

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S REPORT TO CABINET

02 September 2025

Report Title: Financial and Performance Review Report – First Quarter 2025/26

Submitted by: Corporate Leadership Team

Portfolios: One Council, People & Partnerships
Finance, Town Centres & Growth

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
To provide Cabinet with the Financial and Performance Review Report for 2025-26 (Quarter One).			
<u>Recommendation</u> That (Cabinet): <ol style="list-style-type: none"> Note the contents of the attached report and appendices and continue to monitor and challenge the Council's service and financial performance for this period. Approve the movement in reserves under section 7 of the Finance Appendix A (£100k to the Planning Appeals Reserve, £150k to the Local Plan Support Fund and £150k to the Budget and Borrowing Support Fund, all of which to be transferred from the Business Rates Reserve). 			
<u>Reasons</u> 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.			

1. Background

- 1.1** This quarterly report provides Members with a detailed update on how the Council has performed during the quarter by presenting performance data and progress summaries set within a financial context. The report provides broad financial information (Appendix A) and also details service performance (Appendix B) for the period to the end of quarter one in 2025/26.
- 1.2** The Council approved a General Fund Revenue Budget of £19.730m on 12 February 2025. Further financial information is provided in Appendix A.

2. Performance

- 2.1** The Q1 report (April 2025 to June 2025) has been produced using business intelligence tools in order to automate and improve the monitoring, analysis and reporting of Council performance. The indicators included are those agreed as part

of the new Council Plan and reflect the priorities for the Borough. In addition to reporting on key performance indicators, the report also includes progress summaries for each priority action, detailing the progress with the delivery of planned activities.

- 2.2** Contextual performance information is provided (indicators without a target), 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 area that the Council cannot directly control.
- 2.3** Any indicators failing to meet the set targets include a comment explaining the reasons behind the performance and what steps are being taken to ensure improvement in the future.
- 2.4** For this report a total of 49 indicators were monitored, 17 of these indicators were contextual and had no set target. Of these contextual measures that had historic trend data available, 62% showed an improvement or maintenance when compared to the previous year's performance. Of the remaining 32 indicators, the proportion which have met their target during this period stands at 78%, with the remaining 22% falling short of target. 43% of off target measures this quarter show a positive trend when comparing to the same time period of the previous financial year with 29% of the off-target measures not having any historical data to compare against. It must also be noted that a small number of these 'off target' measures have more stretching targets this year, in line with benchmarking findings and council ambition. In terms of trend data overall, with measures where there is comparable data, the proportion of indicators showing an improvement or maintenance of the previous year's performance stands at 68%.
- 2.5** Four project/actions have been classified as completed by their respective owners this quarter

3. Issues

- 3.1** There are seven indicators 'off target' this quarter and officers do not feel that these give rise to serious cause for concern at present (see commentaries in Appendix B). The management of each of the service areas concerned continue to monitor and take steps to address performance improvement where feasible and appropriate.
- 3.2** Progress on delivery of planned activities is summarised for each priority with two activities/actions being amber rated in Quarter One; both are associated with priority two.
- 3.3** The first action flagged as amber is the Walleys Quarry odour issue. Comments by the action owner are listed below;

"Following Walleys Quarry Ltd entering into liquidation at the end of February 2025 and the subsequent disclaimer of the environmental permits, the Environment Agency are using their discretionary power to arrange for steps to be taken to remove the risk of serious pollution.

- The contractor appointed to undertake the work has now completed:
 - works to manage the accumulation of liquid in the western void
 - the installation of a new drain in the western void to manage any landfill gas and leachate
 - a new access track to the western flank of the landfill site to allow access to this part of the site for equipment and materials
- The contractor continues to progress with the following works:
 - installation of an engineered clay bund to the waste flank in the western void
 - engineering works to remedy shallow surface depressions and capping defects on the top of the site

- Materials (e.g. clay) continue to be brought onto site to undertake the works. The site however remains closed to any incoming waste.
- In Quarter 1, the data shows:
 - Odour complaints reported to NULBC have reduced further and stabilised at a lower level of 24 (April), 15 (May) and 16 (June)
 - there has been no weekly exceedance of the World Health Organisation [WHO] odour annoyance guideline throughout this period”

3.4 The second action flagged as amber and not progressing as expected is the Delivery the £16m Kildsgrove Town Deal, where issues regarding the delivery of the railway station project have slowed progress. The Town Deal Board met in May to review the railway station and the shared service hub projects. The railway station project is undergoing a scope reduction / redesign exercise to bring the scheme in within the available budget and avoiding land on the site which will need remediation for coal mines, whilst the shared service hub budget / project has been re-allocated into four separate projects to deliver enterprise units, a community learning hub and public realm / highways improvements.

4. Recommendation

4.1 That Cabinet 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.

5. Reasons

5.1 To enable financial and performance information to be presented for continued scrutiny and encourage improvement within council delivery.

6. Options Considered

6.1 At this time, it is felt there is no other option necessary for consideration, however the presentation of information is continually reviewed.

7. Legal and Statutory Implications

7.1 The Council has a Best Value duty to provide value for money services.

8. Equality Impact Assessment

8.1 There are no differential equality issues arising directly from this report

9. Financial and Resource Implications

9.1 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.

10. Major Risks & Mitigation

10.1 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.

- 10.2** 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 bi-monthly basis together with quarterly reports to Cabinet.

11. UN Sustainable Development Goals (UNSDG)



12. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council ☒

We will make investment to diversify our income and think entrepreneurially.

One Digital Council ☒

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

One Green Council ☒

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.

13. Key Decision Information

13.1 This is not a key decision.

14. Earlier Cabinet/Committee Resolutions

14.1 Not relevant

15. List of Appendices

15.1 Financial information (Appendix A) and Performance Outturn (Appendix B)

16. Background Papers

16.1 Working papers held by officers responsible for calculating indicators.