

**CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET**

23 June 2026

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

Submitted by: Corporate Leadership Team

Portfolios: Legal, Governance and Organisational Performance , Finance

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 Four).			
<u>Recommendation</u>			
That Cabinet:			
1. Notes the contents of the attached report and appendices and continue to monitor and challenge the Council's service and financial performance for this period.			
<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 1) and also details service performance (Appendix 2) for the period to the end of quarter four 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 1.

2. Performance

2.1 The Q4 report (April 2025 to March 2026) 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 2022-2026 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, 16 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 33 indicators, the proportion which have met their target during this period stands at 70%, with the remaining 30% falling short of target. Seven off-target measures this quarter show a negative trend when comparing to the same time period of the previous financial year, two off-target measures show an improvement from the year before and 1 measure is off target but has no historic data to compare with. 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 64%.
- 2.5 Five project/actions have been classified as completed by their respective owners this quarter

3. Issues

- 3.1 There are 10 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 2). 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 1 measure relating to Town Centre Footfall, is a non-return this quarter due to data not being made available, further detail is available within the report.
- 3.3 Progress on delivery of planned activities is summarised for each priority with three activity/actions being amber rated in Quarter Four associated with Priority 2 (2) and Priority (1).
- 3.4 The actions flagged as amber relate to the following with comments by action owners listed below;

Increasing recycling rates across the borough

"Overall recycling rates are below target for the year; however dry recycling tonnages are good and food waste tonnage has increased. The hot summer reduced the amount of garden waste composted, which has impacted the overall figure. The Council remains in the upper quartile nationally for recycling

and is now fully compliant with the Simpler Recycling Requirements including collection of flexible plastic and films, 2 years ahead of the legal requirement.

Delivering the Newcastle Local Plan

“Following the Local Plan public examination hearings, held in May and June 2025, the Council consulted on a set of modifications that are necessary to make the Local Plan sound and legally compliant. The Council consulted on the set of modifications to the Plan from the 5th November until the 17th December 2025. The responses have been shared with the Inspector appointed to examine the Local Plan. The Council is expecting a final report from the Inspector shortly (April 2026) before the Council can consider the Local Plan for adoption.”

Walleys Quarry odour problem

“Walleys Quarry entered into liquidation in February 2025. This process is ongoing. In Q4 the data shows:

- odour complaints reported to NULBC remain at a low level with the month of February 2026 reporting 0 complaints, March 2026 reporting 4 complaints.*
- there has been no weekly exceedance of the World Health Organisation [WHO] odour annoyance guideline level with the exception of the week 12 - 18 January 2026 which reported 3.9% at MMF Maries Way.*

The Environment Agency continue to use their discretionary powers under Regulation 57 of the Environmental Permitting Regulations to arrange for steps to be taken to remove a risk of serious pollution.

The Environment Agency report that work on the Leachate Treatment Plant (LTP) is almost complete. As the LTP throughput gradually increases, the number of tankers removing leachate off site will reduce. Leachate can affect the amount of gas produced from the waste. The gas contractor will continue to monitor the amount of gas produced and the efficiency of the gas collection system.

EA contractors are continuing to assess defects in capping and related infrastructure across the site and carrying out repairs as appropriate.

The EA reported that Walleys Quarry Ltd (WQL) deposited a single discrete pile of waste in the northwestern corner of the site, outside the landfill cells, in November 2024. Since February 2025, when the permits were disclaimed, the EA instructed their contractors to maintain a clay covering on the waste to prevent odorous emissions and rainfall ingress.

Samples were taken from the waste to determine its composition and the most appropriate method for managing any risk of serious pollution it may present. The EA updated their webpage with the sample results and confirmed that the waste must be treated as hazardous waste and will need to be removed and sent to an appropriately authorised facility.

These results are specific to this isolated and controlled waste pile. This pile will be removed, and the EA will be reviewing offsite pre-treatment and subsequent disposal options in the coming months. Their contractors will continue to take steps to minimise the impact of the waste outside the site boundary.”

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 Sustainable Council

We will deliver on our commitments 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 Appendix 1 - Financial information and

15.2 Appendix 2 - Performance Outturn

16. Background Papers

16.1 Working papers held by officers responsible for calculating indicators.