

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.

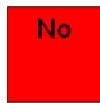
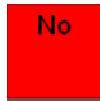

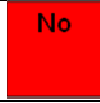
2. 2014/15 Revenue and Capital Budget Position

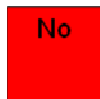

- 2.1 The Council approved a general fund revenue budget of £14,893,770 on 26 February 2014. Further financial information is provided in Appendix A.

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		