

1. FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER THREE (October - December) 2015

Submitted by: Executive Management Team

Portfolio: Policy, People & Partnerships
Finance, IT & Customer

Wards Affected: All

Purpose

To provide Cabinet with the Financial and Performance Review report with the Financial and Performance Review report - third quarter 2015/16.

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 will be presented to Cabinet on 10 February 2016. This report was originally presented to the Finance, Resources & Partnerships Scrutiny (FRAPS) Committee meeting on 28 January 2016.

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the third quarter of 2015/16 by presenting performance data set within a financial context.
- 1.2 This report provides broad financial information (Appendix A) and also detailed analysis of performance (Appendix B) for the third quarter of 2015/16. In addition this quarter, there is further information (Appendix C) detailing the GP referral programme.
- 1.3 A summary of the overall performance picture is presented in section 3 of this report and members will note that performance is generally progressing well.

2. 2015/16 Revenue and Capital Budget Position

- 2.1 The Council approved a general fund revenue budget of £13,830,450 on 25 February 2015. 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.

Classification: NULBC **UNCLASSIFIED**


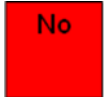
3.3 The information found in Appendix B is presented in four sections against each corporate priority and detailed results and progress towards identified outcomes for the Council is presented here as well.

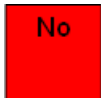

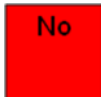
3.4 The number of indicators monitored in this report for quarter three 2015-16 is 27 in total, and the proportion of indicators which have met their target during this period stands at 81%.

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 2014-15 and 2015-16 – this allows the reader to gain some insight into annual trends;
- The fourth column shows the annual target for 2015-16 (in some cases a quarterly target may be provided when relevant and necessary) and;
- In the last column one set of symbols (icons) show whether performance is on target or not at this time.

3.6 Five 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, 2015 (October - December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.7	The amount of residual waste per household	111.65kgs (est)	415kgs (annual)		Trevor Nicoll	Cllr. Beech
Comment	December was a high month for residual waste due to Christmas, which always sees more waste produced. It is 11kgs per household more than in quarter 2. The overall trend however remains positive.					
1.8	Percentage of household waste sent for reuse, recycling and composting	48.05% (est)	55%		Trevor Nicoll	Cllr. Beech
Comment	Garden waste has been down this year due to the cool summer, and although we have had a mild winter so far, December was very wet which resulted in less garden waste being collected, as people were unable to get into their gardens. Christmas however has seen high tonnages of dry recycling and food waste being collected. If the mild weather continues and it is dry, together with an early Easter, hopefully volumes of garden waste will increase significantly before the year end to help get nearer the target.					
<p><u>Comment from Cllr. Ann Beech</u> Seasonal factors are the norm with respect of garden waste which makes up a significant part of overall recycling targets and it is expected to see a sharp increase now that brown bin collections have resumed. It is very pleasing to see that residents have taken the recycling message on board over the Christmas period with high levels of dry recycling and food waste being collected.</p> <p>The whole year target of 55% is an aspirational target to encourage as much recycling as possible and it is worth remembering that residents in Newcastle are already recycling over the 50% target overall which is well ahead of the national target to be reached by all councils in 2020.</p>						

Exception Report Quarter 3, 2015 (October - December)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
2.6	Percentage of Minor Planning Applications determined within time	66.2% (cumulative)	75%		Guy Benson	Cllr. Williams
2.7	Percentage of Other Planning Applications determined within time	83.7% (cumulative)	85%		Guy Benson	Cllr. Williams
Comment for 2.6 and 2.7	The result for Minor applications (the more complicated ones) has improved this quarter. However the cumulative results were inevitably affected by the number of already out of time applications in the system which had to be determined and two long term staff absences in a small team due to illness. With the employment of two part time planning consultants the volume of the more complicated decisions made has increased. The situation is being monitored to seek to ensure that the improvement continues.					
<p><u>Comment from Cllr. John Williams</u> Overall these results show an improving position against a backdrop of challenging targets and ongoing staff resourcing issues. The throughput of decisions on applications is increasing which should take us into the next accounting period on a more robust footing. In addition I am heartened by continuing strong performance on the processing of applications for major development.</p>						
4.3	Average number of days per employee lost to sickness	7.09 days	5.53 days		Sarah Taylor	Cllr. Shenton
Comment	<p>In Qtr. 3 we have seen the number of long term sickness cases reduced to 4, which was previously 6 cases in Qtr. 2 and 23 cases in Qtr 1. Although improvement is evident, due to the cumulative collection of the indicator and the impact of many cases in the first quarter on the result, the indicator remains off target in Qtr. 3.</p> <p>Both short term and long term sickness cases are continuing to be proactively managed with HR, service managers and Occupational Health support and are monitored regularly at Executive Management Team and Departmental meetings.</p>					
<p><u>Comment from Cllr. Elizabeth Shenton</u> Human Resources continue to effectively support staff on long term and short term sickness. The review of the Attendance Management Policy is also in progress and currently being discussed with the Trade Unions. The target is currently being reviewed to ensure the Council is consistent with other employers.</p>						

Despite a slight increase in indicators off target this quarter, officers consider that the performance against these indicators does not give rise to serious cause for concern at present, and the management of each of the service areas concerned continue to monitor and take steps to deal with under achievement of targets 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 and members will note that some services are affected by both seasonal and external factors. It should also be noted for consideration that some indicators have stretched targets set and local targets that are higher than the national ones.

3.8 In response to comments raised at the previous Scrutiny meeting - 3 November 2015 that the indicators for the GP referral programme are not meaningful;

- Appendix C gives more detailed information to members how the programme of GP referrals is performing in this quarter and annually.

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 changing market conditions 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 or in the case of the waste/recycling service where the volume of recycled materials is liable to fluctuate. 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), Performance report (Appendix B) and Information on GP referral Programme (Appendix C) are attached.

10. Background Papers

Working papers held by officers responsible for calculating indicators.