

Corporate Performance Quarter 2 2020-21

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

04 November 2020

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| <u>Report Title:</u> | Financial and Performance Review report – Second quarter (Jul-Sept) 2020-21. |
| <u>Submitted by:</u> | Executive Management Team |
| <u>Portfolios:</u> | Corporate & Service Improvement, People & Partnerships, Finance & Efficiency |
| <u>Ward(s) affected:</u> | All |

Purpose of the Report

To provide Cabinet with the Financial and Performance Review report for the second quarter of 2020-21.

Recommendation

1. That Members note the contents of the attached report and Appendices A and B and continue to monitor and Challenge the Council's performance alongside its financial performance for the same period.
2. That Members note and approve the supplementary estimates (item 4.4 Appendix A) in order for them to be included in this year's budget.

Reasons

The Financial and Performance Management monitoring reports provide information on a quarterly basis regarding the performance of individual council services and progress with delivery against our priorities, alongside related financial information on the organisation.

It should be noted that certain activities from 20 March 2020 were impacted by Covid 19 and delivery in some cases noted in this report, continue to be affected and the resulting actions taken by the Council to protect and ensure support is available to everyone.

1. **Background**

- 1.1 This quarterly report provides Members with a detailed update on how the Council has performed during the second quarter 2020/21 by presenting performance data and progress summary set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the second quarter 2020/21.
- 1.2 This report covers the peak period of the Covid 19 lockdown, when a number of customer facing services were required to close, or where the customer base simply stopped using the service. Despite these unprecedented circumstances, as the summary of the overall performance picture is presented in section 4 of this report reflects, performance has generally held up well.

2. **2020-21 Revenue and Capital Budget Position**

- 2.1 The Council approved a General Fund Revenue Budget of £15,690,000 on 19 February 2020. Further financial information is provided in Appendix A.

3. Development of the Financial and Performance Report

- 3.1 The performance section –Appendix B was reviewed and updated for 2020-21 and the indicators continue to reflect the priorities in the Council Plan. In addition to reporting on key performance indicators, the report includes a progress summary for each priority, detailing the progress with the delivery of planned activities.
- 3.2 Additional performance information is provided, not only to ensure the monitoring of the corporate activities of the council, but also to inform Members, businesses and residents of performance in their local economy.

4 Performance

- 4.1 The latest performance information for quarter two has been analysed and all indicators monitored for this period are listed in the table found in Appendix B.
- 4.2 Any indicators failing to meet the set targets include a comment explaining why the indicator has not performed well, and what steps are being taken to ensure improvement in the future.
- 4.3 For this report a total of 17 indicators were monitored, and the proportion of indicators which have met their target (where set) or are within tolerance levels during this period stands at 82%. It should be noted that several indicators were not monitored this quarter due to the closure of some services for example, the Brampton Museum and leisure facilities.
- 4.4 There are 3 indicators off target this quarter, and officers consider that the performance against these indicators does not give rise to serious cause for concern at present (see commentary provided at Appendix B). 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, taking into account the limitations presented by the Covid19 situation.
- 4.5 Progress on delivery of planned activities is summarised for each priority and no concerns are highlighted.

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 Assessment

- 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 impact of Covid 19 is more apparent in the reporting of this quarter, impacting on many areas and the situation will continue to 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. **Sustainability and Climate Change Implications**

9.1 N/A

10. **Key Decision Information**

10.1 Included on the Forward Plan

11. **Earlier Cabinet/Committee Resolutions**

11.1 N/A

12. **List of Appendices**

12.1 Financial information (Appendix A), and Performance (Appendix B).

13. **Background Papers**

13.1 Working papers held by officers responsible for calculating indicators.