

# Public Document Pack

**Date of meeting**      **Wednesday, 21st January, 2015**  
**Time**                      **7.00 pm**  
**Venue**                      **Committee Room 1, Civic Offices, Merrial Street,  
Newcastle-under-Lyme, Staffordshire, ST5 2AG**  
**Contact**                      **Justine Tait Ext 2250**

## **Finance, Resources and Partnerships Scrutiny Committee**

### **SUPPLEMENTARY AGENDA**

#### **PART 1 – OPEN AGENDA**

**5      QUARTER THREE FINANCIAL AND PERFORMANCE REVIEW      (Pages 3 - 16)**

**Members:**      Councillors Fear, Mrs Hambleton, Huckfield, Jones, Mrs Peers, Rout,  
Stringer, Sweeney, Taylor.J, Wallace (Vice-Chair) and Waring (Chair)

**PLEASE NOTE:** The Council Chamber and Committee Room 1 are fitted with a loop system. In addition, there is a volume button on the base of the microphones. A portable loop system is available for all other rooms. Should you require this service, please contact Member Services during the afternoon prior to the meeting.

**Members of the Council:** If you identify any personal training/development requirements from any of the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Democratic Services Officer at the close of the meeting.

**Meeting Quorums :-** 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.

Officers will be in attendance prior to the meeting for informal discussions on agenda items.

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## 1. FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER THREE (October-December) 2014

**Submitted by:** Head of Finance and Head of Business Improvement, Central Services & Partnerships

**Portfolio:** Communications, Policy & Partnerships  
Finance and Resources

**Wards Affected:** All

### **Purpose**

To provide Finance, Resources & Partnerships Scrutiny (FRAPS) Committee with the Financial and Performance Review report - third quarter 2014/15.

### **Recommendations**

- (a) **That Members note the contents of the attached report and agrees to the recommendation that the Council continues to monitor and scrutinise performance alongside the latest financial information for the same period.**

### **Reasons**

The Financial and Performance Management monitoring reports provide information on a quarterly basis regarding the performance of individual council services, alongside related financial information on the organisation. This report will be presented to Cabinet on 4 February 2015.

## **1. Background**


- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the third quarter of 2014/15 by presenting performance data set within a financial context.
- 1.2 This report provides financial information (Appendix A) and also detailed analysis of performance (Appendix B) for the third quarter of 2014/15.
- 1.3 Appendix C is a new addition this year to the report and entitled 'Delivering our Outcomes' and aims to provide information and/or a case study on a themed area of service delivery in order to highlight steps being taken to improve desired outcomes.
- 1.4 The subject featured in 'Delivering our Outcomes' may be a requested topic from members for further information (e.g. where performance may be an issue) or may be an area of work where good practice and results are communicated, some of which may have lessons for other parts of the organisation.
- 1.5 A summary of the overall performance picture is presented in section 3 of this report and performance is generally progressing well.

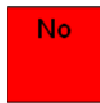
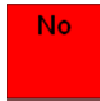

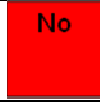
## **2. 2014/15 Revenue and Capital Budget Position**

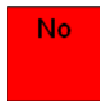

- 2.1 The Council approved a general fund revenue budget of £14,893,770 on 26 February 2014. Further financial information is provided in Appendix A.

### 3 Performance

- 3.1 The latest performance information is reported and attached as Appendix B.
- 3.2 Any indicators failing to meet the set targets are reported, by exception, in the table found in section 3.6.
- 3.3 The information found in Appendix B is presented in four sections against each corporate priority and detailed results and progress towards identified outcomes for the Council is presented here as well.
- 3.4 The number of indicators monitored in this report for quarter three 2014-15 is 26 in total, and the proportion of indicators which have met their target during this period stands at 73%.
- 3.5 The report contains five columns designed to show achievement:
- The “Good is” column denotes whether ‘low’ or ‘high’ figures are good and allows the reader to analyse the results in detail;
  - There are two columns included showing comparative quarterly performance for 2013-14 and 2014-15 – this allows the reader to gain some insight into annual trends;
  - The fourth column shows the target for 2014-15 (in some cases a quarterly target may be provided when relevant and necessary) and;
  - One set of symbols (icons) show whether performance is on target or not at this time.
- 3.6 Seven indicators from Appendix B are off target this quarter and are reported by exception in the table below, together with commentary.

Exception Report Quarter 3, 2014 (October -December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.7	The amount of residual waste per household	108.78 kgs (est)	415kgs (annual)		Trevor Nicoll	Councillor Beech
Comment	The indicator is off target in quarter three given the annual target of 415kgs which equates to a quarterly target of 104kgs, and that ‘good performance’ is low. This result reflects the quarterly returns for last year where the results were seasonally affected due to residents’ behavioural changes. The service continues to deliver and promote its programme to encourage residents to recycle more and reduce residual waste; however it appears there is a national trend of waste growth, and therefore we will have to monitor the following months’ performance to see if the target can still be met.					

Exception Report Quarter 3, 2014 (October -December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.8	Percentage of household waste sent for reuse, recycling and composting	47.15% (est)	55%		Trevor Nicoll	Councillor Beech
Comment	The indicator for quarter three is off target given the annual target of 55%. The results are less than last year's quarter three performance, however due to changes in household waste classification we are no longer allowed to include all street sweepings for recycling, although they continue to be recycled, and nationally we are seeing a reduction in paper consumption, and more materials such as glass and plastics being produced in lighter weights in order to save on manufacturing cost and transport. Due to these changes the end of year result is unlikely to meet the forecasted target for 2014-15.					
2.6	Percentage of Minor Planning Applications determined within time	72.5%	85%		Guy Benson	Councillor Williams
Comment	The drop in performance with respect to this indicator is a direct consequence of fluctuations in staff capacity which often has a disproportionately negative impact in small officer teams such as this one. The departure of an officer in May coupled with sickness absence issues during the summer significantly reduced the officer capacity. Whilst a new officer joined the team in September, resulting in a visible improvement in the team's output, performance is still being adversely affected by the long term absence of an officer due to ill-health. It should be noted that the number of applications relating to this indicator (taking into account those in hand at the beginning of each period and those received) has been very similar to that in 2013/14.					
2.7	Percentage of Other Planning Applications determined within time	84.1%	92.5%		Guy Benson	Councillor Williams
Comment	See the comment for 2.6					
3.3	Number of people visiting the museum	8,334	13,500		Rob Foster	Councillor Hambleton
Comment	The figure reported is below target, however concerns with the electronic door count were previously reported. After testing recently it was found to be on average 40% inaccurate and are therefore looking at the options available to provide a more accurate visitor count figure.					

Exception Report Quarter 3, 2014 (October -December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
3.6	Number of people accessing leisure and recreational facilities	130,765	150,080		Rob Foster	Councillor Hambleton
Comment	<p>These represent a circa 15,000 drop in Aquatics activities at Jubilee2 on Quarter 3 2013/14, largely attributable to the closure of the small pool during this period. Also Kidsgrove Pool was closed on four occasions for repairs during this period due to boiler and circulation pump breakdowns.</p> <p>Despite these problems the result has increased from a reported total of 117,646 for the same quarter in 2013/14.</p>					
4.8	Percentage of National non-domestic rates collected	81.4%	85.42%		Kelvin Turner	Councillor Shenton
Comment	<p>The slight drop in collection is due to a change in national regulations which has allowed all rate payers to pay over twelve months rather than ten. Most of the big firms with large assessments have taken this option up as it helps their cash flow. However this has had a negative effect on the forecasted collection profiles which were already set. The effect of the change was not apparent in quarter 1 as most payments for the first instalment were at the old rate, and did not impact on the results. It is anticipated that the shortfall will reduce by quarter 4 when profiled payments for the last months are received.</p>					

These indicators are not causes for concern at present, and the management of each of the service areas concerned continue to monitor and take steps to deal with the situation where possible and/or appropriate.

Further quarterly updates will be provided for Members in future reports.

- 3.7 Positive performance can be seen in a range of services although it must be borne in mind that the results later in the year may be liable to change and that some services have seasonal factors.
- 3.8 The 'Delivering our Outcomes - Alcohol Harm Reduction' (Appendix C) section is attached this quarter and a timetable of service areas proposed for future reports are for your information and would invite comments as to whether you agree or prefer to see other areas explored:

Quarterly Report	Subject
Qtr 4 January –March 2015	Planning
Qtr 1 April –Jun 2015	Operations

It should be noted that the timetable will be subject to variation dependent on subsequent performance results.

**4. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

4.1 All indicators link to corporate priorities set out in the Council Plan and/or Service Plans.

**5. Legal and Statutory Implications**

5.1 The Council has a duty to set targets for performance of a range of functions and needs to monitor these closely.

**6. Equality Impact Implications**

6.1 There are no differential equality issues arising directly from this monitoring report.

**7. Financial and Resource Implications**

7.1 Any positive variance for the full year on the General Fund Revenue Account will enable that amount to be transferred to the Budget Support Fund and will be available in future years for use as the Council considers appropriate. Conversely, if there is an adverse variance, the amount required to cover this will have to be met from the Budget Support Fund.

**8. Major Risks**

8.1 The ongoing difficult economic situation represents the greatest risk to the revenue budget, particularly with regard to the impact it may have upon income receivable in relation to services where customers may choose whether or not to use Council facilities, such as car parking and other areas directly affected by the economic downturn(e.g. land charges and planning applications). The situation will be monitored through the normal budget monitoring procedures.

8.2 The capital programme will require regular monitoring to identify any projects which are falling behind their planned completion dates. This will be carried out by the Capital Programme Review Group, which meets on a monthly basis together with quarterly reports to Cabinet.

8.3 The above represents a high level view of risk. There are detailed risk registers available if members wish to see them.

**9. List of Appendices**

Financial information (Appendix A), the Performance report (Appendix B) and Delivering Outcomes – Alcohol Harm Reduction (Appendix C)

**10. Background Papers**

Working papers held by officers responsible for calculating indicators.

**11. Management sign off**

Each of the designated boxes need to be signed off and dated before going to Executive Director/Corporate Service Manager for sign off.

	Signed	Dated
Financial Implications Discussed and Agreed		
Risk Implications Discussed and Agreed		
Legal Implications Discussed and Agreed		
H.R. Implications Discussed and Agreed		
ICT Implications Discussed and Agreed		
Report Agreed by: Executive Director/ Head of Service		



**Appendix 'A'**

**Financial Position Quarter Three 2014/15**

**1. General Fund Revenue Budget**

1.1 The Council approved a General Fund Revenue Budget of £14,893,770 on 26 February 2014. The actual position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget. Regular reports are made available to members by the Portfolio Holder for Finance and Resources informing them of the current position, highlighting any significant factors giving rise to variances.

**2. Capital Programme**

2.1 A Capital Programme totalling £7,242,300, covering the two years 2013/14 to 2014/15, was approved at the same Council meeting. Of this total, £2,238,000 was estimated to be spent in 2014/15.

**3. Revenue Budget Position**

3.1 At this point in the financial year, we would have expected to have spent approximately £7,055,956; we have actually spent £7,146,766. Therefore, as at the end of the third quarter, the general fund budget shows an adverse variance of £90,810.

3.2 The main reasons for the overall adverse variance to date are:

- a. The overtime budget is overspent as the changes required to deliver the 2014/15 target of £100k have only recently been agreed.
- b. Jubilee 2 is operating at a net overspend primarily due to income shortfall. This has got slightly worse due to the small pool closure for the repair to the floor lift mechanism.
- c. Kidsgrove Sports Centre is also operating at a net overspend due to income shortfall.

There are also a number of favourable variances, the main ones being:

- a. Additional planning fee income in respect of major planning applications.
- b. Saving on Elections due to the European Elections being held and costs shared with Central Government.
- c. Employee costs in respect of a number of vacant posts and flexible retirements that have taken place across the Council.

3.3 Any changes to inflationary rates have not had any effect on the Councils budget as at the end of quarter three.

#### **4. Capital Programme Position**

- 4.1 The Capital Programme approved by Council in February 2014 has been updated to take account of slippage in 2013/14. Where planned expenditure did not occur last year, this has been added to the budget for 2014/15 (apart from any cases where costs have been reduced or expenditure will no longer be incurred). The revised budget for capital projects in 2014/15 totals £4,067,100.
- 4.2 £1,678,900 of the revised budget was expected to be spent by 31 December; the actual amount spent was £1,431,800 resulting in a variance as at the end of quarter three of £247,100.

#### **5. Investment Counterparties**









- 5.1 Investment counterparties with whom money is invested, as at 31 December 2014 are as follows (with the parent company shown in brackets, where applicable):

Nationwide Building Society  
Halifax Bank of Scotland  
Coventry Building Society  
Lloyds Bank  
Heritable Bank (*Landsbanki*)








- 5.2 With regard to the Council's frozen investment in Heritable Bank, the total amount repaid now amounts to some £2,357,691, which is 94% of the total that was frozen. The Administrators current prediction is that no further repayments will be made.

**Corporate Performance Scorecard  
Quarter 3 2014-15**




**Priority 1: A clean, safe and sustainable Borough**

Outcomes: Our borough will be safer, cleaner and sustainable Lead Members Cllrs. Ann Beech, Tony Kearon and Terry Turner						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
1.1	Percentage of food premises that have a zero or one national food hygiene rating.	Low	1.19% (9 out of 752 published premises)	0.75% (6 out of 799 published premises)	2.25%	
1.2	The percentage of food establishments which are broadly compliant with good hygiene law	High	93.1% (1040 out of 1117 premises)	98% (1119 out of 1142 premises)	85%	
1.3	The area of contaminated land that has been remediated or is determined suitable for use	High	Reported in Quarter 4		-	-
1.4	Number of incidents of violence with injury	Low	250	262	-	-
1.5	Number of incidents of anti-social behaviour	Low	800	767	-	-
1.6	Number of incidents of serious acquisitive crime	Low	212	229	-	-
1.7	The amount of residual waste per household	Low	106.16kgs	108.78kgs (est)	415kgs (annual)	
1.8	Percentage of household waste sent for reuse, recycling and composting	High	49.04%	47.15% (est)	55%	
1.9	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	High	96% 97.6% 99.33% 100%	92.33% 95.33% 99.5% 99.83%	91% 91% 97% 99%	
1.10	Number of community volunteer groups/hours spent caring for their local green spaces and neighbourhoods	High	3,749	1707.5	1700 hrs	
1.11	Town Centre Vacancy Rate	Low	15.8%	13.54%	15%	
1.12	Percentage of investment portfolio (NBC owned) vacant	Low	8.4%	8.6%	12%	









### Priority 2 : Borough of Opportunity


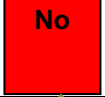

Outcomes: Newcastle is a great place to live, work and do business - Lead Member Cllrs. Ann Beech, Terry Turner and John Williams						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
2.1	Number of hours worked by volunteers in council co-ordinated activities (museum)	High	405hrs	494hrs	375 hrs	
2.2	Percentage of minor adaptations delivered within four months (approval to payment for works under £5000)	High	84%	89%	75%	
2.3	Number of homelessness cases where positive action was successful preventing homelessness	High	181	171	150	
2.4	Average stall occupancy rate for markets	High	61%	87%	55%	
2.5	Percentage of Major Planning Applications determined within time	High	57.1%	90%	70%	
2.6	Percentage of Minor Planning Applications determined within time	High	85.4%	72.5%	85%	
2.7	Percentage of Other Planning Applications determined within time	High	94.6%	84.1%	92.5%	

### Priority 3 : A Healthy and Active Community

Outcomes: Everyone has the chance to live a healthy, independent life, access to high quality leisure and cultural facilities/activities and the opportunity to get involved in their community - Lead Member Cllrs. Ann Beech, Trevor Hambleton and John Williams						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
3.1	Number of parks which have Green Flag status	High	9	11	9	
3.2	Level of satisfaction with Council run parks and open spaces	High	78.2% Annual result	Reported at a later date	70%	n/a
3.3	Number of people visiting the museum	High	8,996	8,344	13,500	
3.4	Number of referrals from GPs to organised sporting activity	High	65	43	n/a	n/a
3.5	Percentage of people referred for exercise by GPs whose health improves	High	27.7%	100%	n/a	n/a
3.6	Number of people accessing leisure and recreational facilities	High	140,893	130,765	150,080	

### Priority 4 : A Co-operative Council, delivering high-quality, community driven services

Outcomes: Your council is efficient, open and innovative in its work, with services designed and delivered co-operatively and communities are strong and well supported - Lead Member Cllrs. Mike Stubbs and Elizabeth Shenton						
Ref	Indicator	Good is	Result 2013/14 Qtr 3	Result 2014/15 Qtr 3	Target 2014/15	Status
4.1	Percentage attendance at planned meetings by members	High	n/a	80.55%	80%	
4.2	Percentage projected variance against full year council budget	Low	0.1%	0.6%	No variance	
4.3	Average number of days per employee lost to sickness	Low	5.73 days (long term 3.10 and short term 2.63 days)	5.17days (long term 2.80 and short term 2.37days)	5.63 days	
4.4	Percentage of requests resolved at first point of contact	High	96.89%	97%	97%	
4.5	% Unmet demand (number of calls not answered as a % of total call handling volume)	Low	4%	3.94%	8%	
4.6	Time taken to process Housing/Council Tax Benefit new claims and change events	Low	15.38 days	8.96 days	10	
4.7	Percentage of Council Tax collected	High	77.2%	78.5%	76.08%	
4.8	Percentage of National non-domestic rates collected	Hlgh	86.4%	81.4%	85.42%	

<b>Key</b>	Performance information not available at this time or due to be provided at a later date.	n/a
	Performance is not on target but direction of travel is positive	
	Performance is not on target where targets have been set	
	Performance is on or above target.	

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## Delivering our outcomes: Alcohol Harm Reduction

### PURPLE FLAG



We are proud to announce that on 5th November Newcastle Town Centre was granted Purple Flag Status. This accreditation shows that Newcastle Town Centre already has a great deal to offer the general public and we are looking to build upon our success over the next 12 months in order to maintain our Purple Flag status. Cities and towns across the United Kingdom who have been granted this prestigious award have benefited by seeing increased footfall, inward commercial investment, lower crime & anti-social behaviour and improved perceptions from the public. We are confident that Newcastle-under-Lyme will reap the same benefits.

### Street Chaplains



In 2014 Newcastle Partnership joined forces with North Staffordshire Street Chaplains and the YMCA to arrange for Street Chaplains to patrol Newcastle Town Centre on Friday nights bi-monthly. This is a capable guardianship scheme whereby volunteers from various church denominations patrol the Town Centre offering support, advice and reassurance to revellers. The Chaplains have undergone 12 weeks of intensive training to prepare them for the patrols. They link in with Staffordshire Police and also other partners such as St John Ambulance as part of the overarching Safer Nights campaign.

### Triage



In April 2010 Newcastle Partnership began to work in partnership with St John Ambulance and the British Red Cross in order to provide a first aid triage provision on Newcastle Town Centre. The service has treated well over 100 revellers for basic injuries such as grazes, cuts, bruises and sprains. The volunteers and staff also give out freebies such as bottles of water, condoms, personal attack alarms, ponchos and flip flops to revellers.

## Reducing the Strength



Reducing the Strength is a partnership initiative which originated in Ipswich designed to tackle street drinking and alcohol fuelled anti-social behaviour. In Newcastle there are a number of street drinkers who consume cheap, super strength (6.5% ABV and over) beer, lager and cider. The scheme is entirely voluntary and 16 off-licences have been approached with 8 agreeing to sign up. The project was officially launched in Newcastle on 1<sup>st</sup> October. Plans are in progress to widen the project out into other localities of the Borough.

## Alcohol Education in Schools



The project was introduced in 2013 and Entrust were commissioned by Public Health and the police for one year to concentrate on the Alcohol education curriculum in schools, parents awareness and a school survey. Thirty one high schools engaged in the first year and over 5.000 Staffordshire young people completed the survey. The success of this project has now been awarded for a further 3 years from the Police & Crime Commissioner. There are now fifty two schools participating in the project which has been extended to alcohol and drugs. Newcastle schools engaged in the project are Clough Hall, Clayton Hall Business & Language, NCHS, Madeley & Wolstanton with Chesterton, Newcastle College and St John Fisher to follow suit.

## Alcohol Awareness Events



At key times during the year such as the Football World Cup, National Alcohol Awareness Week, Dry January and Christmas the Partnership undertakes alcohol awareness events designed to give information, advice and guidance to the public. These events are often coupled with poster campaigns and the use of social media sites to reinforce key safe drinking messages.

## I'll Be Des



The principle of the scheme is that participating venues offer free or reduced price soft drinks to the 'designated driver' from a group of customers e.g. groups of 3 people or more (this may vary depending on venue). The aim is to encourage groups to nominate a driver and to make driving more 'attractive'. Participation in the scheme demonstrates commitment to making our local communities safer, reducing road casualties and also dispels the argument that soft drinks can cost as much as alcoholic ones. Newcastle Partnership has worked together with Staffordshire Safer Roads Partnership and various on-licenced premises over the past few years to ensure this project is a success.