

1. FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER TWO (July - September) 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 Cabinet with the Financial and Performance Review report - second 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.**
- (b) That Members note the comments made through the Scrutiny process and the responses from officers and others to these comments.**

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 was originally presented to the Finance, Resources & Partnerships Scrutiny (FRAPS) Committee meeting on 5 November 2014.

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the second 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 second quarter of 2014/15.
- 1.3 A summary of the overall performance picture is presented in section 3 of this report.
- 1.4 In summary, performance is generally progressing well, with the majority of targets currently being met.

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.

Classification: NULBC UNCLASSIFIED

- 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 two 2014-15 is 26 in total, and the proportion of indicators which have met their target during this period stands at 65%.
- 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 Nine indicators from Appendix B are off target this quarter and are reported by exception in the table below, together with commentary.

Exception Report Quarter 2, 2014 (July-September)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.7	The amount of residual waste per household	108.39 kgs	415kgs (annual)		Trevor Nicoll	Councillor Beech
Comment	The indicator would appear off target in quarter 2 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 look carefully at the next quarter’s performance to see if the target can still be met.					
1.8	Percentage of household waste sent for reuse, recycling and composting	53.17% (est)	55%		Trevor Nicoll	Councillor Beech
Comment	The indicator for quarter two is slightly off target given the annual target of 55%. The results are slightly less than last year’s quarter 2 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.					

Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.10	Number of community volunteer groups/hours spent caring for their local green spaces and neighbourhoods	585.5 hrs	2000 hrs	No	Roger Tait	Councillor Beech
Comment	In 2013-14, the number of volunteer hours was nearly 9,000, and in quarter 1, 2014-15 the result was 2,105.5 hours. However the total number of hours for quarter 2 has reduced significantly to 585.5 hours. The reason is due to an external partner reducing the resource they were putting in to this initiative. Therefore the forecasted target now needs to be reviewed. A positive to this has been an increase in the number and frequency of other events with community volunteers.					
2.6	Percentage of Minor Planning Applications determined within time	75.7%	85%	No	Guy Benson	Councillor Williams
Comment	The drop in performance with respect to this indicator is a direct consequence of the departure of one of the Senior planning officers at the beginning of May (in a situation where the Service had already lost some capacity in the previous October). There has been no significant increase in the number of applications. Performance dropped significantly in July and has worsened since, reflecting the nature of the indicator and the need to deal with applications on a first come first served basis. Following an internal promotion a planning officer has been recruited and is now in post, helping rebuild the capacity of the Service, which has also been affected by several long term absences due to ill-health.					
2.7	Percentage of Other Planning Applications determined within time	85%	92.5%	No	Guy Benson	Councillor Williams
Comment	See the comment for 2.6					
3.6	Number of people accessing leisure and recreational facilities	145,731	170,180	No	Rob Foster	Councillor Hambleton
Comment	<p>There were a few closures of the swimming pools this quarter:-</p> <ul style="list-style-type: none"> The swimming pools at Jubilee2 for 2 days due to lack of heating 13th – 14th September 2014, The training pool at Jubilee2 since the 17th September 2014 due to a mechanical failure of the moveable floor. This has had an impact on the class programme, swimming lessons, school swimming service, public swimming, pool hire, and also The swimming pools at Kidsgrove Sports Centre due to essential tile repairs 1st- 2nd September 2014. <p>In relation to football development, public health withdrew funding for the programme as from the second quarter of the year, which in turn lead to some courses being cancelled due to lower attendance numbers.</p>					

Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
4.1	Percentage attendance at planned meetings by members	77.28%	80.00%		Mark Bailey	Councillor Shenton
Comment	There has been a reduction in the percentage of meetings attended by members in the second quarter, down from 81% in quarter 1. Hopefully this will improve in the coming quarter.					
4.4	Percentage of requests resolved at first point of contact	96%	97%		Jeanette Hilton	Councillor Turner
Comment	Although there has been a slight decrease this quarter against the high target set (last year's target was 90%), the new CRM system is enabling improved management of contacts. Resource was stretched during quarter 2 predominately due to the peak holiday season. Despite this, the call volume managed was in excess of 9,500 calls per month. The service has confidence in continuing to maintain results to meet the high target level set.					
4.8	Percentage of National non-domestic rates collected	57.5%	58.3%		Kelvin Turner	Councillor Shenton
Comment	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.					

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' (Appendix C) section is not attached this quarter but 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 3 October-December 2014	Partnerships
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 of these 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)

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		