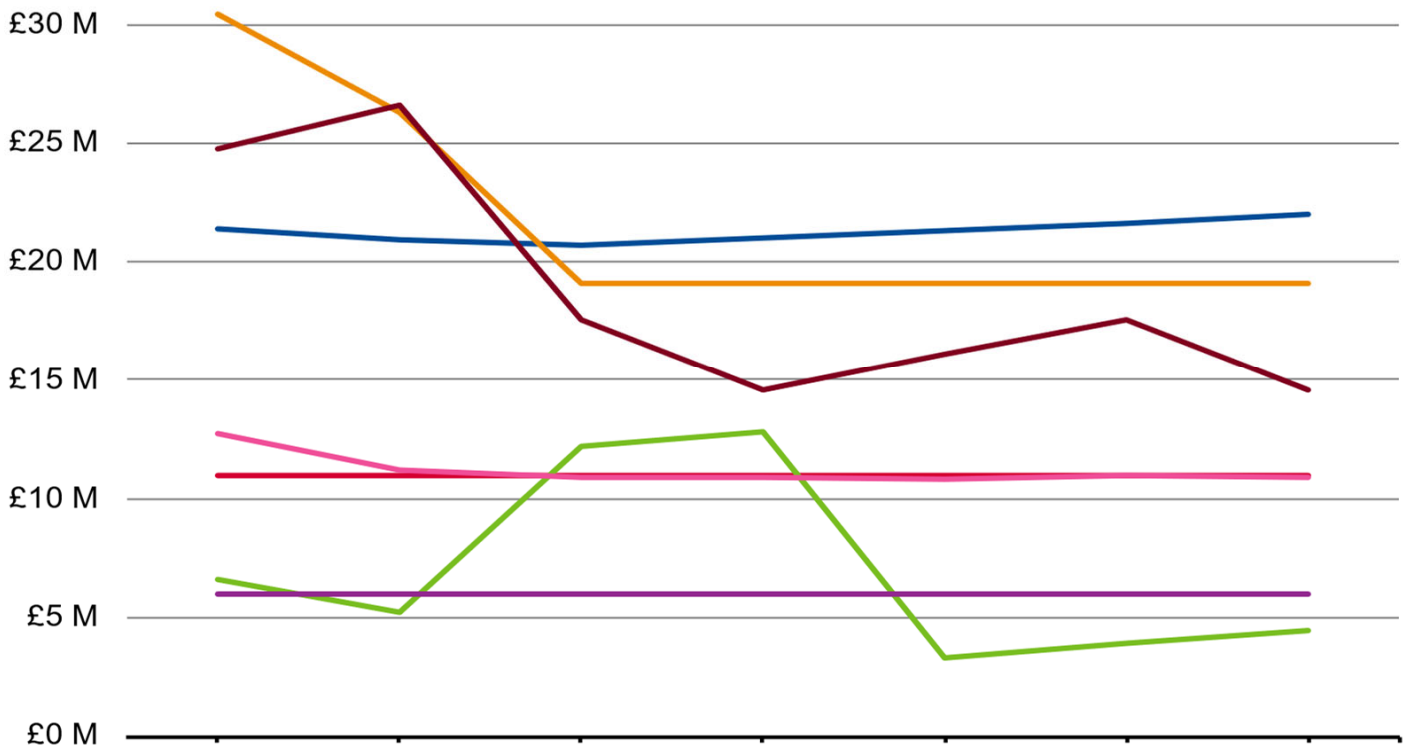


Reserves

The Council maintains General Fund reserves at £11.0M in line with the Medium Term Financial Forecast. This provides a working cashflow balance and allows a degree of financial security in the case of unexpected events or emergencies.

In addition, Earmarked Reserves are set aside to fund future projects and to mitigate specific risk. The level of these reserves will fluctuate as grants are received, risk is realised and projects progress.

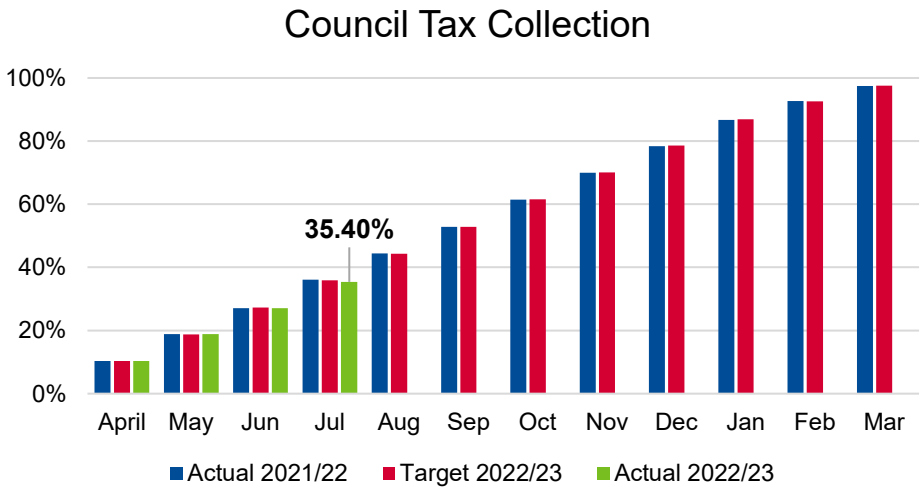
The fall in grant and service reserve balances from 2020-21 to 2022-23 broadly reflects the use of additional funding received in relation to COVID-19.

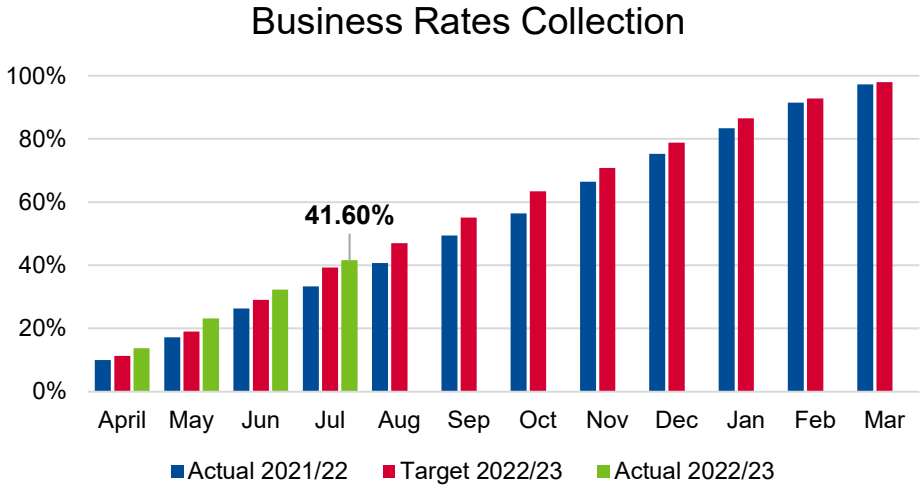


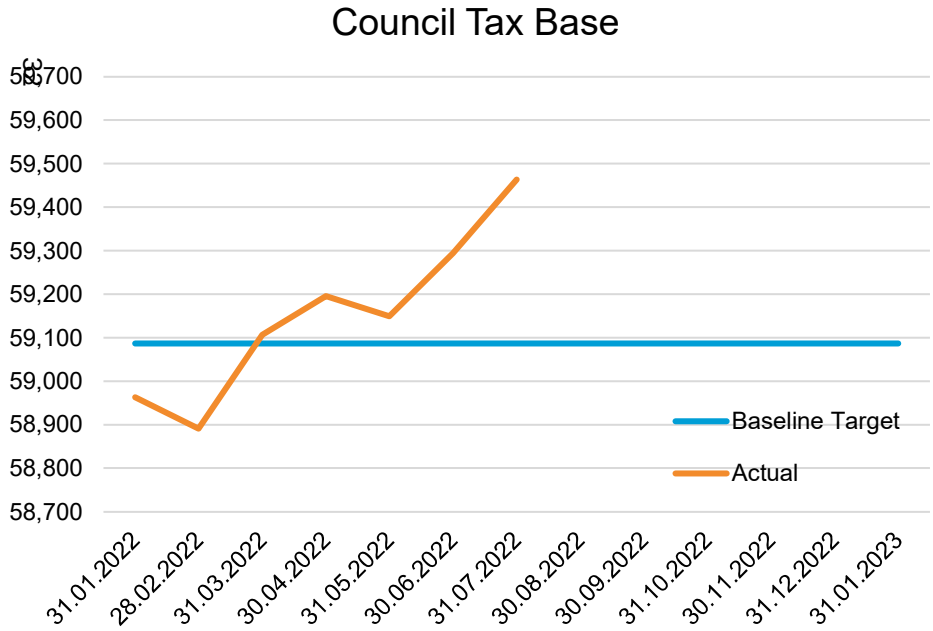
Reserves in £M	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
General Reserves	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Capital Reserves	6.6	5.2	12.2	12.8	3.3	3.9	4.5
Corporate Reserves	21.4	20.9	20.7	21.0	21.3	21.6	22.0
Grant Reserves	30.4	26.3	19.1	19.1	19.1	19.1	19.1
Insurance Reserves	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Service Reserves	12.7	11.2	10.9	10.9	10.8	11.0	10.9
Technical Reserves*	24.8	26.6	17.6	14.6	16.1	17.6	14.6
	112.9	**107.2**	**97.5**	**95.4**	**87.6**	**90.2**	**88.1**

* Technical Reserves are held to even out the Council's finances and reduce in year volatility

Collection Rates







The Council Tax Base has increased by circa 377 Band D equivalents, this is due to 170 additional properties added July 2022 and a decrease of the Council Tax Reduction (CTR) that is applied to accounts, with the caseload continually decreasing and nearing a pre-Covid position.

Council Tax collection is 0.5% (£0.535M) below target for the current year and 5.2% (£0.514M) lower than target for arrears.

Business rates in year collection is 2.3% (£0.940M) above target & arrears 9.8% (£0.284M) below target.

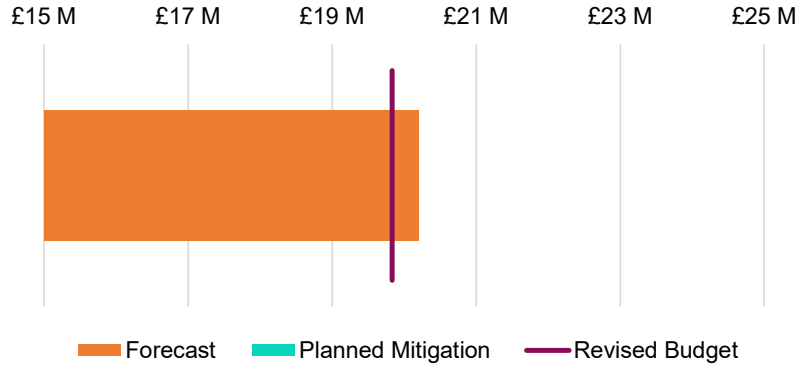
Leader: Corporate Matters and Perfomance Delivery

7.32% of Total Gross Revenue Service Budget

£0.4M Forecast Adverse Variance

1.85% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Audit	0.781	0.727	(0.054)
0.000	Civic Affairs	0.965	0.991	0.026
0.000	Corporate Budget and Resources Planning	0.618	0.418	(0.200)
0.000	Corporate Planning and Strategic Direction	3.021	2.971	(0.050)
0.000	Council Tax and Business Rates	0.422	0.450	0.028
0.000	Customer Contact	1.711	1.610	(0.101)
0.000	Digital and Technology	4.156	4.506	0.350
0.000	Emergency Planning	0.229	0.232	0.003
0.000	Human Resources	1.928	2.020	0.092
0.000	Learning and Workforce Development	0.908	0.722	(0.186)
0.000	Legal Services, Land Charges & Democratic Services	2.101	2.287	0.186
0.000	Other Services	0.806	0.930	0.124
0.000	Performance Delivery	2.188	2.337	0.149
0.000		**19.834**	**20.201**	**0.367**
0.000	Gross Expenditure	24.164	24.695	0.531
0.000	Gross Income	(4.330)	(4.494)	(0.164)
0.000		**19.834**	**20.201**	**0.367**



The forecast includes an estimated pay award pressure of £346,000 based on the National Employers current offer for 2022.

Digital and Technology has a significant budget pressure which is primarily due to programmed savings that the service have been unable to achieve, however around half of this is being offset by additional income as a result of SCC's agreement with City Fibre.

Legal fees relating to governance, staffing and Public Space Protection Orders are forecast to cause an overspend of around £100,000. There are also problems recruiting to permanent posts that are resulting in reliance on agency staff causing an expected overspend of £60,000. The way in which Legal Services are delivered within the Council is currently being reviewed by management.

Where possible services have taken immediate action to reduce expenditure, these managed underspends are reported within Corporate Budget and Resources Planning (£200,000) and Learning and Workforce Development (£186,000).

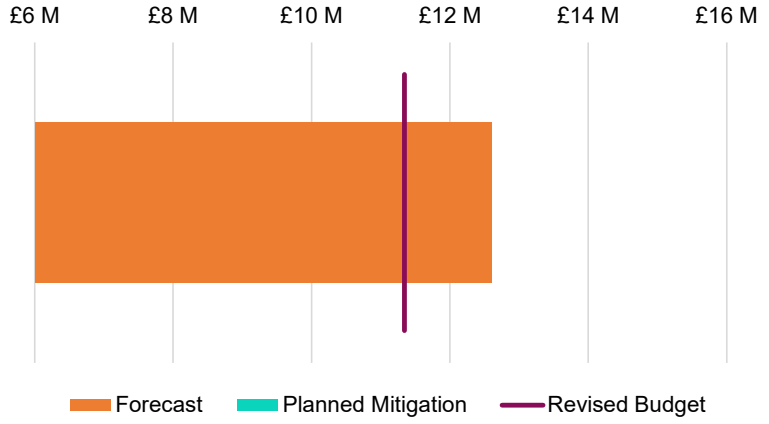
Deputy Leader (May-Oct): Environment, Culture and Tourism

5.03% of Total Gross Revenue Service Budget

£1.3M Forecast Adverse Variance

11.11% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	All matters relating to trees, plants, grass verges and other flora	0.559	0.559	0.000
0.000	Climate Change, Renewable energy and Energy Saving	0.095	0.128	0.033
0.000	Marketing (Place Branding/Tourism)	0.333	0.358	0.025
0.000	Museums and Galleries, Theatres and Libraries	4.080	4.676	0.596
0.000	Parks and Open Spaces, Grounds Maintenance	4.655	5.138	0.483
0.000	Pier and Foreshore	0.414	0.670	0.256
0.000	Planning Policy and Planning Control, Building Control	0.923	0.605	(0.318)
0.000	Sea and Foreshore Defences	0.401	0.420	0.019
0.000	Sport Development	(0.117)	0.049	0.166
0.000		**11.343**	**12.603**	**1.260**
0.000	Gross Expenditure	16.608	18.133	1.525
0.000	Gross Income	(5.265)	(5.530)	(0.265)
0.000		**11.343**	**12.603**	**1.260**



The forecast includes an estimated pay award pressure of £253,000 based on the National Employers current offer for 2022.

£463,000 of the reported over spend is driven by utility costs (across museums and Galleries, Theatres and Libraries and Pier and Foreshore) where it is anticipated that electricity prices will be double the 2021/22 costs and gas will be treble the 2021/22 costs, this is after the application of £258,000 of contingency budget.

There is a £154,000 over spend arising from the under recovery of income on the Fusion contract this financial year. Cabinet approved the reprofiling of this income, to now be received in 2023/24.

The Parks and Grounds Maintenance services are experiencing inflationary pressures of approximately £230,000 for fuel and utilities, as well as a reduction in income from 3rd parties and an increase in vehicle and machine hiring costs.

A number of large Building Control and Development Control fees have been received by the department in the first 4 months of the year which will require work throughout the remainder of 22/23. This may require some additional resource to support them whilst there are currently some vacancies within the team.

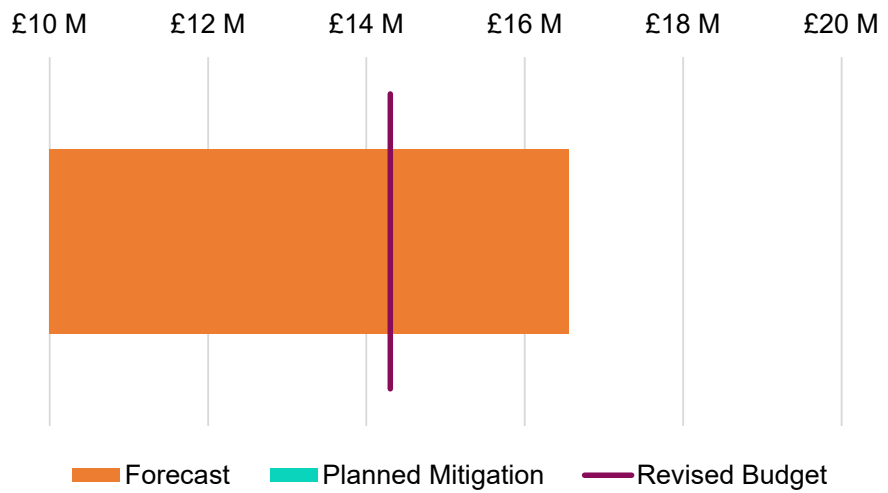
Deputy Leader (Nov-May): Public Protection

5.60% of Total Gross Revenue Service Budget

£2.25M Forecast Adverse Variance

15.75% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Cemeteries, Crematoria and Bereavement Services	(1.616)	(0.710)	0.906
0.000	Cleansing of highways and public realm	1.774	1.724	(0.050)
0.000	Closed Circuit Television	0.489	0.582	0.093
0.000	Community Safety	0.916	0.925	0.009
0.000	Public Toilets	0.532	0.532	0.000
0.000	Registration Services	(0.086)	(0.078)	0.008
0.000	Regulatory services	1.214	1.277	0.063
0.000	Town Centre Management	0.130	0.132	0.002
0.000	Waste collection, disposal, management, recycling & sanitation	10.950	12.172	1.222
0.000		**14.303**	**16.556**	**2.253**
0.000	Gross Expenditure	18.494	19.936	1.442
0.000	Gross Income	(4.191)	(3.380)	0.811
0.000		**14.303**	**16.556**	**2.253**



The forecast includes an estimated pay award pressure of £92,000 based on the National Employers current offer for 2022.

The cremators at the crematorium are due to be refurbished towards the end of 2022. Whilst this is undertaken the number of cremations which can take place will be reduced and as a result income will be below budgeted levels by an estimated £575,000. The service is also affected significantly by the increase in utility costs and has a pressure of £170,000 as a result.

Household waste tonnage levels increased during the pandemic and have remained at those levels throughout 2022/23 so far. Increased residual waste volumes come with an increased cost, unlike recycling tonnage and it is estimated that the financial implication of this will be approximately £1.2M this year.

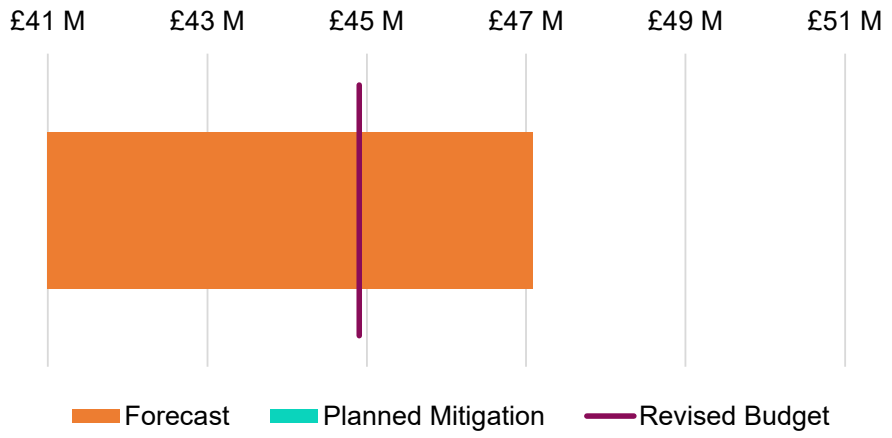
Adult Social Care & Health Integration

25.80% of Total Gross Revenue Service Budget

£2.2M Forecast Adverse Variance

4.85% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Adult Social Care	34.496	35.930	1.434
0.000	Commissioning	5.543	5.538	(0.005)
0.000	Mental Health Services	4.470	5.212	0.742
0.000	Public Health	0.223	0.223	0.000
0.000	Community Cohesion and community assets	0.016	0.016	0.000
0.000	Drugs and Alcohol Service	0.000	0.001	0.001
0.000	Domestic Abuse (Social Aspects)	0.159	0.165	0.006
0.000		**44.907**	**47.085**	**2.178**
0.000	Gross Expenditure	85.189	86.628	1.439
0.000	Gross Income	(40.282)	(39.543)	0.739
0.000		**44.907**	**47.085**	**2.178**



The forecast includes an estimated pay award pressure of £274,000 based on the National Employers current offer for 2022.

£1.9M of the overspend is predominantly due to the delivery of statutorily required care and support to people with learning disabilities aged 18-64. The forecast cost of placements where the person has transitioned from Children's Services or an Educational placement has resulted in a pressure of £500,000, finance and operational colleagues are working to identify these costs earlier and to determine what mitigating action can be undertaken. In addition, clients who have not received care over the last two years have now restarted their care and in some cases the care is more complex and therefore more costly. There is also a pressure arising in residential placements, where despite a 7.1% uplift to rates, the average placement costs are increasing as a result of the cost of living crisis, with an average increase of £77 per week compared to July 2021.

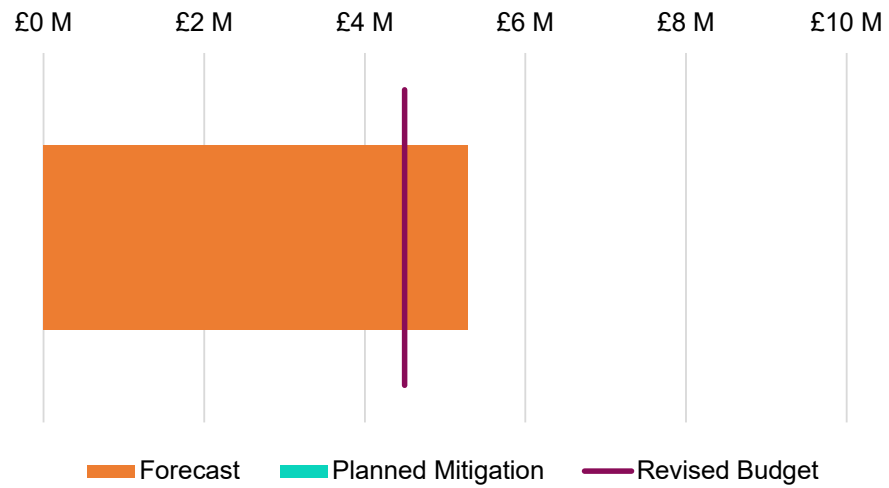
Asset Management and Inward Investment

2.90% of Total Gross Revenue Service Budget

£0.8M Forecast Adverse Variance

17.63% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Asset Management	0.677	0.586	(0.091)
0.000	Corporate Procurement	0.946	0.962	0.016
0.000	Financial Services (including Insurance etc.)	2.567	2.759	0.192
0.000	Home to School Transport Contract	1.647	1.648	0.001
0.000	Property and Commercial	(1.339)	(0.664)	0.675
0.000		**4.498**	**5.291**	**0.793**
0.000	Gross Expenditure	9.570	11.177	1.607
0.000	Gross Income	(5.072)	(5.886)	(0.814)
0.000		**4.498**	**5.291**	**0.793**



The forecast includes an estimated pay award pressure of £124,000 based on the National Employers current offer for 2022.

While the Director of Asset Management has stepped up to cover the Executive Director for Growth and Housing role there are various interim staffing arrangements in place to cover the workload, however the service have managed to operate without backfilling the role which has resulted in a net underspend on staffing.

Difficulties in permanent recruitment to roles within Financial Services have forced the service to cover essential roles with interim/agency staff which is more expensive and is causing a budget pressure.

The majority of the pressure in Property and Commercial is related to the rise in the cost of energy and forecast impact on bills for Civic 1 and 2 and the Tickfield Centre. There is also a budget pressure because of security that is needed at sites which are no longer operational, e.g. Delaware House.

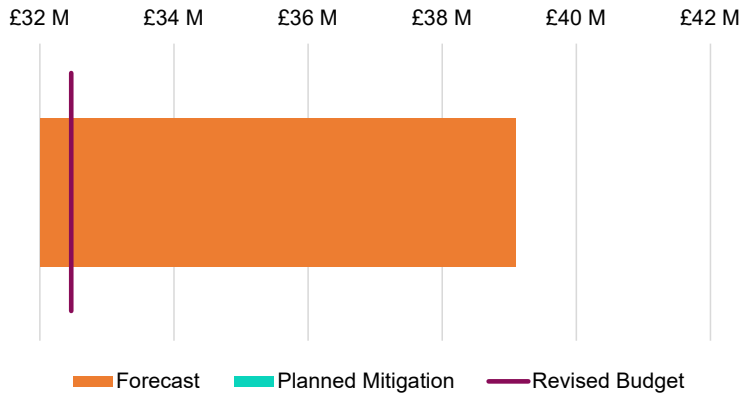
Children and Learning and Inclusion

29.63% of Total Gross Revenue Service Budget

£6.6M Forecast Adverse Variance

20.38% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Adult and Community Learning	0.069	0.069	0.000
0.000	Children with a special educational need and disability (SEND)	2.466	2.801	0.335
0.000	Children's Safeguarding	0.079	0.081	0.002
0.000	Children's Services	24.262	30.463	6.201
0.000	Family Centre, Early Years and Childcare	2.188	2.293	0.105
0.000	Schools, Education and Learning	0.936	0.915	(0.021)
0.000	Youth and Connexions	0.922	0.892	(0.030)
0.000	Youth Offending Service	1.549	1.574	0.025
0.000		**32.471**	**39.088**	**6.617**
0.000	Gross Expenditure	97.823	105.242	7.419
0.000	Gross Income	(65.352)	(66.154)	(0.802)
0.000		**32.471**	**39.088**	**6.617**



The forecast includes an estimated pay award pressure of £366,000 based on the National Employers current offer for 2022.

As highlighted in the final year end position of 2021/22 for Children Services, the concern remained that a large spend pressure would occur for the opening of 2022/23. It was recognised Children in Care numbers had started to rise during the last quarter of 2021/22, with particular reliance on External Foster Care Placements which are more expensive.

In addition to the expected increase in External Foster Care Placements the opening periods of 2022/23 have also seen further reliance on Residential Care Placements, including some very new and high cost complex placements. The external residential care market is also short of supply and this is increasing the prices paid by all local authortities on the price of Residential Care, a problem being experienced nationwide.

There are also some very high cost and complex placements within the Care Leaver provision, where these cases have transitioned from previous Residential Care placements.

Placement costs are the main causes of this opening overspend. Work is being undertaken to seek to reduce these costs where possible and safe for the child, including working with Health where a child's needs can meet assessment for Health Contributions.

Work continues on building and sustaining capacity within the Inhouse foster care provision and engage regionally with the risks to the costs of the Care Market.

Other smaller financial pressures within Children Services do remain from 2021/22, and this includes continued reliance on temporary agency staff to cover critical social work or operational posts. There is a also pressure on Unaccompanied Asylum Seeking Children placements where the young adults have now turned 18 and Home Office support funding reduces and the cost of placements supporting children with disabilities.

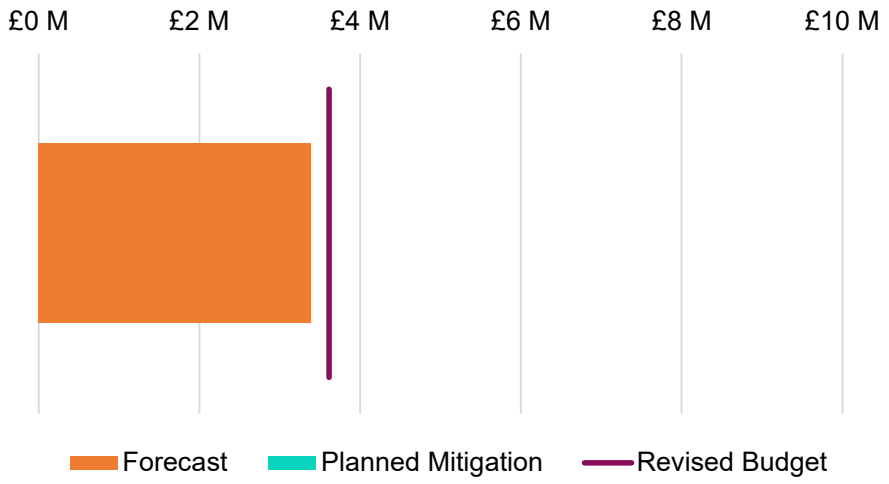
Economic Recovery, Regeneration and Housing

20.04% of Total Gross Revenue Service Budget

(£0.2M) Forecast Favourable Variance

-6.31% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Homelessness and Rough Sleeping	0.383	0.283	(0.100)
0.000	Housing Benefit	1.668	1.583	(0.085)
0.000	Housing Management	0.004	0.046	0.042
0.000	Housing Strategy	0.502	0.445	(0.057)
0.000	Private sector housing standards and grants	0.530	0.505	(0.025)
0.000	Queensway Development	0.000	0.000	0.000
0.000	Regeneration and Business Growth	0.527	0.524	(0.003)
0.000		**3.614**	**3.386**	**(0.228)**
0.000	Gross Expenditure	66.171	66.050	(0.121)
0.000	Gross Income	(62.557)	(62.664)	(0.107)
0.000		**3.614**	**3.386**	**(0.228)**



The forecast includes an estimated pay award pressure of £136,000 based on the National Employers current offer for 2022.

A number of positions in the housing team have been difficult to fill and as a result there are underspends within the service due to the issues surrounding recruitment. Some agency staff have been brought in to backfill roles where appropriate but a number of these roles are now appointed to permanently in-year.

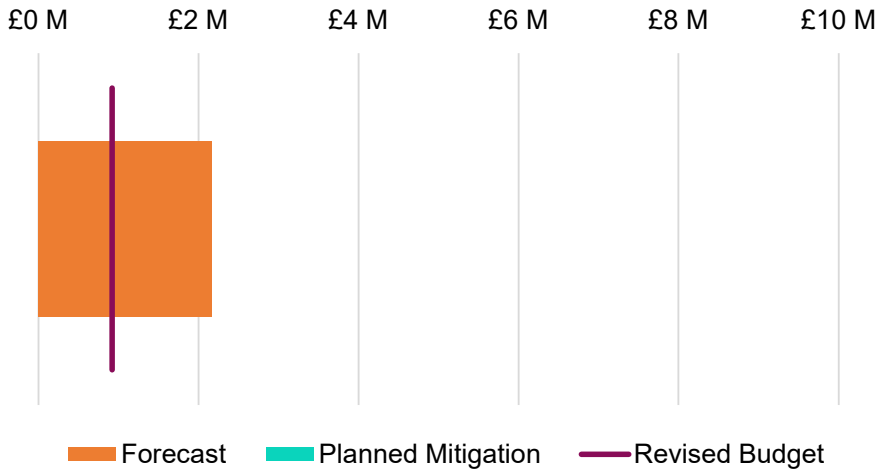
Highways, Transport and Parking

3.69% of Total Gross Revenue Service Budget

£1.2M Forecast Adverse Variance

134.82% Variance as % of Net Portfolio Service Budget Envelope

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Car parks and all car parking matters	(7.601)	(7.212)	0.389
0.000	Concessionary Fares	2.940	2.940	0.000
0.000	Engineering (Bridges and Structures)	0.050	0.050	0.000
0.000	Highways (including maintenance)	3.819	4.399	0.580
0.000	Highways and Transport	(0.344)	(0.325)	0.019
0.000	Passenger Transport / Vehicle Fleet	0.328	0.323	(0.005)
0.000	Public Transport	0.072	0.224	0.152
0.000	Transport (including Transport Policy and Licensing)	1.658	1.766	0.108
0.000		**0.922**	**2.165**	**1.243**
0.000	Gross Expenditure	12.170	13.413	1.243
0.000	Gross Income	(11.248)	(11.248)	0.000
0.000		**0.922**	**2.165**	**1.243**



The forecast includes an estimated pay award pressure of £91,000 based on the National Employers current offer for 2022.

Parking income remains on target this year, in part due to the warm dry weather we have experienced which has brought tourists and residents to our beaches. The transition to payments by phone and card was sped up as a result of the pandemic and these increased transactions are resulting in increased card processing costs. Security costs at the University Square car park also continue to bring a budget pressure.

The majority of the pressure in Highways (including maintenance) relates to the utility costs for street lighting. We undertook a significant conversion programme to LED which has reduced the amount of energy consumed otherwise this pressure would be even greater.

Security and utilities costs continue to bring cost pressures at the Travel Centre in Chicester Road and the impact of this is currently under review.

Housing Revenue Account

£0.8M Forecast Adverse Variance

2.9% Variance as % of Gross Operating Expenditure

Last Reported Variance £M	Service Area	Revised Budget £M	Forecast Outturn £M	Variance £M
0.000	Gross Expenditure	27.408	27.908	0.500
0.000	Gross Income	(30.447)	(30.147)	0.300
0.000	**NET OPERATING EXPENDITURE**	**(3.039)**	**(2.239)**	**0.800**
0.000	Revenue Contribution to Capital	8.309	8.309	0.000
0.000	Contribution to / (from) Earmarked Reserves	(5.270)	(6.070)	(0.800)
0.000	**TOTAL**	**0.000**	**0.000**	**0.000**

HRA Reserves 2022/23	Opening Balance	Forecast Movement	Closing Balance
Capital Investment Reserve	25.3	(8.5)	16.8
Major Repairs Reserve	8.0	4.1	12.0
Repairs Contract Pension Reserve	0.7	0.1	0.8
HRA Reserve	3.5	0.0	3.5
HRA Reserves Total	**37.5**	**(4.4)**	**33.1**

Inflationary pressures being experienced within the construction sector are escalating to unprecedented levels right across the UK, the south east of England is being particularly adversely affected. This is compounded by declining availability of materials and the shortage of specialist skills.

All contractors and key suppliers delivering services to South Essex Homes have been forced to respond to these market forces and in order to maintain services at a viable level have increased their charges accordingly. Another major challenge is that due to the current climate the market for repairs and maintenance contractors nationally is shrinking with procurement of new arrangements receiving either no bids being submitted or bids being inflated to unprecedent high levels.

We have an obligation to ensure people are kept safe, receive the support they need, and to discharge our statutory and regulatory obligations in a climate where financial resources continue to be pressurised. As a result it is anticipated that the inflation pressure on our repairs and maintenance contract will be approximately £0.5M higher in 2022/23. Analysis of all requirements will continue in an attempt to assess if any reductions to the programme can be made without compromising the safety of our tenants and our statutory requirements.

The remaining £0.3M pressure is in respect of the anticipated rent loss on a number of void properties, mainly at Queensway. This forecast is based on the properties that are currently void in Queensway, and it is likely to increase as tenants move out and we continue to hold them vacant as we prepare for the new major development. Pressures are also emerging around rent and service charge collection rates, given the cost of living pressures on tenants, South Essex Homes are continuing to provide advice and support wherever possible.

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Appendix 2

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BOROUGH COUNCIL

Budget Monitoring & Reporting 2022/23

Period 4 – July 2022 Capital Investment Programme Performance

SOUTHEND 2050
it all starts here

Capital Investment Programme Performance Report

1. Overall Budget Performance by Investment Area

The revised Capital budget for the 2022/23 financial year which includes all changes agreed at June 2022 Cabinet is as follows:

Schemes	Revised Budget 2022/23 £'000
Total Schemes Delivered by General Fund (excluding those Funded by the Levelling Up Fund)	64,414
Total Schemes Delivered by General Fund Funded by the Levelling Up Fund	16,865
Total Schemes Delivered by Housing Revenue Account	8,403
Total Schemes Delivered by Subsidiary Companies and Joint Ventures	25,849
Total Capital Programme	**115,531**

Actual capital spend as at 31st July 2022 is £15,963 million representing approximately 14% of the revised budget. This is shown in section 5. (Outstanding creditors totalling £0.710 million have been removed from this figure).

The expenditure to date has been projected to year end and the outturn position is forecast to reflect the Project Manager's realistic expectation. This is broken down by type of investment area on the following pages.

Total Schemes Delivered by General Fund

Investment Area	Revised Budget 2022/23 £'000	Outturn to 31st July 2022 £'000	Current Variance to 31st July 2022 £'000	Expected outturn 2022/23 £'000	Latest Expected Variance to Revised Budget 2022/23 £'000	Amended Budget 2023/24 to 2026/27 £'000
General Fund Housing	1,160	180	(980)	1,160	0	4,285
Social Care	263	615	352	263	0	0
Schools	5,170	209	(4,961)	2,026	(3,144)	6,760
Enterprise & Regeneration	11,646	2,805	(8,841)	11,646	0	10,000
Southend Pier	6,716	855	(5,861)	6,716	0	4,800
Culture & Tourism	593	100	(493)	593	0	0
Community Safety	784	274	(510)	784	0	0
Highways & Infrastructure	25,974	4,513	(21,461)	23,194	(2,780)	25,377
Works to Property	7,790	575	(7,215)	7,790	0	5,204
Energy Saving	572	208	(364)	572	0	200
ICT	3,132	1,491	(1,641)	3,132	0	1,070
S106/S38/CIL	614	192	(422)	532	(82)	201
Total	**64,414**	**12,017**	**(52,397)**	**58,408**	**(6,006)**	**57,897**

Total Schemes Delivered by General Fund – Funded by the Levelling Up Fund

Investment Area	Revised Budget 2022/23 £'000	Outturn to 31st July 2022 £'000	Current Variance 31st July 2022 £'000	Expected outturn 2022/23 £'000	Latest Expected Variance to Revised Budget 2022/23 £'000	Amended Budget 2023/24 to 2026/27 £'000
Enterprise & Regeneration	16,865	433	(16,432)	8,943	(7,922)	14,702
Total	**16,865**	**433**	**(16,432)**	**8,943**	**(7,922)**	**14,702**

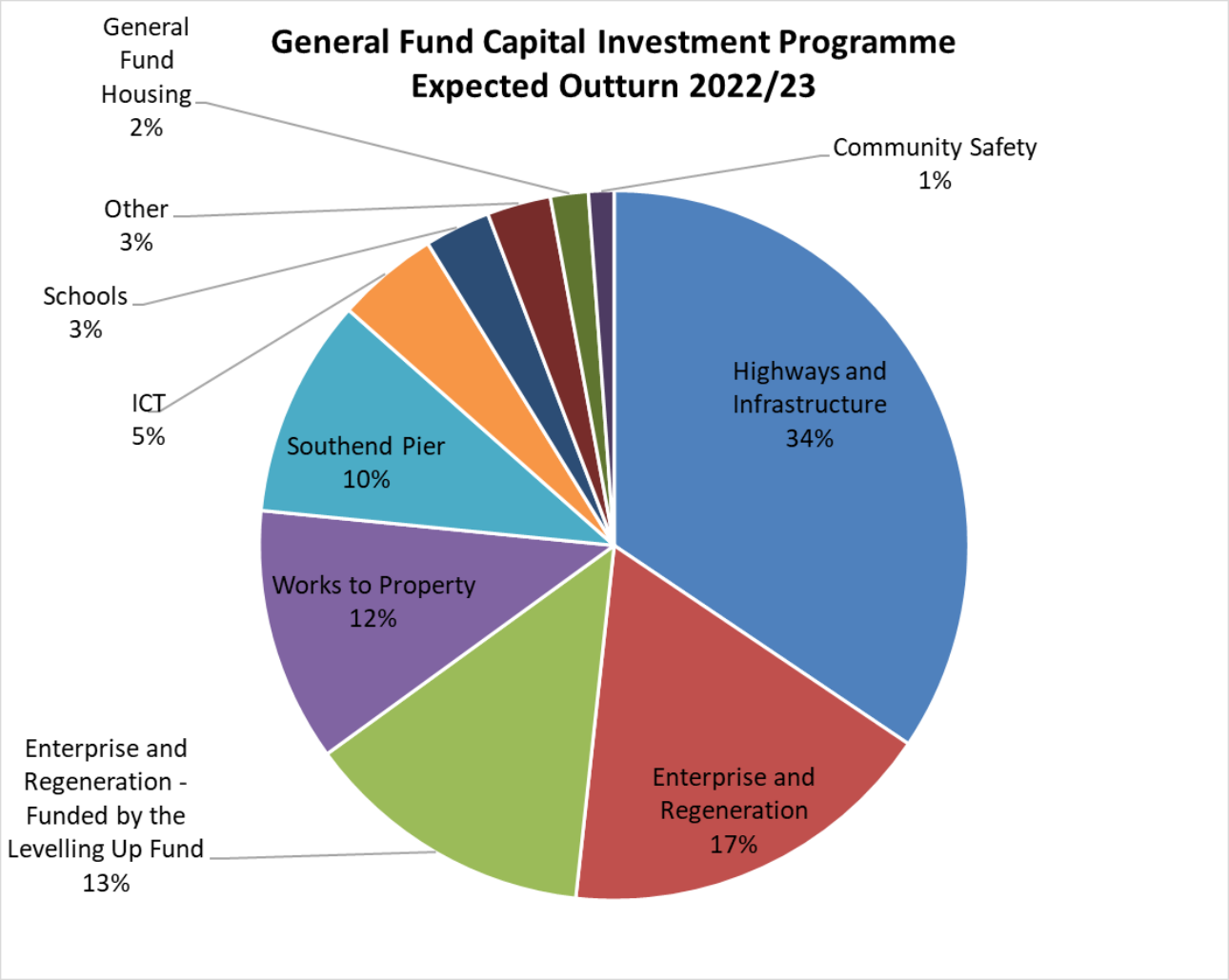
Total Schemes Delivered by Housing Revenue Account

Investment Area	Revised Budget 2022/23 £'000	Outturn to 31st July 2022 £'000	Current Variance to 31st July 2022 £'000	Expected outturn 2022/23 £'000	Latest Expected Variance to Revised Budget 2022/23 £'000	Amended Budget 2023/24 to 2026/27 £'000
Council Housing New Build Programme	3,490	436	(3,054)	1,598	(1,892)	10,392
Council Housing Acquisitions Programme	4,034	1,087	(2,947)	4,156	122	3,673
Council Housing Refurbishment – Disabled Adaptations	879	87	(792)	879	0	1,546
Total	**8,403**	**1,610**	**(6,793)**	**6,633**	**(1,770)**	**15,611**

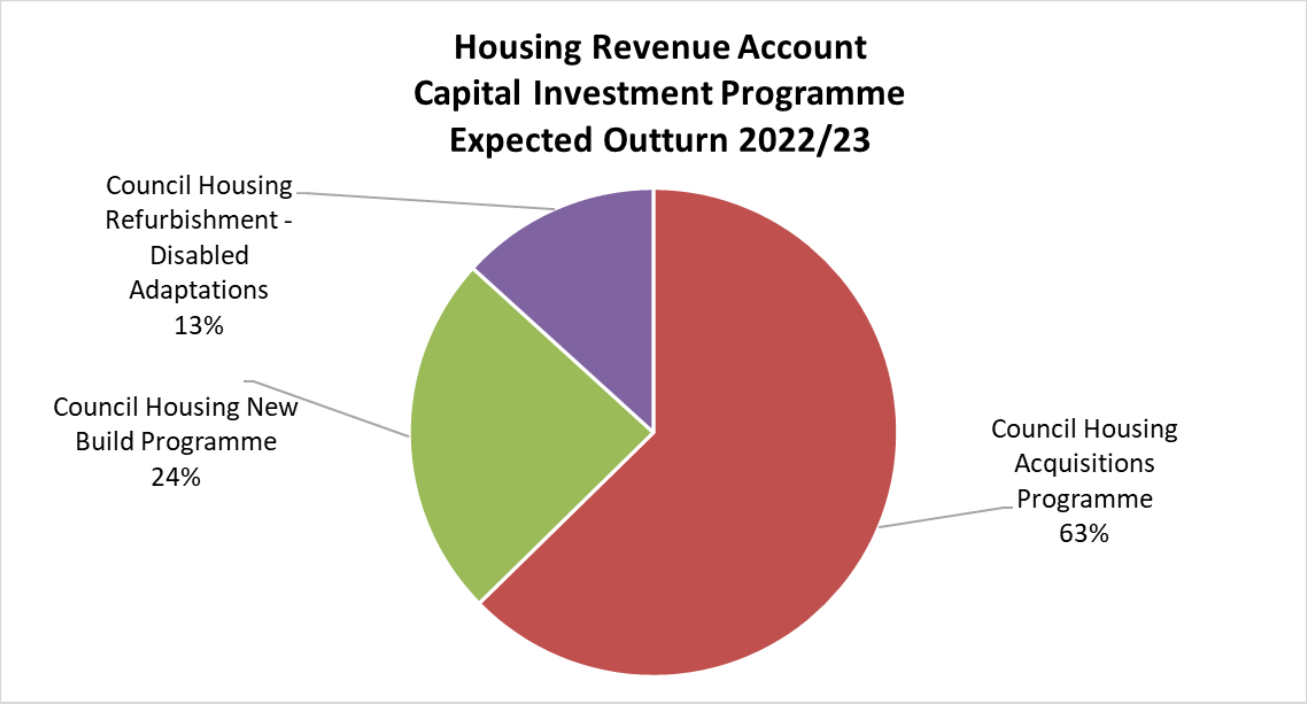
Total Schemes Delivered by Subsidiary Companies, Joint Ventures and Partners

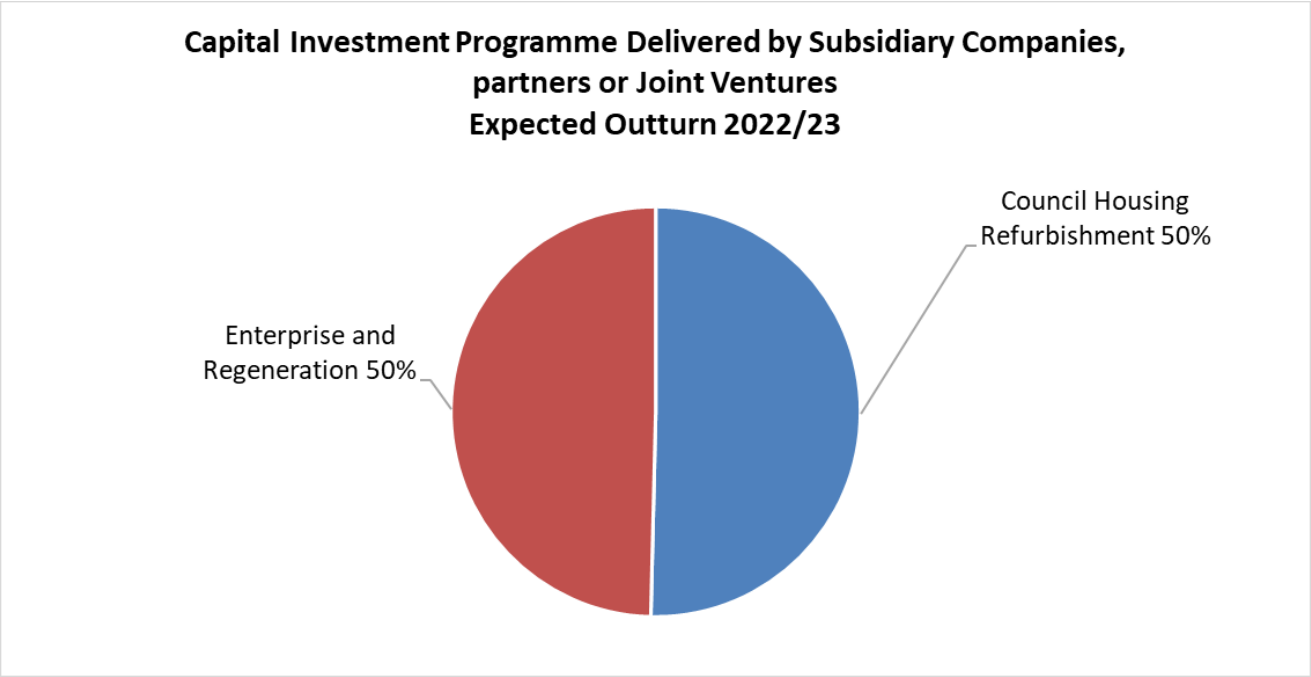
Investment Area	Revised Budget 2022/23 £'000	Outturn to 31st July 2022 £'000	Current Variance to 31st July 2022 £'000	Expected outturn 2022/23 £'000	Latest Expected Variance to Revised Budget 2022/23 £'000	Amended Budget 2023/24 to 2026/27 £'000
Council Housing Refurbishment	9,949	1,453	(8,496)	9,949	0	13,235
Enterprise and Regeneration	15,900	450	(15,450)	9,800	(6,100)	22,775
Total	**25,849**	**1,903**	**(23,946)**	**19,749**	**(6,100)**	**36,010**

Total Capital Programme	**115,531**	**15,963**	**(99,568)**	**93,733**	**(21,798)**	**124,220**

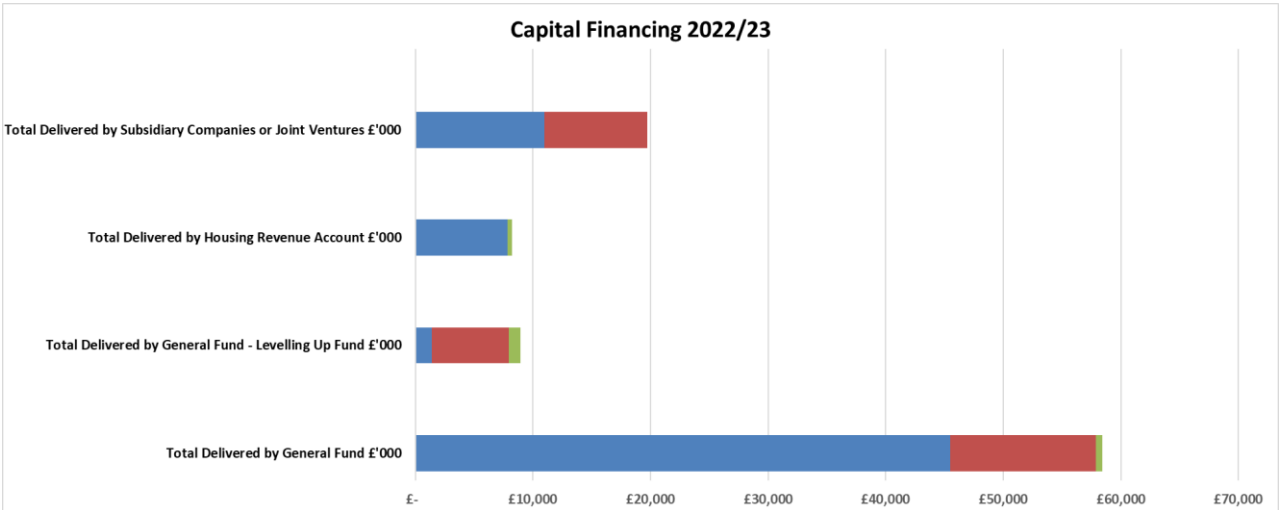


Other	Expected Outturn 2022/23
Culture and Tourism	£ 593
Energy Saving	£ 572
S106/S38/CIL	£ 532
Social Care	£ 263
	£ 1,960


Housing Revenue Account
Capital Investment Programme
Expected Outturn 2022/23
Council Housing Refurbishment - Disabled Adaptations 13%
Council Housing New Build Programme 24%
Council Housing Acquisitions Programme 63%


Capital Investment Programme Delivered by Subsidiary Companies, partners or Joint Ventures
Expected Outturn 2022/23
Council Housing Refurbishment 50%
Enterprise and Regeneration 50%

The capital investment for 2022/23 is proposed to be funded as follows:



	Total Delivered by General Fund £'000		Total Delivered by General Fund - Levelling Up Fund £'000		Total Delivered by Housing Revenue Account £'000		Total Delivered by Subsidiary Companies or Joint Ventures £'000	
Council Funded	£45,512	78%	£1,398	16%	£7,843	95%	£10,949	55%
Grant Funded	£12,339	21%	£6,545	73%	£-	0%	£8,800	45%
Third Party Contributions	£557	1%	£1,000	11%	£390	5%	£-	0%

Third party contributions are non-grant funding from external sources such as S106 contributions.

Of the £29.631 million of external funding expected, £18.493 million had been received by 31st July 2022.

2. Strategic Schemes

Successful and timely delivery of the capital investment programme is a key part of achieving the Southend 2050 ambition and delivering its outcomes.

£91.766 million of this relates to strategic schemes and approximately 15% spend has been achieved to date for these strategic schemes.

Investment Area	Scheme	Revised Budget 2022/23 £000	Outturn to 31st July 2022 £000	Expected outturn 2022/23 £000	Latest Expected Variance to Revised Budget 2022/23 £000	Amended Budget 2023/24 to 2026/27 £000
Strategic Schemes						
Enterprise and Regeneration	Airport Business Park (including Local Growth Fund)	7,265	2,378	7,265	-	-
Enterprise and Regeneration	Better Queensway - Programme Management	1,281	176	1,281	-	-
Enterprise and Regeneration	Seaway Leisure	-	-	-	-	10,000
Enterprise and Regeneration	Victoria Centre	2,855	252	2,855	-	-
Social Care	Brook Meadows House	-	615	-	-	-
Schools	High Needs Provision	3,887	-	675	(3,212)	6,198
Southend Pier	Southend Pier schemes	6,716	855	6,716	-	4,800
ICT	ICT schemes	3,132	1,491	3,132	-	1,070
Highways and Infrastructure	Footways and Carriageways Schemes	11,526	2,527	11,526	-	17,546
Highways and Infrastructure	Parking Schemes	1,511	708	1,511	-	100
Highways and Infrastructure	Highways and Infrastructure - Local Growth Fund and Local Transport Plan Schemes	5,764	858	5,235	(529)	5,285
Total General Fund Strategic Schemes		**43,937**	**9,860**	**40,196**	**(3,741)**	**44,999**
Enterprise and Regeneration	Leigh Port Detailed Design	8,922	110	1,000	(7,922)	13,902
Enterprise and Regeneration	Cliffs Pavillion	7,178	323	7,178	-	800
Enterprise and Regeneration	City Beach	765	-	765	-	-
Total General Fund - Funded by Levelling Up Fund Strategic Schemes		**16,865**	**433**	**8,943**	**(7,922)**	**14,702**
Council Housing New Build Programme	Council Housing New Build Programme	3,490	436	1,598	(1,892)	10,392
Council Housing Acquisitions	HRA Affordable Housing Acquisitions Programme	3,007	854	3,009	2	2,000
Council Housing Acquisitions	Acquisition of Tower Block Leaseholds - Queensway	818	193	938	120	1,573
Total HRA Strategic Schemes		**7,315**	**1,483**	**5,545**	**(1,770)**	**13,965**
Council Housing Refurbishment	HRA Decent Homes Programme	9,949	1,453	9,949	-	13,235
Enterprise and Regeneration	Better Queensway - Loan to Joint Venture	2,000	450	1,000	(1,000)	10,675
Enterprise and Regeneration	Housing Infrastructure Funding	7,500	-	2,400	(5,100)	12,100
Enterprise and Regeneration	Better Queensway - SELEP	4,200	-	4,200	-	-
Total Delivered by Subsidiary Companies and Joint Ventures Strategic Schemes		**23,649**	**1,903**	**17,549**	**(6,100)**	**36,010**
Total Strategic Schemes		**91,766**	**13,679**	**72,233**	**(19,533)**	**109,676**
Other Schemes						
Other General Fund Capital Investment Schemes		20,477	2,157	18,212	(2,265)	12,898
Other HRA Capital Investment Schemes		1,088	127	1,088	-	1,646
Other Delivered by Subsidiary Companies and Joint Ventures Capital Investment Schemes		2,200	-	2,200	-	-
Total Schemes						
TOTAL GENERAL FUND SCHEMES		**81,279**	**12,450**	**67,351**	(13,928)	**72,599**
TOTAL HRA SCHEMES		**8,403**	**1,610**	**6,633**	(1,770)	**15,611**
TOTAL DELIVERED BY SUBSIDIARY COMPANIES AND JOINT VENTURES SCHEMES		**25,849**	**1,903**	**19,749**	(6,100)	**36,010**
		115,531	**15,963**	**93,733**	**(21,798)**	**124,220**

General Fund

Enterprise and Regeneration

The completion of the Launchpad at the Airport Business Park is progressing well with practical completion expected in September and the opening of the building expected later in 2022. The project is expected to complete within budget with the remaining capital expenditure recorded in the 2022/23 financial year with only some retentions needing to be raised as accruals at the year end.

For the Seaway Leisure scheme it was agreed that £10M of the Council's capital reserves would be used as equity in the proposed development to enable significantly improved commercial terms thereby significantly reducing the Council's financial risk and providing an improved annual income stream. Now that this scheme has been subject to significant due diligence and exchange of contracts has taken place, a request has been included as part of this report to transfer this sum from the 'Subject to Viable Business Case' section up into the main programme.

The refurbishment works to the Victoria Centre are progressing at pace with contracts let for some of the elements such as the atrium roof and the lift works. The budget is expected to be spent in 2022/23.

Social Care

Construction of the new care home Brook Meadows House was completed in 2021/22 with residents having moved into the building in early 2022. The Priory Care Home has been demolished and final landscaping works can now be completed. Works incurred during 2022/23 do not have a budget allocation and the 2021/22 works were overspent by £3.4M. The overspend has been incurred due to a number of issues including the performance of the design team. The Council is currently taking forward actions with a view to recovering significant costs incurred where these have been caused by the performance of third parties.

Schools

The High Needs Provision budget is financed by grant monies from the Department for Education to enhance the facilities and number of places available for children with special educational needs and disabilities or requiring alternative provision. There are currently three schemes at various stages of completion for autism resource bases with more potential scheme options being considered. The resource base at Southend High School for Boys is due to be completed soon, the one at Blenheim Primary School had been delayed and is unlikely to be finished by the end of the financial year end and the one at Thorpe Greenways Primary School is awaiting DfE approval. As a result a carry forward request into 2024/25 for £3,212k is included as part of this report.

Southend Pier

The pier schemes are progressing well at this point in the financial year. However, works are more difficult to complete in the autumn and winter months and the position will be kept under review, with any budget re-profile requests being included in the next available Cabinet report.

ICT Schemes

The ICT schemes are progressing and are at various stages of completion. The Core Application and Database Migration works to move to the Cloud are expected to be completed this financial year. The Digital Enablement works are underway but may need to continue into the next financial year. The position will be reviewed, with any budget re-profile requests being included in the next available Cabinet report.

Regarding the Implementation of the ContrOCC modules for Childrens and Adults Social Care it has been identified that additional payment modules will need to be implemented. Initially the works were planned over a 12-18 month period but there is now a requirement to change priorities and therefore to revisit the order of the works. The budget profile is being reviewed, with any budget re-profile requests being included in the next available Cabinet report.

Highways and Infrastructure

The Footways and Carriageway schemes are progressing well with plans to deliver the allocated budget by the end of the financial year. By the year end it is expected that approximately 25 road improvements will have been completed.

The Junction Protection works are progressing with the statutory process being worked through and works are expected to complete this financial year. The surveys for the Zebra Crossing Surfacing Replacement have been undertaken and works are expected to complete this financial year.

The works to East Beach car park are complete and it has now reopened. The scheme costs are being finalised and there is a potential budget pressure of circa £70k due to increased material costs. Other scheme budgets are being considered for a virement to fund this.

Some works on the Local Growth Fund A127 Growth Corridor scheme relating to the Bell Junction have been identified as being required in the next financial year. A carry forward request for £529k is included as part of this report.

The Southend Town Centre Interventions scheme if funded by Local Growth Fund monies which have a spend deadline of 31st December 2022. There were initially some delays due to supply chain issues but progress has been made with the equipment at Forum Square and an empty unit in the High Street is due to be opened next month. The spend deadline is therefore expected to be met.

Local Transport Capital Block funding allocations have been notified for 2023/24 and 2024/25 across the following funding streams: Integrated Transport Block, Highways Maintenance Block and the Potholes Fund. Requests to include new external funding of £3,151k in each of the years 2023/24 and 2024/25 have been included as part of this report.

General Fund - Funded by the Levelling Up Fund

Enterprise & Regeneration

The contract for the ground investigation for the Leigh Port project has been placed and the scheme design is progressing well. The sediment sampling procurement is taking longer than

estimated and the Marine Management Organisation licencing may be delayed causing he dredging to be delayed. As a result a carry forward request into 2023/24 for £7,922k is included as part of this report.

The preliminary design has been completed for the City Beach project but there is a potential delay to works starting due to the summer peak season.

The Cliffs Pavilion project has secured planning permission and a suitably qualified and experienced design and construction team have been appointed. The project is currently on hold to enable the commercial terms to be agreed between the Council and the current operator. When it resumes the anticipated costs of the project will have increased since it was initially budgeted therefore the commercial return on investment will require a comprehensive review.

Housing Revenue Account

Construction of New Housing on HRA Land

The procurement for the main contractor for Phase 3 was unsuccessful. The specification has been increased to encompass the Future Homes Standard and has been split into two smaller procurements. Costs plans are expected soon but it is anticipated that it will be possible that the contractor for the smaller portion of the scheme can be on site sooner but that the other part of the scheme will take longer to get underway. Therefore a carry forward request of £700k into 2024/25 is requested as part of this report.

Planning permission is being sought for Phase 4 and a further survey has been requested. As a result a carry forward request of £500k into 2023/24 is requested as part of this report.

In line with the revised housing construction programme a request to carry forward £400k of the Modern Methods of Construction budget into 2023/24 is also included in this report.

One purchase has been made from the Land Assembly Fund but no other purchases are expected this financial year. Therefore a request to carry forward £290k into 2023/24 is included as part of this report.

HRA Affordable Housing Acquisitions Programme

Seven properties have been purchased with a further 10 properties with solicitors. The budget is on course to be spent in 2022/23.

Acquisition of Tower Block Leaseholds – Queensway

Two leaseholds have been acquired so far this year, with a further seven leasehold acquisitions with solicitors or awaiting completion. An accelerated delivery of £120k from 2023/24 is requested as part of this report to cover these costs.

Subsidiary Companies and Joint Ventures

HRA Decent Homes Programme

The main programme works are contractually committed and progressing. The budget is expected to be spent during 2022/23.

The Sprinkler System Installation Pilot project has been completed. The feasibility study for the Remodelling of Tied Accommodation is approximately halfway through and the resulting recommendations will go to a future Strategic Partnership Board for a decision. The improvement and structural works to the Balmoral Estate is underway, with the first part completed and the 2022/23 budget is expected to be spent.

Housing Infrastructure Funding

The Housing Infrastructure Funding is grant funding which is to be drawn down from Homes England at the appropriate time and passported to Porters Place Southend-on-Sea LLP. During 2021/22 £500k was drawn down and passported to the LLP and Homes England are currently processing another drawdown of £2.4M which is due to be paid in September. The current spend deadline is March 2023 but an extension has been requested to December 2023. Therefore a request is included as part of this report to carry forward £5.1M into 2023/24. Depending on the outcome of the Homes England decision, the budget will be further re-profiled as appropriate.

Better Queensway SELEP

The current deadline for spending the £4.2M of SELEP monies is 30th September 2022. The LLP have signed a back-to-back agreement and have submitted a drawdown request of £2.5M. The rest of the monies are expected to be spent during 2022/23.

Better Queensway – Loan to Joint Venture

Project activity has slowed due to the timing of the forthcoming merger between Swan and Orbit and the awaited revised business plan from the LLP. Therefore a request is included as part of this report to carry forward £1M into 2026/27.

3. Progress of other schemes

General Fund

Schools

Projects within the Schools Improvement and Provision for School Places project are substantially complete and £400k of budget was moved from the main capital investment programme to the ‘Subject to Viable Business Case’ section as the service were awaiting the outcome of the local plan to assess whether these funds would be needed. A retention payment of £68k has since been notified and therefore a request is included as part of this report to bring that amount from the ‘Subject to Viable Business Case’ section back up into the main capital investment programme.

Highways and Infrastructure

The budget profile of the Belton Way East Cliff Slip project has been reassessed and part of the scheme will be delivered in 2023/24. A carry forward request for £2,251k is included as part of this report.

The tender for works on the Cliff Parade Cliff Slip project has been awarded and works were due to start in August.

There is no further spend for Tranche 1 of DfT's Emergency Active Travel Fund. A virement request has been included as part of this report to move £116k of budget to the DfT Active Travel – Tranche 2 scheme.

Works to Property

Planning permission has been granted for three café units at East Beach which would make a significant contribution to the attraction and amenity by enhancing the destination and providing facilities for locals and visitors to enjoy, year-round. The investment of £1,568k is for the construction of the three café units but there are many variables including tender costs, build cost inflation, rental levels, tenant demand, future business rates and parking levels all of which will impact on the final financial assessment and viability. The risk associated with the level of demand can be mitigated by building only two cafés initially, then a further unit could be built at a later date. The tender and marketing is being undertaken for two and three units so that the level of demand and market appetite can be gauged. Following the outcome of the above, the scheme will return to the Investment Board with a clear recommendation to progress with either two or three units. If the recommendation is for two units, the proportion of the budget not required would be deleted.

The crematorium refurbishment programme is due to commence later in the year. As a result of the works a temporary cremator will be used and services will be reduced.

S106/S38/CIL

£104k of unspent Section 106 funds relating to land to the west of Luker Road and South of Elmer Approach have been refunded to the South Essex College. A request to delete the associated expenditure budget has been included as part of this report.

A new expenditure budget of £22k is requested for the Whitegate Play Space at Milton Ward, funded by CIL Ward and S106 funds.

4. Requested Changes to the Capital Investment Programme

Carry Forwards to Future Years – programme to be delivered by the Council

Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
Leigh Port Detailed Design	(7,922)	7,922				0
DFT - Belton Way East Cliff Slip	(2,251)	2,251				0
Local Growth Fund - A127 Growth Corridor	(529)	529				0
Housing Construction Scheme - Land Assembley Fund (S106)	(290)	290				0
Council Affordable Housing Development (Phase3) - Shoebury	(700)		700			0
Council Affordable Housing Development (Phase4) - St Laurence	(500)	500				0
Council Affordable Housing Development (MMC) - West Shoebury	(400)	400				0
High Needs Provision	(3,212)		3,212			0
Total Carry Forwards - programme to be delivered by the Council	**(15,804)**	**11,892**	**3,912**	**0**	**0**	**0**

Carry Forwards to Future Years - programme to be delivered by Subsidiary Companies, Partners and Joint Ventures

Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
Better Queensway - Loan to Joint Venture	(1,000)				1,000	0
Better Queensway - Housing Infrastructure Funding	(5,100)	5,100				0
Total Carry Forwards - programme to be delivered by Subsidiary Companies, Partners and Joint Ventures	**(6,100)**	**5,100**	**0**	**0**	**1,000**	**0**

Accelerated Deliveries – programme to be delivered by the Council

Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
Acquisition of tower block leaseholds - Queensway	120	(120)				
Total Accelerated Deliveries - programme to be delivered by the Council	**120**	**(120)**	**0**	**0**	**0**	**0**

Deletions from the Programme – programme to be delivered by the Council

Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
S106 Seec 0200500ful - Highway Works	(104)					(104)
Total Deletions from the Programme - programme to be delivered by the Council	**(104)**	**0**	**0**	**0**	**0**	**(104)**

Virements between schemes - programme to be delivered by the Council

Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
DfT - Emergency Active Travel Fund	(116)					(116)
DfT Active Travel - Tranche 2	116					116
Housing Construction Scheme - Land Assembley Fund (S106)	(2)					(2)
HRA Affordable Housing Acquisitions Programme	2					2
Total Virements between schemes - programme to be delivered by the Council	**0**	**0**	**0**	**0**	**0**	**0**

New External Funding - programme to be delivered by the Council

Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
CIL Ward NA and S106 - Milton - Whitegate Play Space	22					22
Highways Maintenance - Potholes		773	773			1,546
LTP (Integrated Transport block) - Better Sustainable Transport		470	470			940
LTP (Integrated Transport block) - Better Networks		429	429			858
LTP (Integrated Transport block) - Better Networks & Traffic Management Schemes		400	400			800
LTP (Integrated Transport block) - Better Operation of Traffic Control Systems		113	113			226
LTP (Integrated Transport block) - Bridge Strengthening		250	250			500
Local Transport Plan Maintenance		595	595			1,190
LTP - Maintenance - Steet Lighting		121	121			242
Total New External Funding - programme to be delivered by the Council	**22**	**3,151**	**3,151**	**0**	**0**	**6,324**

Transfers from 'Subject to Viable Business Case' section to main Capital Investment Programme – programme to be delivered by the Council

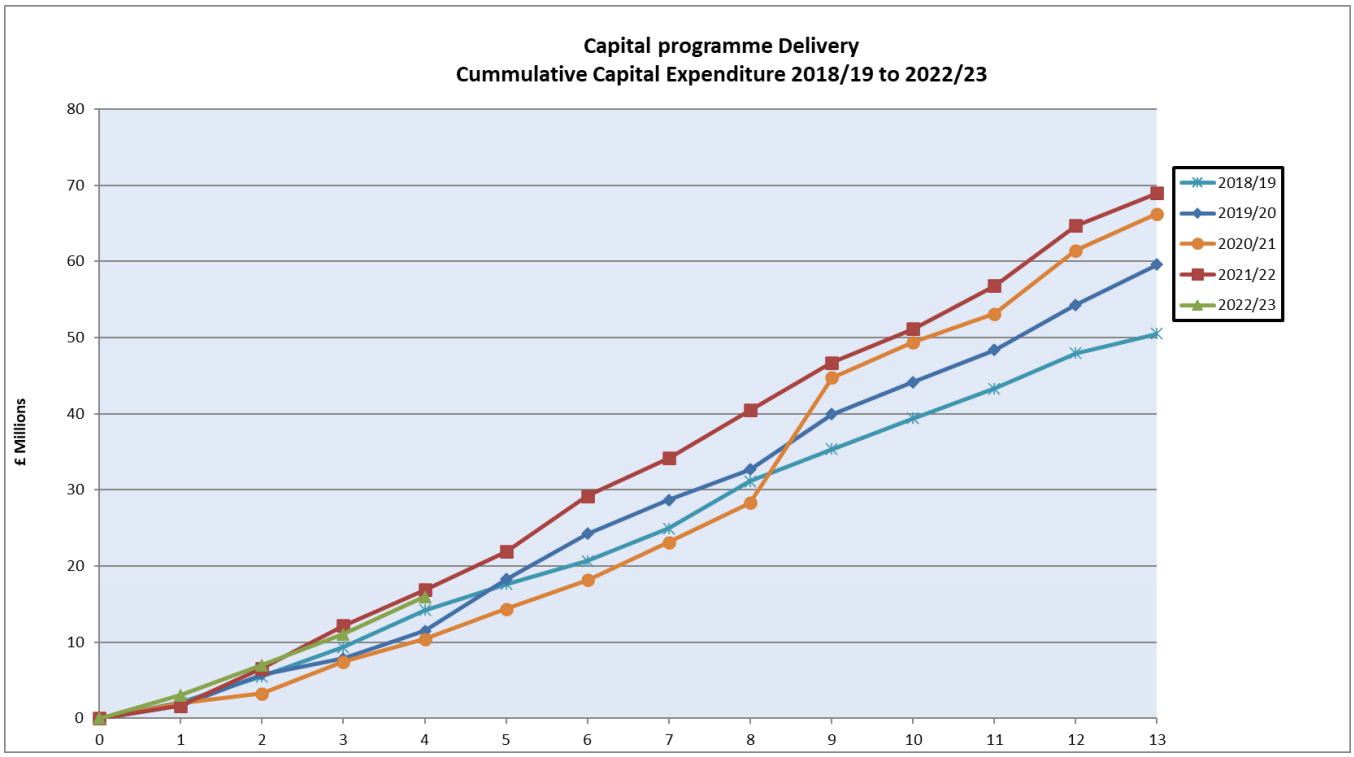
Scheme	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 and future years Budget £000	Total Budget (all years) £000
Seaway Leisure			10,000			10,000
School Improvement & Provision for School Places	68					68
Total Transfers from 'Subject to Viable Business Case' Section - programme to be delivered by the Council	**68**	**0**	**10,000**	**0**	**0**	**10,068**

5. Summary of Capital Expenditure at 31st July

	Original Budget 2022/23	Revisions	Revised Budget 2022/23	Actual 2022/23	Forecast outturn 2022/23	Forecast Variance to Year End 2022/23	% Variance
	£000	£000	£000	£000	£000	£000	
General Fund Housing	1,017	143	1,160	180	1,160	-	16%
Social Care	203	60	263	615	263	-	234%
Schools	1,680	3,490	5,170	209	2,026	(3,144)	4%
Enterprise and Regeneration	7,228	4,418	11,646	2,805	11,646	-	24%
Southend Pier	6,300	416	6,716	855	6,716	-	13%
Culture and Tourism	145	448	593	100	593	-	17%
Community Safety	250	534	784	274	784	-	35%
Highways and Infrastructure	19,936	6,038	25,974	4,513	23,194	(2,780)	17%
Works to Property	6,337	1,453	7,790	575	7,790	-	7%
Energy Saving	425	147	572	208	572	-	36%
ICT	2,138	994	3,132	1,491	3,132	-	48%
S106/S38/CIL	35	579	614	192	532	(82)	31%
TOTAL PROGRAMME TO BE DELIVERED BY THE GENERAL FUND	**45,694**	**18,720**	**64,414**	**12,017**	**58,408**	**(6,006)**	19%
Enterprise and Regeneration	**16,808**	**57**	16,865	**433**	8,943	(7,922)	3%
TOTAL PROGRAMME TO BE DELIVERED BY THE GENERAL FUND - FUNDED BY THE LEVELLING UP FUND	**16,808**	**57**	**16,865**	**433**	**8,943**	**(7,922)**	3%
Council Housing New Build Programme	9,394	(5,904)	3,490	436	1,598	(1,892)	12%
Council Housing Acquisitions Programme	3,203	831	4,034	1,087	4,156	122	27%
Council Housing Refurbishment - Disabled Adaptations	770	109	879	87	879	-	10%
TOTAL PROGRAMME TO BE DELIVERED BY THE HOUSING REVENUE ACCOUNT	**13,367**	**(4,964)**	**8,403**	**1,610**	**6,633**	**(1,770)**	19%
Council Housing Refurbishment	9,008	941	9,949	1,453	9,949	**-**	15%
Enterprise and Regeneration	14,200	1,700	15,900	450	9,800	**(6,100)**	3%
TOTAL PROGRAMME TO BE DELIVERED BY SUBSIDIARY COMPANIES OR JOINT VENTURES	**23,208**	**2,641**	**25,849**	**1,903**	**19,749**	**(6,100)**	7%
Council Approved Original Budget - February 2022	**99,077**						
Programme to be delivered by the General Fund							
General Fund Housing	143						
Social Care	60						
Schools	3,490						
Enterprise and Regeneration	4,418						
Southend Pier	416						
Culture and Tourism	448						
Community Safety	534						
Highways and Infrastructure	6,038						
Works to Property	1,453						
Energy Saving	147						
ICT	994						
S106/S38/CIL	579						
Programme to be delivered by the General Fund - Funded by the Levelling Up Fund							
Enterprise and Regeneration	57						
Programme to be delviered by Housing Revenue Account							
Council Housing New Build Programme	(5,904)						
Council Housing Acquisitions Programme	831						
Council Housing Refurbishment - Disabled Adaptations	109						
Programme to be delviered by Subsidiary companies or Joint Ventures							
Council Housing Refurbishment	941						
Enterprise and Regeneration	1,700						
Council Approved Revised Budget - June 2022	**115,531**						

Actual compared to Revised Budget spent is 15.963M or 14%

6. Capital Programme Delivery



Year	Outturn £m	Outturn Against Budget %
2018/19	50.0	96.0
2019/20	59.5	83.8
2020/21	66.2	81.0
2021/22	69.0	88.0

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Corporate Performance Dashboard Report – July 2022

The Corporate Performance Dashboard July 2022 report covers performance indicators that link to the Resourcing Better Outcomes financial report. The report shows our performance predominantly for the period July 2022, with some exceptions where data is unavailable at this time. Data has been RAG rated against targets where applicable and compares our current position to the previous month and previous year where data is available. It is presented by Portfolio Holder, with the intention to align against the new corporate priorities following the adoption of the new Corporate Plan in September.

The total number of performance indicators included is 45. The summary of RAG status for PI's is as follows:

12	4	21	8
Red	Amber	Green	Data only
at risk of missing target	some slippage against target	on course to achieve target	data only PIs do not have targets and will not have a RAG status

In consideration of the financial challenges, highlighted below are the 12 PIs at risk of missing target.

- SCC working days lost per FTE due to sickness - excluding school staff [Cumulative YTD]
- Percentage of general complaints received answered within timescales (all stages) [Monthly Snapshot]
- Proportion of those that received short-term service during the year where sequel was either no on-going support or support of a lower level
- Proportion of adults in contact with secondary mental health services who live independently with or without support
- Proportion of adults with a learning disability in paid employment
- Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services
- Wellbeing referral Programme - Number of individuals completing 12 weeks of Wellbeing Referral Programme
- Rate of children in care per 10,000 population under 18 years old
- Percentage of children who have been in care for at least 5 working days, who have had a visit in the 6 weeks (30 working days), prior to the last day of the month
- Percentage of children who have been in care for 2.5 years and in the same placement for 2 years OR are placed for adoption and their adoptive placement together with their previous placement together last for at least 2 years for CLA under the age of 16
- Percentage of placements in residential and PVI (private, voluntary, and independent sector) settings
- Percentage of agency social workers (Children's)

Corporate matters and performance delivery

Highlight report

- The current collection for Council Tax on 1st August 2022 is **35.4%**. This is 0.5% lower than the targeted collection for the month, and 0.7% lower than the collection for the same period in the prior financial year. In monetary terms on 1st August 2022 a total of £1,772,000 more tax has been collected at this time in the financial year in comparison to the previous financial year. This equates to a decrease in collection of £535,000 in comparison to the monthly target. The comparatively low figure is a result of delays in issuing summons in June for non-payment, which were then implemented in July at a capped level.

  Given an annual target of 97.5%, in-month collection rates from August will need to average 7.76%. With an average in-month collection rate of 8.85%, annual target is expected to be achievable given consistent in-month collection.

- July 2022/23 service requests received via MySouthend total **9,638,** a decrease of 20.64% compared with June (12,144), and a decrease of 31.41% compared with July of the previous year (14,052). The overall percentage of self-serve requests made for July is 88.6%, a decrease of 3.42% compared with June (92.02%), and a decrease of 1.15% compared with July of the previous year (89.75%). The largest increase in MySouthend requests was for Bins, recycling, and waste, which saw an increase of 17%. This increase could be a seasonal trend as we saw a similar increase (19.7%) for July 2021. The highest proportion of this type of service request was for a missed collection (46%, 1,524), followed by 36% (1,193) for fly-tipping or street cleansing.

- SCC working days lost per FTE due to sickness - excluding school staff [Cumulative YTD] currently sits at **2.79**, above target of 2.18. This represents an increase of 29.17% compared with the same month of the previous year and places the forecast days lost per FTE for the year at 8.37 compared to a target of 7. This equated to 1,351.81 working days lost for July 2022. A notably high figure can be seen for Neighbourhoods & Environment, with working days lost per FTE due to sickness in this area currently sitting at 4.14, against a target of 1.8. As of August 2022, 4 out of 6 areas are projected to miss target for the year; Finance & Resources, Neighbourhoods & Environment, Children and Public Health and Adults & Communities.

- There were 33 corporate complaints that were responded to in July, of which 22 responses were sent out within relevant timescale, cumulatively achieving **60.23%** against the target of 85%. This is compared to 58.74% for June. This PI has been below target since April 2021 and has struggled to maintain above target for significant amounts of time since beginning monitoring in 2008.

  All four areas receiving complaints have decreased in rate of on time responses compared with June, however compared to the previous year, responses meeting the relevant timescale have increased by 1.46%. Through weekly reporting, the team will shortly be increasing the awareness of managers of the position of their service with regards to complaint performance to encourage more timely completion.

Corporate matters and performance delivery

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Percentage of Non-Domestic Rates for 2021/22 collected in year [Cumulative YTD]	**41.60%**	39.30%	Maximise	July 2022	23.30%	↑ 33.30%
	The current collection for Non-Domestic Rates on 1st August 2022 is 39.3%. This is an increase of 8.3% on the achieved collection for the same period in the previous financial year, and an increase of 2.3% in comparison to the monthly target. In monetary terms on 1st August 2022 £6,227,000 more tax has been collected than at this stage last year in respect of the current year debt. This equates to an increase of £940,000 against the in-year target profile for this financial year. The collection in comparison to the last financial year is exceptional high due to the change in legislation. Retails business were entitled to receive 100% relief for three months followed by a 66% relief last year whereas in this financial year a 50% reduction is permitted only. Whilst this means that we have collected a great deal more, we have also had more businesses to collect from meaning the collection percentage is even more pleasing.					
Percentage of Council Tax for 2021/22 collected in year [Cumulative YTD]	**35.40%**	35.90%	Maximise	July 2022	27%	↓ 36.10%
	The current collection for Council Tax on 1st August 2022 is 35.4%. This is 0.5% lower than the targeted collection for the month, and 0.7% lower than the collection for the same period in the prior financial year. In monetary terms on 1st August 2022 a total of £1,772,000 more tax has been collected at this time in the financial year in comparison to the previous financial year. This equates to a decrease in collection of £535,000 in comparison to the monthly target. The impact within this month is expected as we had originally held recovery action (not issued summonses) in June for non-payment and this naturally impacts collection. We issued cases in July, but capped the number issued to assist with the workload. These decisions were made to assist with the unprecedented level of work experienced in the department in connection to the Council Tax Rebate scheme; the focus therefore has been high on providing this support to residents, the impact naturally being that the recovery of debts has suffered. Given the early stage of the year, I do not see that this presents a risk to collection.					
Volume of calls received into the Council via the Silver numbers [Cumulative YTD]	**89,991**	-	Data only	July 2022	61,227	114,254
	For July, there were a total of 28,764 calls via silver numbers, this includes: CS Agent - 18,376 Automated - 3,925 Back Office - 5,021 3rd Party - 1,442					

Volume of service requests received via MySouthend	**9,638**	-	Data only	July 2022	12,144	14,052
	Total Forms Completed – 9,638 (8,539 self-serve and 1,099 assisted)					
SCC working days lost per FTE due to sickness - excluding school staff [Cumulative YTD]	**2.79**	2.18	Minimise	July 2022	-	↓ 2.16
	Adults & Communities – 2.71 against target 2.48 Children & Public Health – 3.29 against target 2.1 Finance & Resources – 1.95 against target 1.65 Growth & Housing – 1.89 against target 1.47 Neighbourhoods & Environment – 4.14 against target 1.8 Strategy, Change & Governance – 1.05 against target 2.12					
Percentage of general complaints received answered within timescales (all stages) [Monthly Snapshot]	**60.23%**	85%	Maximise	July 2022	↑ 58.74%	↑ 58.77%
	Total of 33 complaints closed, 22 of which were in timescale Growth & Housing - 7 complaints closed, 3 of which were in timescale = 42.86% Neighbourhood & Environment - 10 closed, 6 of which were in timescale = 60% Adults & Communities - 4 closed, 2 of which were in timescale = 50% Finance & Resources - 12 closed, 11 of which were in timescale = 91.67%					

Southend-on-Sea City Council staff figures – as of 11th August 2022

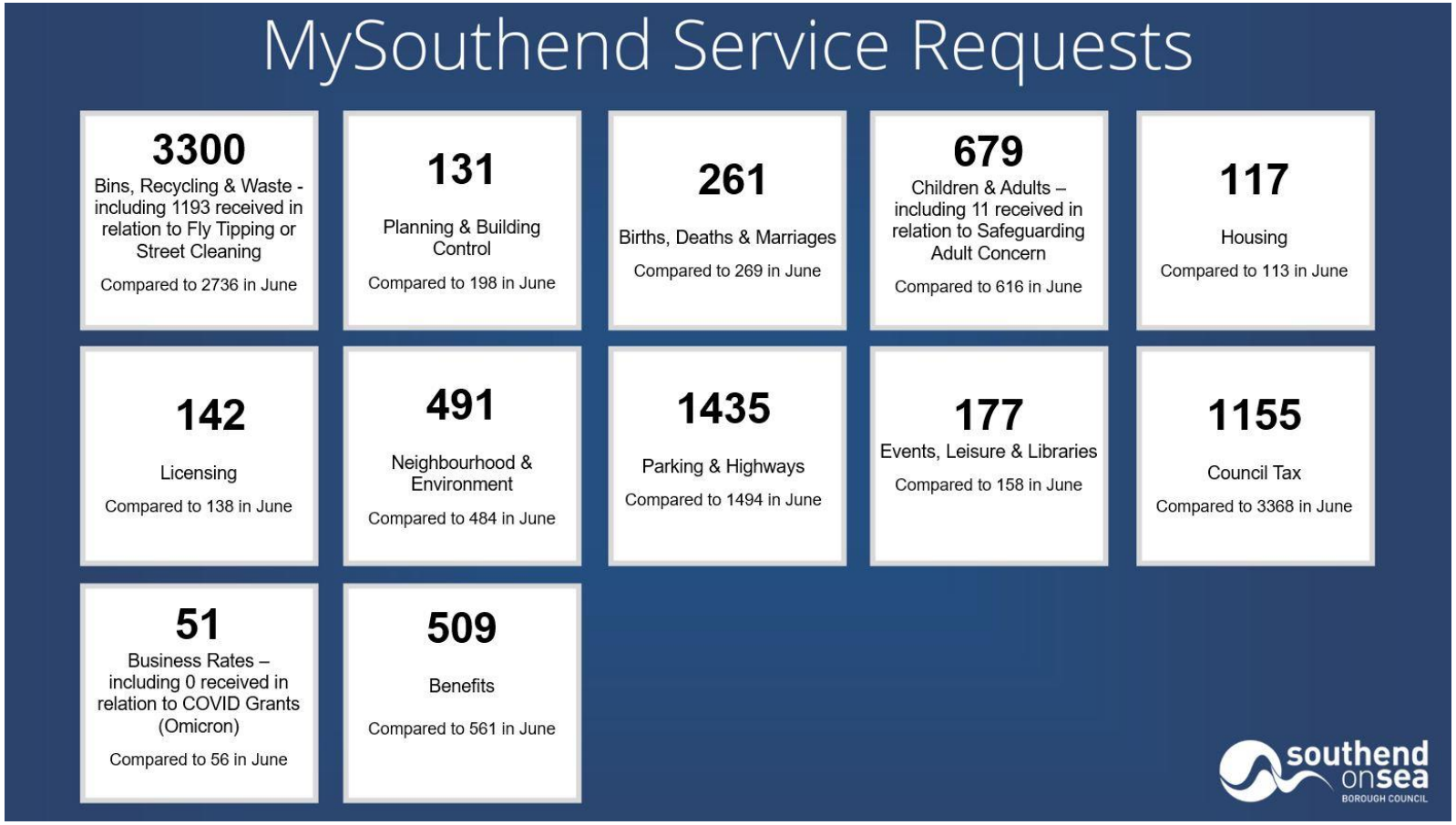
	Permanent	Fixed Term	Casual*	Agency**
Total	**1,619**	**165**	**53**	**213**

Total Employees: 1,837 **Total Agency: 213**

*Casual workers - paid as and when needed.

**Agency workers - employed by an Agency to work for the Council, so are not Council employees but do work alongside our employees and cover for Maternity, sickness and where additional workers are needed for a range of roles.

MySouthend Service Requests Infographic – July 2022



	Bins, recycling, and waste	Planning and building control	Births, deaths & marriages	Children & adults	Housing	Licensing	Neighbourhood & environment	Parking & highways	Events, leisure & libraries	Council tax	Business rates	Benefits
July 2022	3,300	131	261	679	117	142	491	1,435	177	1,155	51	509
June 2022	↑ 2,736	↓ 198	↓ 269	↑ 616	↑ 113	↑ 138	↑ 484	↓ 1,494	↑ 158	↓ 3,368	↓ 56	↓ 561
July 2021	↓ 3,551	↑ 123	↑ 53	↑ 478	↑ 36	↓ 207	↓ 667	↓ 1,581	↑ 176	↓ 4,748	↓ 160	↓ 1,068

Adult social care & health integration

Highlight report

- The proportion of those that received short-term service during the year where sequel was either no on-going support or support of a lower level in July was **44.8%**, falling 13.2% below target of 58%. This demonstrates a 2.4% decrease compared to the previous month (47.2%), and an 11.2% decrease compared to the same month in the previous year (56%). Performance for this indicator has declined which we are relating to the high level of individuals coming through needing long term services, however this indicator will continue to be monitored in collaboration with the Commissioning service over the coming months.

- The proportion of adults in contact with secondary mental health services who live independently with or without support as at June 2022 was **38.5%,** 26.5% below target of 65%. This figure remains static from the previous month and demonstrates a 32.5% decrease compared to the same month in the previous year (71%). The definition of this PI was changed in May 2022, to remove the restriction of services used on CPA (Care Programme Approach) to include all service users on CPA and non-CPA. This amounts to roughly a tenfold increase in service users at the end of the reporting month, having a negative impact on percentage performance.

- The proportion of adults with a learning disability in paid employment missed its quarterly target of 10% and achieved **9.3%**, compared to 9.4% for quarter June, down 0.1%. In placement terms, Making it Work is supporting 47 paid employment placements, down from 48 in the previous month as a result of redundancy due to changes in working practices following COVID-19. Over the last 12 months, this indicator has struggled to maintain above target, with only 3 months out of 12 achieving at or above target of 10%.

  The team have increased marketing and employment engagement and have negotiated placements in two companies which have the potential to lead into paid employment.

- The proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services currently sits at **75.4%**, 4.6% below target of 80%. This represents a 0.2% decrease compared to June, and a 1.2% decrease compared to the previous year. The NHS continues to lead on discharge from hospital which means the local authority has reduced input and control over this measure.

- The number of individuals completing 12 weeks of the Wellbeing Referral Programme is at **24**, falling below target of 51. The programme has not yet achieved monthly targets since beginning, with the number of people starting and completing the programme remaining low. The council have recently met with Fusion Lifestyle and Everyone Health; both organisations are putting together a proposal, so that referral pathways and the programme itself is improved, to cater for a much larger number of people in need of this programme. The aim is for the improved programme to start later this year, however this timeframe is subject to change. The average in-month completion rate over the last 12 months is 7, with an average of 16-17 completions per month necessary to meet the current annual target of 200. For 22/23, completions will need to average 22 from August onwards in order to reach this year's target.

Adult social care & health integration

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
ASCOF 2D - Proportion of those that received short-term service during the year where sequel was either no on-going support or support of a lower level	**44.8%**	58%	Maximise	July 2022	↓ 47.2%	↓ 56%
	Performance for this indicator has declined which we are relating to the high level of individuals coming through needing long term services, however this indicator will continue to be monitored in collaboration with the Commissioning service over the coming months.					
ASCOF 1H- Proportion of adults in contact with secondary mental health services who live independently with or without support	**38.5%**	65%	Maximise	June 2022	38.5% (May 2022)	71% (June 2021)
	Performance against revised definition –38.5% for Jun-22.					
ASCOF 2A(1)- Permanent admissions into residential and nursing care, per 100,000 population (18-64)	**1.86**	2.79	Minimise	July 2022	-- 1.86	↑ 4.66
	We remain on target for the number of people being admitted to residential care.					
ASCOF 2A(2)- Permanent admissions into residential/nursing care, per 100,000 population (65+)	**137.41**	168.25	Minimise	July 2022	92.54	↓ 98.15
	Overall the total actual admissions into residential care for individuals over 65 is 48 against a target of 60.					
Of concluded section 42 enquiries where it was established that the individual was lacking capacity, percentage reported as being supported by an advocate, family or Friend	**95.6%**	94%	Maximise	July 2022	↑ 95%	↑ 91.5%
	Adults involved in s42 enquiries have been supported by advocates, family members or friends wherever that was required. Connecting vulnerable people to the right level of advocacy and support is a priority for our service.					

Percentage that were asked and safeguarding outcomes were Fully or partially achieved	**97.6%**	97%	Maximise	July 2022	-- 97.6%	↑ 97.3%
	It would appear that the overwhelming majority of people agree that the outcomes of the safeguarding enquiry were in line with their expectations.					
ASCOF 1E- Proportion of adults with a learning disability in paid employment	**9.3%**	10%	Maximise	July 2022	↓ 9.4%	↓ 9.5%
	One leaver was in paid employment, but the company made her redundant due to changes in working practices following on from Covid. We supported the client through the formal consultation process and in securing her redundancy package. We have increased our marketing and employment engagement and have negotiated placements in two companies to support work initiative programmes to develop skills and workplace competencies. There will be potential for these placements to lead into paid employment as both are large companies who regularly recruit. The team continues to support 47 paid employment placements with two clients securing paid employment awaiting training and recruitment process to be completed.					
ASCOF 1G Proportion of adults with learning disabilities who live in their own home or with their family	**88.9%**	85.5%	Maximise	July 2022	↑ 88.8%	↑ 87.6%
	The LD Team's focus is supporting people with a Learning Disability to reside within tenanted arrangements which increases choice and control. There has been a small improvement over the past month.					
ASCOF 1F- Proportion of adults in contact with secondary mental health services in paid employment	**8.9%**	-	Maximise	June 2022	↓ 9% (May 2022)	↑ 12.2% (June 2022)
	Performance against revised definition – 8.9% for Jun-22.					
ASCOF 2B (1)- Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services	**75.4%**	80%	Maximise	July 2022	↓ 75.6%	↓ 76.6%
	Performance is below target. It is important to note that the NHS continues to lead on discharge from hospital which means the local authority has reduced input and control over this measure.					

Falls Prevention Programme - Number of individuals completing a Falls Prevention Programme	**113**	250 (annual target)	Maximise	22/23 – as at July '22	-	127 (year end 21/22)
	This is a 36-week programme which has only just commenced meaning the number of completers for July is currently at 0. However, the service has met their recruitment targets of 250 registered for 2022-23 so are on track. Final completion data will be provided post March 2023. There is a waiting list of 100 users, and we are looking to expand the programme to weave in additional capacity.					
Wellbeing referral Programme - Number of individuals completing 12 weeks of Wellbeing Referral Programme	**24**	51	Maximise	As at July 2022	20	↑ 21
	The number of people completing the programme remains low. The Council are working closely with Fusion Lifestyle, to enable a programme that reaches many more people that would benefit from this programme.					

Asset management & inward investment

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Percentage delivery of Capital Programme [Cumulative]	**14%**	-	Data only	July 2022	10%	18%
Percentage delivery of the part of the programme identified as the 'Key Strategic Schemes' up to that month end	**15%**	-	Data only	July 2022	11%	20%
	No updates provided by Service areas. Meetings are being held over the next couple of weeks.					

Children & learning and inclusion

Highlight report

- The rate of children who were the subject of a child protection plan per 10,000 population under 18 years old currently sits at **35.48**, falling 2.52 outside of our goldilocks range of 38-48. This indicator has seen a 6.04 decrease compared to June, and a 3.27 decrease compared to the previous year.
- The rate of children in care per 10,000 population under 18 years old for July was **78.52**, falling 3.52 outside of our goldilocks range of 65-75. This demonstrates a 0.65% increase compared to the previous month (78.01) and a 12.64% increase compared to the same period in the previous month (69.71). The number of children in care as has reduced to 310, demonstrating a reduction of 4 children compared to the last month, however there are still more children coming into care than exiting. Permanency summits are due to be launched, which will involve reviewing children's care plans to ensure we are only caring for children who we should be.
- The percentage of children who have been in care for at least 5 working days, who have had a visit in the 6 weeks (30 working days), prior to the last day of the month missed its target of 95% and achieved **81.1%**, down 1.2% from June (82.3%), and down 9.1% from the previous year (90.2%). This indicator has been under target since October 2021 and may be considered alongside an increased rate of children in care and persisting vacancies within social work teams. Performance this month has also been impacted by social workers and foster carers annual leave, with vacancies in teams meaning these are more difficult to cover.
- The rate of children in need per 10,000 currently sits at **313.32**, 1.68 outside of our goldilocks range of 315-335. Figures for our children / young people have been gradually increasing certainly since Nov 2021, however for July's month of reporting, it is a slight decrease on previous months and has fallen into target category which is positive. We did carry out an exercise in July to either close or step-down a number of children who had been subject to CIN for a lengthy period of time. An exercise that we are looking to repeat in September, in order to ensure the correct families are receiving a service at the correct time.
- The percentage of children who have been in care for 2.5 years and in the same placement for 2 years or are placed for adoption and their adoptive placement together with their previous placement together last for at least 2 years for CLA under the age of 16 has missed it's target for July 2022, achieving **60.2%** against the target of 70%. This is an increase of 0.7% from the previous month and 12.6% from the same time last year. A detailed look at individual children's care plans will commence in August 2022 when permanency summits are held. In addition, workshops will take place throughout August and September to support staff to understand better how we can achieve and maintain placement stability.
- The percentage of placements in residential and PVI (private, voluntary, and independent sector) settings achieved **51.6%** for July 2022, missing it's target by 31.6% (target 20%). Although not much movement since last month (-0.7%), this indicator has seen a substantial increase since this time last year, 25.2%. There continues to be a national shortage of placements that can care for children with complex needs, especially foster placements which has created a dependency on residential placements. The review of individual care plans will commence in September 2022, and the service area will be actively looking to see if children can be stepped down from residential placements where it is safe and in their best interests to do so.
- The percentage of agency social workers (children's) achieved **16%** for July against the target of 8.3% (7.7% difference). This is above both the England average (15%) and our statistical neighbour average (13%). The re-introduction of the Workforce Transformation Panel will assist in strategically reviewing spend patterns for agency staff, recruitment, how we can grow our own talent and look at when and where we can redeploy talent and the use of succession planning to reduce costs. The panel will also explore how we can use our external partnerships, third sector, and social value to add capacity or reduce pressures where possible.

Children & learning and inclusion

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Rate of children who were the subject of a child protection plan per 10,000 population under 18 years old	**35.48**	38 - 48	Goldilocks	July 2022	↓ 41.52	↓ 38.75
	There has been an increase in referrals which has resulted in more throughout in the system and impacted on an increase in the CP population.					
Rate of children in care per 10,000 population under 18 years old	**78.52**	65 - 75	Goldilocks	July 2022	↓ 78.01	↓ 69.71
	Performance has remained static although the number of children in our care has reduced to 310, there are still more children coming into care then exit. We will be launching permanency summits which means that we will be reviewing the individual care plans of every child we care for to ensure we are only caring for children who we should be. The Public Law Outline timescales have been reduced to 12 weeks to ensure we are considering children's circumstances' within reasonable timescales. We are also reviewing our PLO processes and have amended the timescales to 12 weeks to minimise risk.					
Percentage of Initial Child Protection Conferences that took place with 15 working days of the strategy discussion	**94%**	90%	Maximise	July 2022	↑ 93.8%	↑ 82.3%
	This indicator is on target. There were 2 Initial Child Protection Conferences held in June (for 3 children), and all meetings were held within timescales. There is always likely to be a small number of ICPCs that are held out of timescale for reasons of good practice. Careful tracking of requests is maintained to ensure timescales are met and this indicator remains on target.					
Percentage of children who have been in care for at least 5 working days, who have had a visit in the 6 weeks (30 working days), prior to the last day of the month	**81.1%**	95%	Maximise	July 2022	↓ 82.3%	↓ 90.2%
	Appropriate measures are in place in regards to monitoring progress - it is likely that the drop in performance is due to annual leave of social workers/foster carers given the time of year. The social work teams are still carrying vacancies which means it is difficult to cover when social workers are on annual leave.					
First time entrants to the Youth Justice System aged 10-17 (Cumulative from April)	**12**	17	Minimise	July 2022	9	-- 12
	This target is on course. There were 3 FTE in the month of July against the annual target of a maximum of 50.					

Rate of Children in Need per 10,000 (including CiN, CPP, CLA and Care Leavers)	**313.32**	315 - 335	Goldilocks	July 2022	↓ 321.62	↑ 307.78
	Figures for our children / young people have been gradually increasing certainly since Nov 21' - however for July's month of reporting, it is a slight decrease on previous months and has fallen into target category which is positive. We did carry out an exercise in July to either close or step-down a number of children who had been subject to CIN for a lengthy period of time. An exercise that we are looking to repeat in September, in order to ensure the correct families are receiving a service at the correct time.					
Percentage of children in good or outstanding Schools	**91.4%**	88%	Maximise	July 2022	↓ 91.6%	↑ 87.6%
	Remains above target at 91.4% for July 2022. There are no Ofsted inspections pending due to School Summer Holidays until beginning of September.					
Percentage of children who have been in care for 2.5 years and in the same placement for 2 years OR are placed for adoption and their adoptive placement together with their previous placement together last for at least 2 years for CLA under the age of 16	**60.2%**	70%	Maximise	July 2022	↑ 59.5%	↑ 47.6%
	Performance has remained static (only minimal increase). A detailed look at individual children's care plans will commence in August 2022 when we hold permanency summits. In addition, workshops will take place throughout August and September to support staff to understand better how we can achieve and maintain placement stability					
Percentage of placements in residential and PVI (private, voluntary, and independent sector) settings	**51.6%**	20%	Minimise	July 2022	↑ 52.3%	↓ 26.4%
	Performance has slightly decreased - this is due to one child leaving a residential placement and returning home. There continues to be a national shortage of placements that can care for children with complex need especially foster placements which has created a dependency on residential placements. The review of individual care plans will commence in September 2022, and we will be actively looking to see if we can step-down children from residential placements where it is safe and in their best interests to do so.					
Percentage of agency social workers (Children's)	**16%**	8.3%	Minimise	July 2022	↓ 14%	↑ 27.6%
	Is Calculated using the FTE of Agency workers divided by Budgeted establishment of Qualified SW posts for 2021/22 (138.8 posts) (n.b. Southend figure for 2020 as reported by DFE was 9.2%). 16% = 22 agency workers					

Economic recovery, regeneration & housing

Highlight report

- The rates of major, minor and other planning applications determined within timescale are currently all above **99%**.
  - The rate of major planning applications determined within 13 weeks has remained at **100%** from the previous month, with the figure for the same period in the previous year also 100%. The service will continue to focus on delivering major developments, for the wider benefits that such schemes can often achieve. Major schemes are often key to supporting economic growth and recovery in the borough. The exceedance of this target is therefore particularly welcome. While no major applications were granted in July, four have been granted in the first quarter of this year.
  - The rate of minor planning applications determined in 8 weeks has increased by 1.13% compared to the same period previous year (July 2021), to **100%.** The strong performance of the service against this target reflects a persistent drive to deal efficiently with the particularly large volumes of often complex smaller-scale applications received in Southend. There were 50 minor planning applications received in July 2022.
  - The rate of other planning applications determined in 8 weeks has decreased by 0.34% compared to the previous month, to **99.66%**. Targets continue to be met in the context of the service dealing with the additional pressure of a number of complex major developments, such as Queensway and Fossetts Farm. However, the team's capacity is currently very strained as a result of this. For July 2022, there were 67 other planning applications received.

Economic recovery, regeneration & housing

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Average time to process Housing Benefit new claims [Cumulative]	**20.70**	25.00	Minimise	July 2022	↑ 26.00	↓ 19.00
	Despite a slight increase in the number of claims managed to keep below target and process in a timely manner. For HB new claims the number received for the period is 275					
Average time to process Housing Benefit change in circumstances notifications. [Cumulative]	**5.26**	8.00	Minimise	July 2022	↑ 8.00	↓ 4.92
	After the higher peaks in May and June the number of changes is again at average for this time of year and still maintaining a high turnover of work.					

Total number of households in temporary accommodation	**233**	-	Data only	July 2022	210	209
	We have a total of 233 households in some form of TA, including 178 under usual homeless duties, and 55 being assisted by our Rough Sleeper Initiative team. We have additional people sleeping on the streets, but all commissioned and private B&B provision is full. During the recent extreme heat, to keep people safe, it was agreed to make additional shelter provision available, using an unused council owned premises. This has resulted in us subsequently working with some additional people. A 'move on taskforce' is being set up by the Rough Sleeping Coordinator, with the objective of moving existing people out of our Rapid Assessment Hub, or RSI funded private B&B, and into more settled accommodation. For all our households in TA, a shortage of low cost rented accommodation remains an extreme pressure.					
Major planning applications determined in 13 weeks [Cumulative YTD]	**100%**	79%	Maximise	July 2022	-- 100%	-- 100%
	The service will continue to focus on delivering major developments, for the wider benefits that such schemes can often achieve. This is relevant to all applications to some degree, but major schemes are often key to supporting economic growth and recovery in the borough. The exceedance of this target is therefore particularly welcome. While no major applications were granted in July, four have been granted in the first quarter of this year. Monthly = 0					
Minor planning applications determined in 8 weeks [Cumulative YTD]	**100%**	84%	Maximise	July 2022	-- 100%	↑ 98.87%
	The strong performance of the service against this target reflects a persistent drive to deal efficiently with the particularly large volumes of often complex smaller-scale applications received in Southend. Monthly = 50					
Other planning applications determined in 8 weeks [Cumulative YTD]	**99.66%**	90%	Maximise	July 2022	↓ 100%	↑ 98.05%
	It is pleasing to see these ambitious targets exceeded once again in the context of the service dealing with the additional pressure of a number of complex major developments, such as Queensway and Fossetts Farm. However, the team's capacity is currently very strained as a result of this. Monthly = 67					
Number of Properties purchased by SCC via the Acquisitions Programme	**7**	30 (annual target)	Maximise	July 2022	3	↓ 18
	The Affordable Housing Acquisitions Programme successfully purchased a further 3 properties in July bringing the total to value of properties acquired to £839,150 (incl SDLT). A further 9 properties are in solicitors' hands totalling £1.68M (incl SDLT). Completed and potential acquisitions total £2.52M (incl SDLT) and the team anticipates two further properties to complete in August. One property has also been purchased in July utilising the Land Acquisitions Fund (S106), the 3-bedroom family home was secured for £346k (inc SDLT).					

Environment, culture & tourism

Highlight report

- As at the end of July, there have been **180,590** visitors to the pier in 22/23, surpassing the target of 165,000 and this PI has now been meeting target consecutively for four months, having been under target since pre-Covid-19 (January 2020-April 2022). The pier has had its second busiest July on record, with 53,627 visitors, demonstrating a 24.39% increase compared to the same month in the previous year.

Environment, culture & tourism

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Visitors to pier [Cumulative YTD]	**180,590**	165,000	Maximise	July 2022	126,963	↑ 123,297
	We have had our second highest July on record (53,627) - the highest was in 2018 with 57,038 visitors (-3,411). Compared to the same month last year (43,113) we have had 10,514 more visitors this year. The number of Jetstream Tours boat passengers are TBC and will be included as soon as they are available.					

Public protection

Highlight report

- The percentage acceptable standard of cleanliness: detritus July figure of **89.74%** demonstrates a lower-than-expected level of cleansing, which is being discussed with Veolia, it is still possible to achieve the 22/23 target of 95%. The increased impacts are likely due to occurrences of incorrectly presented waste and increase of waste due to residential spaces being used differently, such as working from home. There is also an impact from seasonal elements, such as higher visitor number due to the hot weather, which would impact on littering and general waste. The figure has however increased by 1.78% compared with the previous month.

Community Safety Unit

- The rate of begging/vagrancy/rough sleeping engagements in July has decreased by 2.61% compared to June. Year-on-year, engagements have fallen by 9.68%.
- The number of street drinking incidences has increased in July by 11.76%, compared with the previous month, however the figure remains similar to the previous year (37) and low overall numbers means this percentage accounts for an additional 4 incidences across the month. The very slight increase is likely due to the weather and additional footfall to the city.
- The number of crimes assisted/reported to the Community Safety Unit has remained static month to month. Crimes assisted and reported are usually related to theft (mostly shoplifting), however community safety officers have noted a slight increase in disorder along Marine Parade. This intelligence is fed back into operation union. Year-on-year, the number of crimes assisted has fallen by 37.14%.
- The number of targeted patrols carried out by the Community Safety Unit has increased by 21.53% in July compared with the previous month. This increase is likely related to an increase in contract support throughout the summer months to accommodate for additional footfall to the city. Year-on-year, the number of targeted patrols has decreased by 3.69%.

Public protection

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Violent crime with Injury (per 1,000 population)	**1.14**	-	Data only	July 2022	1.01	1.08
Reported rate of knife crime (per 1,000 population)	**0.44**	-	Data only	July 2022	0.5	0.36
Percentage acceptable standard of cleanliness: litter [Cumulative YTD]	**97.32%**	95%	Maximise	July 2022	↑ 96.91%	↓ 99.7%
	The July 22 figure of 97.32% demonstrates a good level of cleansing, the indicator is on track with the 22/23 target of 95%					
Percentage acceptable standard of cleanliness: detritus [Cumulative from April]	**89.74%**	95%	Maximise	July 2022	↑ 87.96%	↓ 100%
	The July 22 figure of 89.74% demonstrates a lower-than-expected level of cleansing, which is being discussed with Veolia, it is still possible to achieve the 22/23 target of 95%					
Percentage of waste collections carried out on schedule [Cumulative YTD]	**99.93%**	99%	Maximise	July 2022	↓ 99.94%	-- 99.93%
	The month value for July of 1524 reported missed collections is an increase of 211 on the previous month. To date 99.93% of collections have been carried out on time, this is above the annual target of 99.00%					

Community Safety Unit Infographic – July 2022

Southend Community Safety Partnership

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	Begging/ vagrancy/ rough sleeping engagements	Street drinking incidences reported	Crimes assisted/ reported	First aid incidents	ASB incidents reported to CSU	CCTV reports led to arrests	Targeted patrols	Community protection notices/ warnings	CCTV crime incidents	CCTV ASB incidents
July 2022	112	38	22	20	56	72	1,592	1	146	179
June 2022	↑ 115	↓ 34	-- 22	↓ 14	↓ 48	↑ 123	↓ 1,310	↑ 6	↓ 82	↓ 138
July 2021	↑ 124	↓ 37	↑ 35	↑ 26	↑ 77	↓ 70	↑ 1,653	↑ 4	↓ 96	↑ 217

Highways, transport and parking

Indicator	Value	Target	Aim of indicator	Date range	Compared to last month (June 2022)	Compared to this time last year (July '21)
Percentage of CAT1 defects made safe within response times (highways)	**90%**	90%	Maximise	July 2022	↓ 100%	↓ 100%
	3 Cat 1 defect were reported requiring repair within 2 hours and 2 (67%) were completed within the required timeframe. 27 Cat 1 defects were reported requiring repair within 24 hours and 25 (93%) were all completed within the required timeframe.					
Percentage of CAT1 defects made safe within response times (footways)	**95%**	90%	Maximise	July 2022	↑ 92%	↓ 100%
	6 Cat 1 defects were reported requiring repair within 2 hours and 6 (100%) were completed within the required timeframe. 54 Cat 1 defects were reported requiring repair within 24 hours and 51 (94%) were all completed within the required timeframe.					