

Public Document Pack

Date of meeting Monday, 2nd September, 2013
Time 7.00 pm
Venue Committee Room 1, Civic Offices, Merrial Street,
Newcastle-under-Lyme, Staffordshire, ST5 2AG
Contact Louise Stevenson ext 2250

Transformation and Resources Overview and Scrutiny Committee

AGENDA

PART 1 – OPEN AGENDA

- 1 Apologies**
- 2 DECLARATIONS OF INTEREST**
To receive declarations of interest from Members on items included in the agenda.
- 3 MINUTES OF PREVIOUS MEETINGS (Pages 1 - 8)**
To agree as a correct record the minutes of the previous meeting of this Committee held on 22 July 2013.
- 4 UK MAIL - CORPORATE POSTAL SERVICES REVIEW (Pages 9 - 14)**
To consider a briefing note regarding the Corporate Postal Services Review.
- 5 KEELE GOLF COURSE (Pages 15 - 18)**
To consider a briefing note outlining the financial position at Keele Golf Course.
- 6 FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER ONE (JUNE) 2013 (Pages 19 - 38)**
To consider the Financial and Performance Management Report to end of quarter one (June) 2013.
- 7 BUDGET CONSULTATION 2013 AND THE BUDGET REVIEW GROUP (Pages 39 - 46)**
To consider a report that will be received by Cabinet regarding the consultation proposals as part of the preparation to produce the council's Budget for 2014/15 and to consider an update regarding the Budget Review Group.
- 8 WORK PLAN (Pages 47 - 50)**

To discuss and update the work plans to reflect current scrutiny topics

9 URGENT BUSINESS

To consider any business which is urgent within the meaning of Section 100B (4) of the Local Government Act 1972.

Members: Councillors Bannister, D Becket, Mrs Burgess (Vice-Chair), Fear, Hambleton, Mrs Hambleton, Howells, Jones, Mrs Shenton (Chair), Taylor.J and Waring

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.

Public Document Pack Agenda Item 3

TRANSFORMATION AND RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Monday, 22nd July, 2013

- Present:** Councillor Mrs Elizabeth Shenton – in the Chair
- Councillors:** Bannister, D Becket, Mrs Burgess, Fear, Hambleton, Mrs Hambleton, Howells, Jones, Taylor.J and Waring
- Officers:** Dave Adams – Executive Director, Operational Services
Louise Beeby – Property Manager
Phil Jones – Head of Communications
Louise Stevenson – Scrutiny Officer
Kelvin Turner – Executive Director, Resources and Support Services
- Also in Attendance:** Cllr Snell – Leader of the Council and Portfolio Holder for Communications, Policy and Partnerships

1. **APOLOGIES FOR ABSENCE**

The Cabinet Portfolio Holder for Finance and Resources sent his apologies to the Committee.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

3. **MINUTES OF PREVIOUS MEETINGS**

There was a Member request that an amendment be made to agenda item four of the minutes from 20 May 2013. It was requested that Member comments regarding changes in global media and the decline of the printed media, made during the discussion of The Reporter, should be included in the minutes. It was agreed that these comments be added.

The Leader of the Council provided an update regarding actions from the previous meeting. There had been no full meeting of the Budget Review Group and as a result there was no update to provide. However, he was happy to provide future updates.

With regard to the decline in the performance on litter and detritus that had been noted by Members at the previous meeting, the Portfolio Holder for Environment and Recycling had commissioned a report to ascertain the reason for the most recent increase in litter and detritus levels, which would include an action plan. This report and action plan would be circulated to all Members and would be discussed by the relevant scrutiny committee when appropriate.

RESOLVED: That the minutes of the meeting held on 20 May 2013 be agreed as a correct record with the addition of the comments detailed above regarding global media and the decline of the printed media.

4. **BUDGET CONSULTATION PROPOSALS 2013/14**

The Head of Communications introduced a briefing note detailing the proposals for the budget consultation for 2013/2014. The proposals sought to capture the lessons learned from the 2012/2013 consultation and it was hoped that greater resident involvement would be encouraged.

Evening meetings were not well attended during the 2012/13 consultation, and as a result the 2013/14 consultation would focus on where conversations were already happening, rather than to set meetings. It was important that residents were aware of meetings that were taking place, and Members wished to see detailed information regarding the consultation in The Reporter's August edition. The deadline for the August edition was effectively one month before publication, and the location of public meetings may not be known in time. The August edition would inform residents that the budget consultation would run again and to afterwards there would be promotion of the finer details through local media, the Council's website and social media.

Members had been pleased with the efficiency savings offered by Officers in previous years and felt it would be beneficial if there was an indication in September 2013 of what efficiency savings were to be proposed and other savings that were still required. Members considered it important that the options being considered were clear to residents and that the public were given an idea of the scope for savings in September. The Leader responded that nine areas had been identified through the responses received during the last consultation; three areas were very important to residents, three areas were of interest but not as important and three areas did not interest residents. The Head of Communications had been asked to drill down into the data to establish the areas where there were strong feelings of interest or disinterest. The previous year's budget had laid the foundation for this year, and the intention was to attach the budget figures to the areas that had been identified as of interest or not to residents.

Members questioned what other local authorities did and whether there was anything the Council could do to improve its consultation. Officers had looked at other Councils and would use online initiatives to engage residents. There was an online tool that used a sliding scale to allow residents to see the effect of putting more funds into an area, and the impact of this on other services, but this was not something the Council planned to implement due to it being very sophisticated and a £5,000 cost. The Leader noted that where the sliding scale had been used by other authorities, it had shown residents to be more interested in spending rather than saving money.

Members felt it was important to ask residents what was not important, as well as what was important. They suggested a box be included in the consultation document which should detail the services offered by the Borough Council and services offered by the County Council. This would help to make the consultation more effective as residents would focus their comments and criticism on what was relevant.

There was no specific target for how many residents the Council wished to engage; the aim was to engage more residents than the previous year and as many people as possible. The Leader did not think setting a target would improve the budget consultation process as it could make Members and Officers complacent when the target had been reached. The Leader was, however, happy to receive any suggestion from Members as to what a target should be. A Member disagreed and felt that targets were required and the good feedback communicated after the 2012/13 consultation was not supported by the number of residents who engaged.

Members noted a presentation on budget issues would be organised by the Head of Business Improvements and Partnerships to the Newcastle Strategic Board, and questioned whether there would be formal comment from the Newcastle Strategic Board. The Leader advised that the proposed budget figures had been presented line by line to the Newcastle Partnership board during the previous consultation and the members of the Board had been asked to take the budget figures back to their organisations to consider the impact of the proposals on their services. The responses received had been non-committal, and for the current budget consultation it could be ensured that there was a mechanism to record formal representations. The Leader welcomed Members to advise him or the Head of Communications of any organisations or groups in their area that could be attended by Cabinet as part of the consultation and all Members would be asked what events they had in their calendars that could be attended by Cabinet. The formal meeting element of the consultation would be conducted over a one week period, and if there was a location that was not covered as part of the formal meetings, Cabinet would still go and talk to residents in that area.

A Member suggested using the Community Centre Management Committees to distribute information regarding the budget consultation process. The centres had not been used for the previous year's consultation, but the Head of Communications welcomed any suggestions that were inclusive and would engage residents.

The Committee requested that a further update be received at their next meeting on 2 September 2013, which should include more detail regarding the location of public meetings.

RESOLVED: That the information be received.

5. **KEELE GOLF COURSE**

The Executive Director Resources and Support Services introduced a report outlining the financial position at Keele Golf Course. At the Committee's meeting on 20 May 2013 there had been a Member suggestion that the junior rate for players should be applicable to under 18s rather than to under 16s. This had been approved by Cabinet in May and was now in place at the course.

There had been a net cost to the Council of just over £13,000 to keep the course open, with some one off costs incurred. The figures had suffered from the uncertainty at the course over the previous twelve to eighteen months, and income was slightly down. However, the country was experiencing a spell of good weather and it was hoped the July figures would show an improvement. Nearly £13,000 had been taken in the first two weeks of July and good figures for the month were expected.

The need for an annual golf course report was questioned by Members. This was a full report from the Sports Turf Research Institute which the Council had used for many years. It was a nationally recognised report which made recommendations based on a very close inspection of the golf course. The results of the report gave confidence that the course was being maintained properly.

A Member expressed concern that the Council was losing money each month from subsidising the course and questioned the Leader as to when the Council's support for the course would cease. The Leader responded that at its May meeting Cabinet had approved that officers be instructed to proceed with a formal, competitive, two-

stage marketing process with the aim of securing a tenant. There had been three expressions of interest which were being considered now the period for submitting expressions of interest had closed, and the aim was to have a tenant by the winter. The benefit of the golf course report was that it informed the expressions of interest of the areas that required attention.

Members questioned the degree of variable cost associated with grounds maintenance and operational costs. The Executive Director, Operational Services advised that the quality of the course would be affected by a decrease in income for grounds maintenance and that the costs for this were predominantly fixed, although there may be a small increase in expenditure if there was significant use of the course. With regard to operational costs, the cost of staffing the golf shop and running the marketing of the course was again predominantly fixed. Greater demand and increased use of the course should reduce the Council's subsidy. There would be no costs incurred by the Council when a when a tenant was secured and the interim provider no longer needed. Glendale Managed Services had priced for a fixed term to manage the course and were fully aware that it was an interim arrangement.

There were positive effects of the Council intervening in the running of the course, most significantly a 400% increase in the sale of season tickets. Although this was a small amount financially, it illustrated that a lot of people were being attracted back.

The Leader noted golf course closures in Cheshire and assured the Committee that the Portfolio Holder for Finance and Resources would be driving any offer from the expressions of interest to be competitive in the market. There would be meetings with the potential tenants where they would be questioned on what they could provide that was different. The intention was to have a course that was self-generating and would look after itself, with no risk of being handed back to the Council in a few years time.

Members requested that further detailed financial reports continue to be submitted to the Committee.

RESOLVED: (a) That the information be received.

(b) That further financial reports be received by the Committee.

6. **DISCLOSURE OF EXEMPT INFORMATION**

RESOLVED: That the public be excluded from the meeting during consideration of the following report regarding The Square, High Street, Newcastle, because it is likely that there will be disclosure of exempt information as defined in paragraph 3 in Part 1 of Schedule 12A of the Local Government Act 1972.

7. **THE SQUARE, HIGH STREET, NEWCASTLE**

The Council's Property Manager introduced a report to the Committee regarding The Square, High Street, Newcastle.

RESOLVED: (a) That the information be received.

(b) That the Property Manager investigate the queries raised by Members.

8. **URGENT BUSINESS**

An urgent item was accepted within the meaning of Section 100B (4) of the Local Government Act 1972.

A Member had requested that UK Mail be added to the Committee's work programme due to the poor level of service that the company appeared to be providing. The Member noted a letter that had been sent to him on 26 June 2013 containing an invitation to a meeting on 18 July 2013, and which had only been received three days before on 15 July 2013. This was considered unacceptable and the service to the public was also of concern to Members.

The Executive Director, Resources and Support Services advised that there had been some issues, but if Members provided Officers with the envelopes of letters that had encountered problems, they would be able to trace at which point in the process the problem had occurred. Other local authorities had had problems in the first few months of using UK Mail, but the problems had settled down after around six months. It was also important to note that £40,000 worth of savings had been built into the budget through the use of UK Mail.

There would be a six month review of the UK Mail service in August, which would tie in with the Committee considering the UK Mail service as an item at its meeting on 2 September 2013.

RESOLVED: That UK Mail be added to the Committee's work programme and considered at its next meeting on 2 September 2013.

COUNCILLOR MRS ELIZABETH SHENTON
Chair

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Briefing Note to Transformation and Resources Overview and Scrutiny Committee

2nd September 2013

Corporate Postal Services Review

Background

In September 2012, a tender process for the procurement of corporate mail services was undertaken as part of a joint partnership between Stafford Borough Council, Cannock Chase District Council and East Staffordshire Borough Council, with Newcastle acting as lead authority on behalf of the Partnership. Two companies tendered for the work: UK Mail and Secured Mail.

In February 2013, Cabinet approved the appointment of the successful tenderer (UK Mail), subject to the satisfactory outcome of a pilot exercise later agreed to be of 6 months duration.

The pilot exercise was put in place to enable the Council and the provider to embed processes and make any changes required to ensure a smooth transition to the new service. During that time, all services have been encouraged to highlight any issues with the Customer Support section so that they could be logged and acted upon by the provider as quickly as possible. The pilot period is due to end on 31 August 2013.

Outcomes of the Pilot

- **Cost of the Service (70% of the tender evaluation criteria)**

Cost comparison of the total expenditure with Royal Mail during April, May, June and July 2012, and UK Mail (mail sort) and Royal Mail ('last mile' delivery) during April, May, June and July 2013 show a saving of £19K over the first 4 month period of the pilot, when compared to the expenditure for the same period in 2012. This equates to a potential first year saving of approximately £57K based on expected volumes. Savings of £40k were built into the 2013/14 budget.

- **Quality of Service (30% of the tender evaluation criteria)**

Feedback was requested from all Service Areas via the intranet on two occasions during the pilot period. Responses were received on those occasions from major mail users i.e. Planning Services and Revenues and Benefits. A further request for feedback was sent out via email to Wider Management Team on 12 August.

Issues

Issues identified from the major users of the mail service include:

- Items taking too long to reach recipients i.e. deadlines being missed or statutory response times/consultations shortened, such as those required by Planning Services;
- Letters taking a long time to be returned e.g. incorrectly addressed etc;
- Large letters taking an unacceptable length of time to reach recipients.

Most issues have been resolved within the pilot period or are being addressed through changes/updates in working methods by the provider and the authority.

Following feedback from the main corporate mail users, the number of issues raised during the pilot exercise was as follows:

	April	May	June	July
No. Issues Raised	12	7	8	2
Issues as % of total number of postal items sent	0.05%	0.05%	0.04%	0.01%

Management Reporting and Internal Testing

• Provider Statistics

UK Mail monitors its own service by logging when a consignment of post is collected from the Council, handed over to Royal Mail for 'final mile' delivery¹ and how many items are present at each stage. Table 1 shows UK Mail statistics for the collection of mail from the Council, sorted and handed over to Royal Mail. Items not handed to Royal Mail are returned to the Council.

Table 1 UK Mail handover statistics summary

	April	May	June	July
Items Collected	21556	11717	19930	12659
Items handed to Royal Mail	21555	11713	19928	12649
Percentage	100.00%	99.97%	99.99%	99.92%

UK Mail (in accordance with the Terms and Conditions of Service) currently hands over 98% of corporate mail to Royal Mail within 2 working days after collection. This percentage is a national figure (not organisational) and is monitored on a daily basis through its 48 mail centres.

¹ Final Mile delivery is actually from the closest Royal Mail distribution centre, determined by postcode. And may therefore be greater or less than one mile.

- **Newcastle Borough Council Test Mailing Statistics**

Customer Support also carried out internal testing during the pilot period to determine the total time taken from collection by UK Mail to delivery by Royal Mail. Envelopes of varying sizes were sent over a period of a few weeks to agreed recipients. The dates sent and received were logged and the envelopes kept for analysis. The findings are shown below:

Average Number of Days to Deliver (test mailings results)

	April	May	June	July
No of test items sent	2	19	29	11
Ave No. Days to deliver	5	4	3	3

Internal Quality Issues

Initial problems relating to the presentation of mail items for dispatch, e.g. unclear or incomplete addresses, postcodes omitted; have been mainly resolved. Clear guidelines have been issued to all staff and the quality of presentation has improved greatly and has contributed to the issues decreasing over the 6 months pilot period.

Account Management

The Council's account with UK Mail is managed by a named Client Account Manager. Meetings take place between Customer Support staff and the Account Manager on a fortnightly basis. This is working well and ensures a speedy response to queries. There is a clear escalation procedure which we can access should the need arise.

Local Authority Benchmarking

The following Local Authorities use UK Mail and have kindly provided feedback.

Stoke City Council:

- Stoke CC began using UK Mail in February 2013. Stoke CC experienced a number of initial problems but these have all been resolved by the UK Mail Account Manager;
- Any non-deliverable mail is returned within a week;
- Stoke CC state they have made 'huge savings';
- Stoke CC has built a good relationship with UK Mail.

Cannock Chase District Council:

- Cannock DC is currently in the early stages of a pilot with UK Mail;
- Cannock DC has confirmed that they are anticipating considerable savings once the changes are embedded.

Tamworth Borough Council:

- Initially delivery times were longer than anticipated, this has been monitored and has greatly improved;
- In general the new postal system works well and has saved Tamworth B.C. a considerable amount of money.

Future Business Development

Two new processing machines for Large Letters are being installed at UK Mail in September 2013. This will lead to Large Letters (type C4 items) and small packets being machine processed instead of hand processed, to allow for full tracking of these items. This new machinery will enable the Council to send small packets which we do not currently hand over to UK Mail.

UK Mail is also a Government Procurement Services approved supplier of Hybrid Mail and PacketPlus services.

Hybrid Mail would allow us to send letters electronically directly to a UK Mail print house for printing, enveloping and posting eliminating the need for printers, print consumables, paper and many post room functions reducing the annual spend on such functions. This service may be considered by the Council in the future, and is being collectively considered by other authorities within the Staffordshire region.

The PacketPlus service is a next day fully trackable service for items up to 20 kilo's which we currently do not access through UK Mail.

Proposals

The following proposals are made, following a 'lessons learned' analysis at the conclusion of the pilot:

- Discussions are taking place with Planning Services who are proactively encouraging all applicants, neighbours and third parties to use electronic communication where possible, eliminating the cost of printing letters as well as post charges;
- A review of the potential for, and impact on, increasing consultation time frames within statutory obligations with Planning Services;

- Treat critical time sensitive post² as an exception and use Royal Mail 1st Class. The additional cost would be minimal in comparison to overall savings.

Conclusion

The pilot exercise has proven to be a valuable means of ensuring that the contractual obligations of the provider are met within the timeframes. It has also given both the provider and the Council the opportunity to develop ways of working that deliver opportunities in terms of mail efficiencies and reduced costs in the future.

Jeanette Hilton
Head of Customer & ICT Services
Newcastle-under-Lyme Borough Council

² For example; statutory deadline post

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Briefing Note to Transformation and Resources Overview and Scrutiny Committee

2 September 2013

Keele Golf Course

Background

At previous meetings Members have requested updates in respect of the financial position following the interim management and maintenance arrangements that have been put in place at Keele Golf Course.

On 21 March 2013 the operating company at Keele Golf Course went into voluntary liquidation but continued to operate as trespassers until the liquidator passed back the lease to the Council on 1 May 2013. The trespass was permitted to ensure a continuation of service and prevent the course closing prior to the lease being disclaimed and new interim arrangements being put in place while another operator was secured.

Glendale Managed Services were asked to quote for grounds maintenance at the course and also separately for managing the golf course. As existing grounds maintenance contractor to the Council a variation to their existing contract was approved following evaluation of their quote. In relation to the golf course management, two quotes were obtained, and following evaluation the work was awarded to Glendale. Both contracts are for an initial 4 months with the option to extend monthly for a further two months. These arrangements commenced on 2 May 2013.

On 1 May 2013 the course was staffed by Council senior officers to ensure a continuation of service and give the opportunity to audit the operation prior to the interim contractor starting.

Financial Position

Under the terms of the current interim arrangements the Council retain all income from the course but are responsible for the costs of operation. The intention is to manage costs so that they are covered where possible by income. Income is generated from green fees and ancillary sales and the associated costs, which include National Non Domestic Rates, Utility Charges, Repairs and Maintenance (including statutory inspections), Grounds Maintenance Contract, Management Fee, and other direct costs (including golf shop staff, golf buggy leases, insurance etc.)

The costs incurred together with the income received to date are shown in the following table:

Cost /Income	May 2013	June 2013	July 2013	Total	Notes
	£	£	£	£	
<i>Expenditure</i>					
Grounds Maintenance	11,864	16,056	16,000	43,920	1
Operational Costs	9,096	9,938	8,121	27,155	2
Business Rates	1,766	1,766	1,766	5,298	
Telephone	50	50	50	150	3
Electricity	500	500	500	1,500	3
Water	212	212	200	624	
Gas	600	600	600	1,800	3
Total Expenditure	24,088	29,122	27,237	80,447	
<i>Income</i>					
Green Fees	15,334	18,242	17,517	51,093	
Season Ticket Sales	451	1,829	2,095	4,375	
Hire of trolleys / buggies	316	1,643	1,943	3,902	
Other Income	907	1,208	1,725	3,840	
Total Income	17,008	22,922	23,280	63,210	
Net Cost	7,080	6,200	3,957	17,237	

Notes:

1. May expenditure was for part month only.
2. These costs relate to management fees, direct staffing costs and other items such as scorecards, buggy hire and fuel for the buggies.
3. These are estimates only as no invoices have yet been received.

In addition, a number of one off ie setting up costs have been incurred. These are as follows:

	£
Annual Golf Course Report	1,910
Removal of Rubbish	1,557
Joinery and removal and replacement of locks	1,857
Brickwork and Steel Girders	946
Decommission of showers	100
Inspection and testing of lighting	60
Total	6,430

The figures show a net operating cost of £17,237 (plus £6,430 one off costs) has been incurred for the first 3 months of operation.

It should be borne in mind that had the Council not maintained continuity of the course operations that significant holding costs would have been incurred in securing the site – these have been estimated at approximately £10,000 a month, therefore the cost to date to the Council would have been approximately £30,000.

Further updates will be provided to the committee.

Tender Process

In respect of the tendering exercise to appoint a new operating company for the course, tenders were returned on 19 August and are currently being evaluated. Due to the fact that this issue comes under the remit of a number of different scrutiny committees, it has been agreed that the Overview and Scrutiny Co-ordinating Committee will consider this at its meeting on 24 September 2013.

Kelvin Turner
Executive Director – Resources and Support Services

Dave Adams
Executive Director – Operational Services

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1. FINANCIAL AND PERFORMANCE MANAGEMENT REPORT TO END OF QUARTER ONE (June) 2013

Submitted by: Head of Finance and Head of Business Improvement & Partnerships

Portfolio: Communications, Transformation & Partnerships; Finance and Resources

Wards Affected: All

Purpose

To provide Transformation & Resources Overview & Scrutiny Committee with the Financial and Performance Review for the 2013/14 First Quarter (April -June).

Recommendations

- (a) That Members note the contents of the report and recommend that the Council continues to monitor and scrutinise performance alongside finances.
- (b) That Members note that the appendix A is a new style of finance report
- (c) That Members note that the appendix B is a new style of performance as detailed in line with the Performance Management Framework Review and the Council Plan 2013-14 to 2015-16.
- (d) That Members feedback their comments for the Cabinet meeting 18 September 2013

Reasons

These monitoring reports provide information about the corporate performance of individual council services, alongside financial information. This report is to be presented to Cabinet on 18 September 2013.

1. Background

- 1.1 This report provides Members with a detailed update on how the Council has performed during the first quarter of 2013/14 by presenting performance data set in a financial context.
- 1.2 This report provides financial information (Appendix A) and also detailed analysis of performance (Appendix B) in the first quarter of 2013/14.
- 1.3 A summary of the overall performance is presented in section 3 of this report. Performance is progressing well, with the majority of targets currently met.

2. 2012/13 Outturn and 2013/14 Revenue and Capital Budget Position

- 2.1 The budget for the General Fund for 2012/13 was originally set in February 2012 and amounted to a net total of £15,383,940. The eventual outturn for the year was a positive variance against this figure, of £3,024. Whilst there were adverse variances against some budget heads, these have been offset by positive variances against others. There were a number of areas of income, largely ones that were sensitive to the state of the local and national economy which were included in the adverse variances.

2.2 The Capital Programme outturn for 2012/13 was expenditure of £2,532,356. This was below the forecast amount predominantly due to delays in two externally funded projects i.e. Silverdale Community Facilities and Lowlands Road Section 106 works. This slippage has been carried forward to 2013/14 budget.

2.3 2013/14 Revenue and Capital Budget Position (detailed in Appendix A)

3 Performance

3.1 The Council Plan Performance report is reported in a new format attached as Appendix B.

3.2 The report has been developed from the outcomes of the Council Plan. Monitoring indicators have also been used giving demographic information, in order to give a clearer picture of progress.

3.3 The information is presented in four sections against each priority and details results and progress towards identified outcomes for the council and the number of indicators monitored this time is 37, of which 15 are monitoring indicators and do not have targets.

3.4 The proportion of indicators which have met their targets, based on data at the time of compiling this report, was 76%.

3.5 There are two columns to show improvement and achievement :

- One set of symbols (arrows), show whether performance has improved, worsened or is more or less the same since the last time each indicator was reported
- The “Good performance is” column denotes polarity: low or high and allows the reader to analyse the results in detail

3.6 More indicators will be added to the report as they become due and also information about activities and projects which provide progress against the outcomes.

3.6 An overall summary of performance against each priority is also stated, highlighting issues and improvement to be noted.

3.7 The intention is to further develop the format of performance reports ensuring suitability and clear communication of progress with outcomes for members and officers of the council.

3.8 Positive performance can be seen in a range of services although it must be borne in mind that the results later in the year can be different and that some services have seasonal factors.

3.9 There are a small number of areas listed in this report which are not on target, though none causes concern at present. In all cases, the management of the service is aware of the issues and are taking steps to deal with the situation. Further updates will be provided for Members in future reports.

4. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

4.1 All of these indicators link to corporate priorities.

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.

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 current 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 chose whether or not to use Council facilities, such as car parking and other areas directly affected by the economic downturn, such as 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 report (Appendix A) and also a Performance report (Appendix B) for the first quarter of 2013/14 is attached.

10. Background Papers

Working papers held by officers responsible for calculating indicators.

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Financial Position Quarter One 2013/14

General Fund Revenue Budget

The Council approved a General Fund Revenue Budget of £14,118,640 on 27 February 2013. 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.

Capital Programme

A Capital Programme totalling £7,963,400, covering the two years 2012/13 to 2013/14, was approved at the same Council meeting. Of this total, £5,352,500 was estimated to be spent in 2013/14.

Revenue Budget Position

At this point in the financial year, we would have expected to have spent approximately £1.181m; we have actually spent £1.181m. Therefore, as at the end of the first quarter, the general fund budget is at a break-even position.

However there are a number of both favourable and adverse variances to bring to your attention:

- Commercial rents continue to yield less compared to what we would, in the past, have expected to receive up to 30 June.
- There have also been a number of income sources whereby income has exceeded what we would have expected to receive up to 30 June; these include licensing, planning application fees, bereavement services fees and the recovery of housing benefit overpayments.
- Additionally a number of small service under spends have occurred.

There are also a number of smaller variances, both positive and negative, that contribute to the overall outturn.

In relation to the Member interest in respect of outstanding monies from Gatedale regarding The Square. It is pleasing to report that a payment of £420k was received on 18 July.

Capital Programme Position

The Capital Programme approved by Council in February 2013 has been updated to take account of slippage in 2012/13. Where planned expenditure did not occur last year, this has been added to the budget for 2013/14 (apart from any cases where costs have been reduced or expenditure will no longer be incurred). The revised budget for capital projects in 2013/14 totals £5,352,500.

£763,800 of the revised budget was expected to be spent by 30 June. Actual spending was £876,900. The variance of £113,100 is mainly attributable to one project, Section 106 Works at Lowlands Road.

Investment Counterparties

Investment counterparties with whom money is invested, as at 30 June 2013 are as follows (with the parent company shown in brackets, where applicable):

Nationwide Building Society
Debt Management Account – Deposit Facility
Halifax Bank of Scotland
Heritable Bank (*Landsbanki*)

With regard to the Council's frozen investment in Heritable Bank, the total amount repaid now amounts to some £1,937,728, which is around 77% of the total that was frozen. The Administrators current prediction is that 86-90% of the £2,500,000 invested will be repaid.

Quarter 1 2013-14

Priority 1: A clean Safe and sustainable Borough

Overall Progress Report


Overall our progress with our outcomes for this priority is positive. A combination of monitoring and target driven indicators are measured with two indicators (1.3.5 & 1.4.2) introduced for 2013-14 for which it will be the baseline year. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

The Town Centre Vacancy Rate indicator is off target this quarter with a result of 16.21% against a target of 15% however it is to be noted that the indicator measuring the Percentage of investment portfolio (NBC owned) vacant continues to perform well with a result of 8.4%, similar to the last quarter.



Environmental and Waste indicators are performing well, and also there are no concerns with the Crime and disorder indicators in comparison with results in 2012-13.


Outcome 1.1 Ensure high standards of safety and public health – Lead Member Cllr. Ann Beech, Lead Officer Nesta Henshaw

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.1.1	Percentage of food premises that have a zero or one national food hygiene rating.	Baseline year	-	Low	Quarterly	1.87% (14 '0/1' premises out of 746 published).	Monitoring indicator	-	Partial
Page 25	Percentage of food premises that have a zero or one national food hygiene rating.								
	E.g. Following each Food Hygiene Inspection, a food business is awarded a rating of between zero (Urgent improvement necessary) and Five (Very good). These ratings are published on the website at http://www.newcastle-staffs.gov.uk/environment_content.asp?id=SXC69E-A7811729&cat=1390 or http://ratings.food.gov.uk/ Those premises that are rated zero (urgent improvement necessary) or one (major improvement necessary) have been found to be not complying with Food Hygiene Regulations and will be subjected to enhanced business support visits/revisits (and in the most serious cases enforcement action) to help them raise their compliance and protect public health. These premises will then receive a further unannounced inspection approximately 6-9 months later where they will receive a new rating.								

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.1.5	The percentage of food establishments which are broadly compliant with good hygiene law	91%	85%	High	Quarterly	92.1% (1028 out of 1116 premises deemed broadly compliant)	85		Partial
Following each food hygiene inspection a premises will be risk rated and given a score of between 0 (Very Good) and 30 (Very bad) for its' compliance with 1. Food Hygiene Procedures, 2. Structure and 3. Confidence in Management. Where a premises scores 10 or better in each of these 3 categories they are defined as being 'broadly compliant' with food hygiene law. This indicator describes the percentage of businesses in the borough that are deemed 'Broadly Compliant'.									
Ref	Indicator	2011 Baseline (year)	Target	Good is	How often reported	Result 2012	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.1.6	Number of people killed or seriously injured on the borough's roads	27 (5 fatal, 22 serious)	-	Low	Annual	19 (3 fatal, 16 serious)	Monitoring indicator	-	None
Information available is from Qtr 1 in 2012 and is a monitoring indicator, showing a decrease from the same quarter in the previous year.									

Outcome 1.2 Newcastle will be safer with vulnerable victims of crime and disorder receiving high quality support. – Lead Member Cllr Tony Kearon, Lead Officer Mark Bailey

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.2.3	Reduction in incidents of violence with injury	680	-	High	Quarterly	170	Monitoring Indicator		Partial
The comparative result for Qtr 1 in 2012-13 for this measure was almost the same with 168 incidents reported.									
1.2.4	Reduction in incidents of anti-social behaviour	3,831	-	High	Quarterly	1,022	Monitoring Indicator		Partial
The result has slightly improved this year compared with the result of 1049 incidents reported for Qtr 1 in 2012-13.									

1.2.5	Reduction in incidents of serious acquisitive crime	773	-	High	Quarterly	182	Monitoring Indicator		Partial
The comparative result for Qtr 1 in 2012-13 for this measure was the same with 182 incidents reported.									

Outcome 1.3 The negative impact that the Council, residents and local businesses have on the environment will have reduced – Lead Member: Cllr. Ann Beech, Lead Officers: Trevor Nicoll/Nesta Henshaw

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1/ 2013-14	How have we performed?	Control Full/ Partial/ None
1.3.1	The amount of residual waste per household	421.64 kgs	425 kgs	Low	Quarterly	102.50 kgs	105kgs	↑	Partial
The performance this quarter has improved on the result for the comparative quarter for Qtr 1 in 2012-13 of 107.31kgs									
1.3.2	Percentage of household waste sent for reuse, recycling and composting	51.69%	52%	High	Quarterly	54.9%	54%	↑	Partial
On target this quarter with a total 658 tonnes.									
1.3.5	The level of air quality	Baseline year 2013-14	-	Low	Quarterly	N/A	Monitoring indicator	-	Partial
<p>The Council has a statutory duty to assess air quality for compliance against the standards set in the Air Quality (England) Regulations 2000 for a range of pollutants which have an impact on health. This regime requires monitoring, assessment and interpretation of air quality. Further assessment (including computer modelling of pollution levels), the declaration of Air Quality Management Areas (AQMAs) and action plans to reduce pollutant levels have to be undertaken if any exceedances of the legal 'objective level' are identified.</p> <p>In this quarter we commissioned a statutory detailed assessment and a further assessment of air quality due to exceedances of the statutory annual mean objective for nitrogen dioxide for four geographic areas located in Kidsgrove, Madeley, Newcastle Town Centre and Porthill/Maybank area. This report, submitted to DEFRA in quarter 2 will form the basis of consultation with stakeholders and residents on the boundaries of air quality management areas. Once the AQMAs have been declared, an air quality action plan will be developed for submission to DEFRA within 18 months. Work will also be commenced on the preparation of planning guidance and an air quality strategy for Newcastle-under-Lyme. A progress report will be submitted to DEFRA in 2013. The Borough Council monitors air quality through the use of nitrogen dioxide diffusion tubes installed in 50 locations across the Borough and analysed on a monthly basis and an air quality monitoring station at Queen's Gardens which continuously measures concentrations of nitrogen dioxide and particulate matter.</p>									

Outcome 1.4 Our streets and open spaces will be clean, clear and tidy – Lead Member Cllr Ann Beech, Lead Officer Roger Tait

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1/ 2013-14	How have we performed?	Control Full/ Partial/ None
1.4.1	Levels of street and environment cleanliness (LEQ survey) free / predominantly free of litter, detritus, graffiti and fly-posting)	12.5 11.67 1.71 0.16	9 9 3 1	Low	Quarterly	Reported in Q2	-	-	Partial

There are three surveys undertaken in the year and the first one is undertaken in Qtr 2. The targets for the year are the same as 2012-13.

Outcome 1.5 Town centres across the borough will be sustainable – Lead Member Cllr Terry Turner, Lead Officers Simon Smith/ Louise Beeby

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Q1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
1.5.1	Town Centre Vacancy Rate	13	15	Low	Quarterly	16.21%	15%	↓	Partial
	A total of 53 premises are vacant at the moment but there are two premises due to open which would move the rate to 15.6. This indicator is useful for officers to monitor movement in the local high street. In conjunction with the Town Centre Partnership the council is supporting new businesses in to vacant shops through the Enterprize Scheme.								
1.5.2	Percentage of investment portfolio (NBC owned) vacant	(Qtr 4) 7.8%	14	Low	Quarterly	8.4	12%	↔	Partial
	The percentage for this quarter is within target and given the current economic climate is a positive result. 15 out of 179 properties are .								

Quarter 1 2013-14

Priority 2 : Borough of Opportunity

Overall Progress Report

Overall our progress with our outcomes for this priority is fairly positive. A combination of monitoring and target driven indicators are measured to give a clearer picture of certain issues such as worklessness, albeit some of the information available is not for the current quarter. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

The Percentage of Minor Adaptations delivered within four months indicator is off target this quarter with a result of 61% against a target of 75% however the reasons for this result is given and the situation performance managed. The supporting of the homeless indicator continues to perform well with a total of 130 clients given help to prevent homelessness.

A positive result is the involvement of volunteers at the museum who spent a total of 481 hours supporting activities and events.

Outcome 2.1 Levels of worklessness will have reduced– Lead Member Cllr Terry Turner, Lead Officer Kim Graham

Ref	Indicator	2011-12 Baseline (Apr 11 – Mar 12)	2012/13 Target	Good is	How often reported	Q1 Apr 12- Mar 13	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.1.1	Level of employment in the borough*	69.9%	N/A	High	Rolling year (Quarterly)	72.0%	Monitoring indicator	↑	Partial
2.1.2	The percentage of working age people claiming Job Seeker's Allowance (JSA)	2.9% (Jun 12)	N/A	Low	Quarterly	2.7% (Jun 13)	Monitoring indicator	↑	Partial

* % of working age population (aged 16-64) who are economically active and in employment


Ref	Indicator	2011 Baseline (Nov 11)	2012/13 Target	Good is	How often reported	Q1 (Nov 12)	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.1.3	The percentage of working age people claiming key out-of-work benefits*	11.5%	N/A	Low	Quarterly	10.1%	Monitoring indicator	-	Partial

The monitoring indicators 2.1.1, 2.1.2 and 2.1.3 all show a positive trend when compared to information of their respective previous period.




* % of working age population (16-64) who are claiming JSA, ESA or Incapacity Benefit, lone parent and other income related benefits

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1/ 2013-14	How have we performed?	Control Full/ Partial/ None
2.1.4	The level of NEETs	N/A			Quarterly	N/A	Monitoring Indicator	-	Partial
Data is unavailable at this time but will be reported in quarter 2.									

Outcome 2.2 Local people will be able to access opportunities for personal development and growth – Lead Member: Cllr. Ann Beech, Lead Officer: Trevor Nicoll/Rob Foster

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.2.6	Number of hours worked by volunteers in council co-ordinated activities (museum)	2234	N/A	High	Quarterly	516	481		Partial
The museum and art gallery currently has 15 volunteers who support officers with the work of the service. Their duties include dealing with archive enquiries, research, cleaning collections, documentation, digitisation, hanging exhibitions, invigilating, and assistance at events. During the first quarter the hours equate to more than a full time post.									

Outcome 2.3 Housing will be available and accessible to meet a range of diverse needs– Lead Member: Cllr Terry Turner, Lead Officer: Jo Halliday

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1/ 2013-14	How have we performed?	Control Full/ Partial/ None
2.3.3	Percentage of referrals for Disabled Facilities Grants (DFG) approved within six months	100%	N/A New target	High	Quarterly	100%	100%		Partial
A total of 22 referrals have been approved within the last three months.									
2.3.5	Percentage of minor adaptations delivered within four months	71%	N/A New target	High	Quarterly	61%	75%		Partial
A total of 11 out of 18 adaptations completed within the four months. Officers have checked through those not meeting the target and there were a range of reasons including remediation of defects, delivery time of specialist equipment and late submission of invoice.									
2.3.6	Number of homelessness cases where positive	554	500	High	Quarterly	130	125		Partial

Page 32	action was successful preventing homelessness (from the PIE)								
	The service has successfully prevented homelessness in a total of 130 cases with the service projecting a target of 125.								

Outcome 2.4 Key parts of the borough will have been regenerated and there will have been overall economic growth– Lead Member: Cllr Terry Turner, Lead Officer: Jo Halliday/Louise Beeby

Ref	Indicator	2010 Baseline (year)	2012/13 Target	Good is	How often reported	Result 2011	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.4.6	Rate of Business Births and Deaths	8.3% -Births 10.6% -Deaths Stock total 3,485	N/A	Business birth rate ≥ Business death rate	Annual	10.1% – Births 10.2% -Deaths Stock total 3,415	Monitoring Indicator	-	Partial
The data is from ONS 'Business Demography: Enterprise Births and Deaths' supplies a more comprehensive set of figures detailing the births and deaths of businesses. From the data there is evidence of an increase in business set ups between 2010 and 2011.									

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Q1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
2.4.7	Average stall occupancy rate for markets	54%	55%	High	Quarterly	61%	55%	↑	Partial
The occupancy rate has improved since the last month and has exceeded the target of 55%.									

Quarter 1 2013-14



Priority 3 : A healthy and Active Community

Overall Progress Report

Overall our progress with our outcomes for this priority is positive. A combination of monitoring and target driven indicators are measured to give context to the work undertaken by services. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

Unfortunately the targets are not yet available for the indicators (3.3.2 and 3.3.3) measuring progress of people to the GP referral programme but current information on the programme is detailed. Positive results for the measures relating to the Parks and Open Spaces are to be noted with 9 Green Flag awards and an improved satisfaction result by users. Another positive result is the number of visitors to the museum which is over the target of 15,000 and a good start to 2013-14. The target for number of leisure facility users this quarter was not achieved but the number of users has increased. It should be noted that the target for this indicator has been increased by 100,000 for the year.


Outcome 3.1 People who live, work, visit or study in the borough will have access to high quality facilities– Lead Member Cllr Ann Beech , Lead Officer(s) Roger Tait

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
3.1.1	Number of parks which have Green Flag status	9	9	High	Annual	9	9		Partial
A total of nine green flags have been awarded for 2013-14. Newcastle is the top performer in Staffordshire for these awards.									
3.1.3	Level of satisfaction with Council run parks and open spaces	70.2	-	High	Annual	78.2	70.2		Partial
Satisfaction with Council run parks has improved over the last year.									

Outcome 3.2 Levels of cultural activity and participation in the arts will have increased– Lead Member Cllr Elsie Bates , Lead Officer - Rob Foster

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
3.2.2	Number of people visiting museums	51,364	63,000	High	Quarterly	15225	15,000	↑	Partial
	The number of visitors to the museum is 1500 higher for this quarter than for the same period last year. Quarterly targets have been profiled this year to allow for the seasonal nature of the service. Marketing and raising awareness of the service to maintain and increase visitor numbers is a key objective for the museum during 2013/14								
3.2.3	Number of people attending local theatres	106,398	N/A	High	Quarterly	21,717	Monitoring Indicator	-	Partial
	The New Vic Theatre is the main theatre serving the residents of Newcastle and the surrounding area. Council support for the theatre is through an annual funding stream and partnership working on a number of projects. These figures are for theatre visits only and do not include visits to the Café, shop, meeting rooms or exhibitions.								
3.2.6	Impact of community-run cultural events and people attending	£14,327.50	£14,360	High	Quarterly	£2,000	Monitoring Indicator	-	Partial
	In 2012-13, a total of 20 Community groups and organisations applied for Cultural Grants for funding totalling £29,277 and 14 groups were awarded grants totalling £14,327.50 out of an annual budget of £14,360.								
	For 2013-14, 4 applications for Cultural Grants were received in the first quarter and two have been awarded grants. New criteria for 2013-14 states 'The panel will look favourably on projects which aim to commemorate the centenary of the First World War with particular reference to the Borough and its residents, and which take place between 2014-18'. The aim is to increase and encourage community involvement in the commemorations and to increase the diversity of activity. The awards were £1500 to the Moseley Railway and £500 to the Friends of Talke library for events relating to the Great War Commemorations.								

Outcome 3.3 There will be a range of healthy lifestyle choices, resulting in an increase in participation – Lead Member Cllr John Williams, Lead Officer - Rob Foster

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
3.3.2	Number of referrals from GPs to organised sporting activity	Baseline –New indicator	N/A	High	Quarterly	101	To be agreed	-	Partial
	The GP referral programme is led by the County and the targets will be set by December. Last year Newcastle had a total of 391 referrals with 61 people improving their health at the end of the 12 week programme. In this quarter 16% of referrals completed the course and improved their health.								
3.3.3	Percentage of people referred for exercise by GPs whose health improves	Baseline – new indicator	N/A	High	Quarterly	16%	To be agreed	-	Partial
	See comment for 3.3.2.								
3.3.3	Number of people accessing leisure and recreational facilities	579,575	570,000	High	Quarterly	148,206	167,500		Partial
	The breakdown of users is as follows: Jubilee 2 - 94,389, Kildgrove Sports Centre - 47,151, Knutton Recreation Centre – 426, Sports & Events Team -6,240. There has continued to be short term closures at Kildgrove Swimming Pool due to electrical faults and mechanical failure. This has impacted on meeting the target set, however Jubilee 2 continues to perform well and the figures overall has increased.								

Priority 4 : A co-operative Council, delivering high –value, community-driven services


Overall Progress Report

Overall our progress with our outcomes for this priority is positive. A combination of monitoring and target driven indicators are measured with two indicators (4.2.3 and 4.2.4) introduced for 2013-14 for which it will be the baseline year. The performance for this quarter is shown where possible for the monitoring indicators where a comparison or previous results are known.

The Skills and Competencies of Staff indicator result collated in Qtr 1 is excellent with a 96.4% achieved against a high target of 95%. Added to this the Customer Service indicator - Percentage of requests resolved at first point of contact (4.4.8) continues to do well with a high result of 96.4% , increased from 95.2% at the end of 2012-13.

However the result for staff sickness -Average number of days per employee lost to sickness has started 2013-14 off target but is being pro-actively managed as detailed in the report.

Outcome 4.1 The council will have increased the capacity and skills of its workforce– Lead Member Cllr Gareth Snell , Lead Officer Richard Durrant

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 4	Target Qtr 4 2014-15	How have we performed?	Control Full/ Partial/ None
4.1.5	Percentage of staff who feel they have the necessary skills/ competencies to do their job effectively	96.4%	95%	High	Biennial	-	95%		Full
The results for this indicator, which is collected biennially has now been collated for 2012-13 and available to be reported in Qtr 1. It is a very good result and is over the high target set of 95%.									

Outcome 4.2 Councillors will be community champions and powerful community advocates– Lead Member Cllr. Gareth Snell, Lead Officer - Mark Bailey


Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed ?	Control Full/ Partial/ None
4.2.3	Percentage attendance at planned meetings by members	Baseline –new indicator	-	High	Quarterly	87.78%	Monitoring	-	Partial
This indicator is calculated using the information from Modern.gov and is available for public viewing on the website after each meeting.									
4.2.4	Items raised by members on the Scrutiny Work programme.	Baseline – new indicator	-	High	Quarterly	To be updated in Qtr 2	Monitoring		Partial

Outcome 4.3 The Council will have delivered further efficiencies – Lead Member Cllr Mike Stubbs, Lead Officers - Dave Roberts/Richard Durrant

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.3.2	Percentage projected variance against full year council budget	0%	No variance	Low	Quarterly	0%	No variance	↔	Full-Partial
The Council Revenue Budget is at a break-even position at Q1.									
4.3.3	Average number of days per employee lost to sickness	8.06 days (long term 5.08 and short term 2.98 days)	6.9	Low	Quarterly	2.16 days (1.48 long term and 0.68	1.88 days	↓	Partial
Quarter 1 result is not on target and for this period in 2012-13 the result was 1.62 days. Cases are being pro-actively but sympathetically managed and due to the 'intervention' point of 2.08 days being triggered, it was recommended that the monthly short/long-term statistics that are supplied to each service area should be scrutinised and discussed at respective monthly Departmental Management Team meetings, with a view to ensuring that Heads of Service and Business Managers are consistent and proactive in their approach and that early Occupational Health referrals are made in all cases of potential long-term sickness. Added to this it was recommended that absence rates should continue to be reported to Executive Management Team on									

a monthly basis while they remain above the cumulative target/intervention rate.

Outcome 4.3 cont'd The Council will have delivered further efficiencies – Lead Member Cllr Mike Stubbs, Lead Officers - Dave Roberts/Richard Durrant

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.3.8	Net income collected from Council assets	85.6%	No variance	High	Quarterly	95.6%	No variance		Partial
Income is still affected by economic downturn.									

Outcome 4.4 Local communities are engaged and able to shape and deliver services which impact on their lives – Lead Member Cllr John Williams , Lead Officer Jeanette Hilton

Ref	Indicator	2012-13/ Baseline (year)	2012/13 Target	Good is	How often reported	Result Qtr 1	Target Qtr 1 2013-14	How have we performed?	Control Full/ Partial/ None
4.4.8	Percentage of requests resolved at first point of contact	95.20	75.00	Low	Quarterly	96.41	80		Partial
Our performance continues to be above target.									

HEADING	Budget Consultation
Submitted by:	Phil Jones, Head of Communications
Portfolio	Finance and Resources
Ward(s) affected	All

Purpose of the Report

To inform Cabinet of consultation proposals as part of the preparation to produce the council's Budget for 2014/15.

Recommendations

Cabinet is asked to support the consultation proposals outlined in this report.

Reasons

The borough council is committed to being a "co-operative council" and this includes a desire to be an "open, honest and transparent organisation which undertakes regular consultation with its residents and listens to their views."

1. Background

- 1.1 In 2012, the borough council ran a six week consultation process which was the first of its kind since December 2004 when a budget consultation exercise using a process called "SIMALTO" – Simultaneous Multi-Attribute Level Trade-Off took place.
- 1.2 More than £15,000 was spent on the Simalto exercise which involved a private sector company carrying out interviews with residents and then also hosting a series of workshops and focus groups.
- 1.3 Last year, Cabinet members endorsed and led a consultation exercise aimed at enabling residents to have an influence in shaping spending priorities for the financial years 2013/14 and 2014/15 with the council's budget forecasts indicating savings of at least £2.5 million being required.
- 1.4 Cabinet is now being asked to build on the success of the 2012 consultation exercise with another consultation which is aimed at further shaping spending priorities for the 2014/15 financial year.

2. Issues

- 2.1 In the last consultation process the council used a number of communications channels to try and reach as wide an audience as possible. These included:
 - (i) Producing and distributing a special budget edition "mini" Reporter.
 - (ii) Producing and distributing a budget questionnaire with a "Freepost" address.
 - (iii) Reception room one at the Civic Offices in Newcastle was turned into a "living room" for a day as part of a drop-in coffee morning session.
 - (iv) Seven public meetings were held at locations across the borough.
 - (v) 10 face-to-face "stop and chat" events were held across the borough.
 - (vi) The council's E-panel was consulted.
 - (vii) All 60 borough councillors were given the special edition Reporters and questionnaires to distribute in their communities.

(viii) Bespoke budget consultation content and the budget questionnaire were placed prominently on the council's website.

(ix) Flyers and posters promoting the consultation were distributed.

(x) Discussion with Newcastle Partnership Strategic Board.

(xi) Press releases, media interviews, briefing notes produced to generate local coverage of the consultation.

(xii) Pop-up adverts used on key landing pages on the council's website.

(xiii) Bluetooth and Wi-fi messaging used to contact mobile phone users.

(xiv) A scrutiny café was held for interested stakeholders.

2.2 There were two main elements to the consultation. Firstly, residents were encouraged to complete a questionnaire which asked them to decide how important some key service areas were to them. They then had to mark the services on a five point scale with one end of the scale being "Of no importance" and the other end of the scale being "Extremely important."

2.3 The consultation also served to raise awareness of the financial constraints facing the borough council as a result of reductions in central Government support, pressures on income and a freeze on Council Tax.

2.4 As far as human and material resources are concerned, it is estimated that during the course of the 2012/13 budget consultation process:

- 5,600 mini budget edition Reporters were distributed together with the same number of questionnaires.
- 3,100 A5 flyers promoting the consultation and events were handed out and 81 A3 posters displayed in shops, businesses and other public areas.
- A total of 44 hours were spent by staff in the production and printing of material associated with the consultation – mini Reporter, questionnaire, pop-ups, flyers and posters, website content.
- 28 hours were spent by staff distributing materials – flyers, posters to promote events.
- 45 hours were spent by a number of staff supporting Cabinet members at sessions with the public – the coffee morning, public meetings and face-to-face sessions.
- Some of these hours were paid as overtime to some staff as they took place at weekends and in the evenings.
- Approximately 25 hours were spent collating and evaluating data received during the process.

2.5 In total, 635 questionnaires were returned to the borough council. Of the total number of responses received, 393 were received through electronic channels; 91 were received through the post; 120 came from face-to-face sessions and 31 from public meetings.

3. Options

3.1 The council has two options which it can pursue.

3.2 The first is to carry out an inclusive and extensive consultation which enables a large number of residents to make their views known over public spending issues and priorities in Newcastle-under-Lyme.

3.3 The other option is to not carry out a consultation process.

4. Proposal

- 4.1 The proposal is that Cabinet approves a consultation process for 2013 to help shape the 2014/15 budget.
- 4.2 A number of “lessons learned” discussions have taken place with Cabinet members who were heavily involved in the budget consultation process during 2012/13. It is clear that some aspects of the consultation worked better than others.
- 4.3 It is also clear that the consultation posed significant pressures not only on Cabinet members but also the Communications Department. Despite that it did provide excellent feedback and it should be remembered that this was a process not carried out for almost a decade in the borough so getting it off the ground was always going to be challenging.
- 4.4 Cabinet is now being asked to approve a consultation for 2013 to help shape the 2014/15 budget proposals.
- 4.5 Detailed proposals for Cabinet to consider are outlined below:
 - 1) The consultation process will run over a six week period from Monday, 30 September to Friday, 8 November.
 - 2) Cabinet members will lead the process with contributions from other councillors and support from council officers.
 - 3) Public meetings
 - a) Three public meetings will be held to enable residents to come along, ask questions and discuss budget issues with Cabinet members.
 - b) These will take place in a one week period during the fourth week of the budget consultation – Monday, 21 October to Friday, 25 October.
 - c) They will be held at:
 - (i) The Madeley Centre on Tuesday, 22 October at 7pm.
 - (ii) Kidsgrove Town Hall on Wednesday, 23 October at 7pm.
 - (iii) The Civic Offices in Newcastle on Thursday, 24 October at 7pm.
 - d) A public notice will be placed in the local media on Wednesday, 16 October, outlining the time, place and date of the meeting.
 - e) Information will also be placed on the home page of the council’s website and distributed to the media.
 - 4) Face-to-face public engagement
 - a) Six face-to-face “stop and chat” events will take place – two in each of the first three weeks of the consultation – W/C 30 September, 7 October and 14 October.
 - b) They will be between 10am and 2.30pm on each day at:
 - (i) Freeport at Talke on Tuesday, 1 October.
 - (ii) Outside the shops in King Street, Kidsgrove, on Thursday, 3 October.
 - (iii) The Guildhall in Newcastle on Tuesday, 8 October.
 - (iv) Keele University in the Students’ Union on Tuesday, 15 October.
 - (v) The Madeley Centre on Thursday, 17 October.
 - (vi) The Farmers’ Market in Newcastle on 18 October.
 - c) A public notice will be placed in the local media on Wednesday, 25 September, outlining the six times, places and locations.
 - d) Information will also be placed on the home page of the council’s website and distributed to the media.

- 5) A special budget edition “mini” Reporter will be produced. This will include information on the budget issues which the council wants residents to express an opinion on and there will also be a Freepost questionnaire.
- 6) The August edition of the Reporter will be used to increase awareness of the budget consultation process and how residents can get involved.
- 7) The borough council’s E-panel will be consulted.
- 8) All 60 borough councillors will be provided with 40 copies each of the special budget edition “mini” Reporter and be asked to distribute them within the communities they represent.
- 9) Bespoke budget consultation content and the budget questionnaire will be promoted on the home page of the council’s website on the revolving banner.
- 10) Throughout the six week consultation process the Communications Department will embark on a variety of “guerrilla” marketing ventures with large scale distributions of editions of the special budget edition “mini” Reporter. This will involve targeting specific areas at specific times throughout the borough depending on a variety of circumstances such as events, resources etc.
- 11) A presentation on the budget issues will be organised by the Head of Business Improvement and Partnerships to the Newcastle Partnership Strategic Board.
- 12) A series of press releases, media interviews and briefing notes will be produced to generate local coverage in the media during the consultation process.
- 13) Pop-up adverts will be used on key landing pages on the council’s website to promote the process and encourage online completion of the budget questionnaire.
- 14) The council’s Bluetooth and Wi-fi transmitter will be used to send key messages to mobile phone users at key locations throughout the borough. Users will not be sent questionnaires but will receive information and be sign-posted to other channels.
- 15) A scrutiny café will be held in January for interested stakeholders. This will be organised by the Business Improvement and Partnerships Team.
- 16) Key stakeholders such as the Locality Action Partnerships (LAPs), parish and town councils, business groups etc will be contacted and asked to submit their views as part of the consultation process. This will be overseen by the Business Improvement and Partnerships Team.
- 17) Pop-up banners will be produced and located in each of the locations for the public meetings for three weeks to promote attendance at the events.

5. Reasons for Preferred Solution

- 5.1 The borough council is committed to involving residents in shaping the way services are delivered to them. The budget is fundamental to that process and as a result a significant amount of effort was committed to ensuring an extensive and inclusive consultation in 2012.
- 5.2 Building on the success of last year should ensure residents are presented with significant opportunities to make their voices heard during the six week consultation this time round.

- 5.3 Following on from last year's consultation process, a number of changes are being put forward for 2013 to hopefully generate even greater resident participation.
- 5.4 Lessons learned have helped shape the proposals and these include a proposed reduction in the number of set-piece evening meetings being planned; greater pre-publicity and awareness raising: information will be taken and presented to residents rather than an expectation that residents will come to us to receive information. There are also plans for a greater emphasis on electronic and social media.
- 5.5 The council's Budget Review Group has already considered the consultation proposals and so has the Transformation and Resources Overview and Scrutiny Committee at its meetings on 22 July and 2 September.

6. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

- 6.1 The council is committed to becoming a co-operative council delivering high quality, community-driven services. Part of this commitment involves being an "open, honest and transparent organisation which undertakes regular consultation with its residents and listens to their views."

7. Legal and Statutory Implications

- 7.1 The council is not under any legal or statutory duty to carry out a consultation process linked to its budget.

8. Equality Impact Assessment

- 8.1 The council's budget consultation will be as open, transparent, extensive and inclusive as it possibly can be. Cabinet is being asked to approve using all of the communication channels at the council's disposal to ensure no sections of the community are disadvantaged with regards to making their voices heard.
- 8.2 The list of activities outlined in the Proposal section in this report indicates how "inclusive" the consultation will be.

9. Financial and Resource Implications

- 9.1 As far as finances are concerned it is estimated that in 2012 the council spent:
- £600 on printed materials – all of this work was carried out in-house by the council's graphic design and print service.
 - £130 on pop-up promotional banners.
 - £425 on venue hire, transport costs, refreshments for those who attended the public meetings and face-to-face sessions.
 - £45 for Freepost costs.
- 9.2 All of the costs identified above – including some overtime payments to staff – were met from within existing budgets for consultation services at the borough council.
- 9.3 This year the council will have to meet some additional costs for placing public notices in the local media to advertise the various meetings and events which are scheduled as part of the consultation process.

- 9.4 However, this will in part be offset by the changes to the scheduling of meetings and events which means overtime payments will not be liable to staff involved in supporting the process.
- 9.5 Despite the marginal increase in costs which are likely to be incurred for running the consultation this year, all costs can still be met from within budgets allocated by the council for consultation purposes.

10. Major Risks

- 10.1 A risk assessment has been completed and entered into GRACE – the council's corporate risk software system.

11. Key Decision Information

- 11.1 The budget consultation is a key decision for the council as the budget impacts on all wards and services.

**Briefing Note to Transformation and Resources
Overview and Scrutiny Committee**

2 September 2013

Budget Review Group (BRG)

The BRG has met on 2 occasions recently. As previously requested by the committee, I set out for your information a summary of the items discussed:

Provisional Outturn 2012/13 – this showed a favourable of variance of £3k. The major variances – both adverse and favourable - were discussed. Full details of the outturn and the draft statement of accounts were presented to the Audit and Risk Committee on 15 July. The accounts are currently being audited by Grant Thornton who will present their findings to the Audit and Risk Committee on 23 September.

Budget Monitoring 2013/14 – the latest monitoring position was discussed. Details of this are given elsewhere on your agenda in the Quarterly Performance and Finance Report. At month 3 the Council's net expenditure is in line with the budget.

Medium Term Financial Strategy – this is currently being updated. Discussions took place in respect of the latest figures. A number of consultation papers have recently been issued by the Department for Communities and Local Government (DCLG) that gives more detail behind the financial announcements affecting local government that were made by the Chancellor of the Exchequer in his recent budget. It has become apparent that the headline figure of 10% for further reductions in central government funding to local authorities in 2015/16 is in reality over 15%.

Budget Update 2014/15 – an update was given on the work to identify savings to meet the estimated £2.2m gap. Savings will again be focused around a number of strategic headings – procurement; income generation; staffing efficiencies; good housekeeping; better use of assets and alternative sources of finance.

Advertising Project – an update was given by the Head of Communications regarding the potential to generate additional income from advertising on various council assets.

Funding/Grants Review – an update was given by the Head of Business Improvement and Partnerships in respect of the work being undertaken as part of this review.

Capital – the Executive Director (Resources and Support Services) gave an update on work being undertaken in respect of future capital programmes and their funding.

I will continue to update members. Details of the above are currently being compiled as part of the Medium Term Financial Strategy and Capital Strategy which both form part of the committee's future agendas.

Councillor Mike Stubbs
Portfolio Holder for Finance and Resources

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Transformation and Resources Overview and Scrutiny Committee

Work Plan – As at 15 August 2013

Date of Meeting	Item	Reason for Undertaking
2 September 2013 (Agenda dispatch 23 August 2013)	Financial and Performance Management Report Quarter 1 2013/14	To continue to monitor and scrutinise performance alongside finances. New style report expected for this meeting.
	Keele Golf Course	Further financial reports were requested at the July meeting.
	Budget Setting Process 2013/2014	An update was requested at the meeting on 22 July 2013 to receive an update regarding the budget, in particular with regard to public meeting locations. There will also be an update from the Leader with regard to the Budget Review Group.
	UK Mail	UK Mail was added to the work plan as an urgent item at the 22 July meeting. There is a six month review of UK Mail and the TROSC will scrutinise UK Mail as part of this review.
6 November 2013 (Agenda dispatch 25 October 2013)	Portfolio Holder(s) Question Time	An opportunity for the Committee to question the Portfolio Holder(s) on their priorities and work objectives for the next six months and an opportunity to address any issues or concerns that they may currently be facing. It's also an opportunity for the Portfolio Holder to flag up areas within their remit that may benefit from scrutiny in the future i.e. policy development.
	Capital Strategy	Received annually by the Committee as part of the budget

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		setting process.
	Medium Term Financial Strategy	Received annually by the Committee as part of the budget setting process
	Treasury Management Strategy	Received annually by the Committee as part of the budget setting process.
	Financial and Performance Management Report Quarter 2 2013/14	To continue to monitor and scrutinise performance alongside finances. New style report expected for this meeting.
	Universal Credit	Update expected.
14 January 2014	Scrutiny Café – date for information, there will be no agenda published.	
22 January 2014 (Agenda dispatch 10 January 2014)	Revenue and Capital Budget 2014/15	To consider the final version of the Revenue and Capital Budget 2014/15 before it is considered by Council on 26 February 2014.
	Scale of Fees and Charges	Received annually by the Committee as part of the budget setting process.
	Asset Management Strategy	To look at the financial implications of the Asset Management Strategy.
	Financial and Performance Management Report Quarter 3 2013/14	To continue to monitor and scrutinise performance alongside finances. New style report expected for this meeting.
26 March 2014	Annual review of the scrutiny committee's	To evaluate and review the work undertaken during 2013/14.

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(Agenda dispatch 14 March 2014)	work	
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Task and Finish Groups

Review of the Constitution Working Group – action to look at scrutiny committee remits

Future Task and Finish Groups

Suggestions for Potential Future Items:

Modernisation of the Post Office Network

Council Plan

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