

FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER FOUR (January - March) 2016

Submitted by: Executive Management Team

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

Wards Affected: All

Purpose

To provide Finance, Resources & Partnerships Scrutiny (FRAPS) Committee with the Financial and Performance Review report - fourth 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.

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 20 July 2016.

1. Background

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the fourth 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 fourth quarter of 2015/16.
- 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.
- 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 four 2015-16 is 32 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 6 indicators from Appendix B are off target this quarter and are reported by exception in the table below, together with commentary.

Exception Report Quarter 4, 2015-16 (January - March)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
1.7	The amount of residual waste per household	431.98kgs est	415kgs (annual)		Trevor Nicoll	Cllr. Beech
Comment for 1.7	Household waste arisings are higher than the target by approximately 16kg’s per household. This is a trend which is growing nationally as the economy starts to grow again. The new recycling service which will become operational in July 2016 will make it easier for people to recycle materials as well as food waste, and therefore should lower residual waste arisings back in line with the targets.					
1.8	Percentage of household waste sent for reuse, recycling and composting	50.79% est	55%		Trevor Nicoll	Cllr. Beech
Comment for 1.8	Dry waste recycling and food waste has actually increased a little from last year, and is therefore going in the right direction. Performance is lower than expected overall however because of a drop in garden waste tonnage being collected over the last year. This is down to poor weather conditions in 2015, with a cold and relatively wet summer. Again this is a picture which has occurred nationally, and has had the effect of lowering the national recycling rate by 0.7%, the first drop in over a decade. The new recycling service should generate increases in dry recycling and food waste, which should mean targets are achieved moving forward.					

Exception Report Quarter 4, 2015-16 (January - March)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
2.3	Number of homelessness cases where positive action was successful preventing homelessness	580 (cumulative)	600	No	Joanne Halliday	Cllr. Tony Kearon
Comment for 2.3	The Council provides homelessness prevention through the ongoing activity of Newcastle Housing Advice. The target set for 15/16 was based on an indicative figure which was estimated largely from the number of customers who are helped through Discretionary Housing Payments. We also have other tools with which customers are assisted by including; money management, and access to the private rented sector through cash deposits and one off payments to help clear rent arrears. To increase this activity, we have now commissioned a Private Sector Officer to work integral to the service provided by NHA. This officer will enhance our statutory responsibilities to support homeless customers and those that are threatened with homelessness to sustain long term accommodation in the private sector. The officer will also prevent customers losing their private rented sector properties by working closely with our housing benefit colleagues and landlords to resolve rent payment issues which are the main reason why customers lose their tenancies.					
Exception Report Quarter 4, 2015-16 (January - March)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
2.6	Percentage of Minor Planning Applications determined within time	67.4% (cumulative)	75%	No	Guy Benson	Cllr. Williams
Comment for 2.6	Performance with respect to the speed of determination of applications for Minor Development in Q4 relative to Q3 has improved by 4% points, and in going into 2016/17 there is a limited backlog, and one primarily due to issues with the applications themselves rather than capacity. With the use of temporary consultants coming to an end mid Q4 the situation is however being carefully monitored.					
Exception Report Quarter 4, 2015-16 (January - March)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
3.3	Number of people visiting the museum	(56,635) (cumulative)	60,000	No	Robert Foster	Cllr. Rout
Comment for 3.3	Collection of visitors' numbers to the museum is taken by an electronic door counter on the front door. This counter has proven to have been consistently inaccurate during calibration tests. We have therefore estimated visitors numbers both to the museum and the toilets (which are the only public toilets on the park). We have been looking at a number of alternative options to collect visitor figures as the current system (even brand new) only guarantees 85% accuracy. However, other more accurate counting systems are very expensive and would need to be weighed against the importance placed on quantitative rather than qualitative evaluation results. Furthermore, the historical target of 60,000 for this museum is, from current benchmarking with other museums, too high. The Association of					

	<p>Independent Museum classes small museums as having up to 20,000 visitors, medium having up to 50,000 and large 50,000-100,00 visitors. We suggest that the target should therefore be reduced to 50,000 to bring us in line with other museums nationally.</p> <p>It is possible that visitor numbers are slightly down this year as there have been some refurbishments to the Museum, for example new boilers, external decoration and fixed electrical testing, all of which have caused minor service disruption and we have reflected these in the visitor numbers.</p>					
Exception Report Quarter 4, 2015-16 (January - March)						
Ref	Indicator	Result	Target	Status	Officer	Portfolio holder
4.3	Average number of days per employee lost to sickness	9.84 days (cumulative)	7.5 days	No	Sarah Taylor	Cllr. Shenton
Comment	<p>There were 12 long term sickness cases in Qtr. 4, which was previously 4 cases in Qtr. 3, 6 cases in Qtr. 2 and 23 cases in Qtr. 1. Although there is an improvement, due to the cumulative collection of the indicator and the impact of many cases in the first quarter and the last quarter result, the indicator remains off target in Qtr. 4.</p> <p>Both short term and long term sickness cases are continuing to be pro-actively managed with HR, service managers and Occupational Health support and are monitored regularly at Executive Management Team and Departmental meetings.</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.

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.

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		