

# CABINET

## Delivering Our Ambitions: Performance, Projects and Resources Q1 2019-20 3 September 2019

### Report of Director of Corporate Services

PURPOSE OF REPORT				
To provide members with an update on performance, projects and resources during the first quarter of 2019-20 (April-June 2019).				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Referral from Cabinet Member
This report is public.				

#### RECOMMENDATIONS OF COUNCILLOR ANNE WHITEHEAD

- (1) That Cabinet consider the update on performance, projects and resources for quarter 1, 2019-20.

#### 1.0 Introduction

- 1.1 This report and appendices represents the initial step in aligning performance, project and resource information into an integrated format, to provide members with a comprehensive view of progress against the council's agreed priorities.

#### 2.0 Performance Scorecard

- 2.1 Appendix A contains an update on performance against key success measures.
- 2.2 As Cabinet and the council's priorities continue to develop, success measures will be updated accordingly to align with the priorities.

#### 3.0 Project Update

- 3.1 Appendix B contains corporate project reporting information. Updates in this document primarily cover the Q1 time period. However, where projects are giving monthly updates, the most recent report (in this case from July) is included, to ensure that the information presented is as up-to-date as possible. Columns showing the reporting frequency for each project and the date on which the update was written are included, so the age of each update can easily be seen.

3.2 Each project can report one of the following statuses:

a. Red – Used when the project encounters significant issues and requires corrective action to meet its business objectives.

b. Amber – Used when the project encounters problems which have a negative effect on project performance. Typically these can be resolved at project lead level.

c. Green – Used when the project is on track against the plan and progressing well.

d. Not Started – Where the project is identified and planned for as a corporate project, but is yet to complete the 'Start-up' stage

e. On Hold – Used when for reasons outside of the control of the project lead, the project is stalled pending action elsewhere. For example, when the project is dependent on an external decision or the outcome of another project

f. Complete – When the project is complete and is going through the project closure process. Once project closure is signed off it will be removed from the list of corporate projects reported on.

g. No data available – Used when the project lead has not been able to supply an update

3.3 When a project reports a status other than 'Green', brief notes will be added to the Comments and Issues section of the report to explain further.

#### **4.0 Financial Monitoring**

4.1 Appendices C and D provide information on the overall revenue financial position of the Council, highlighting any significant issues and variations in the first quarter of the financial year. In an attempt to aid understanding Members should note that where projected variances values are presented with brackets ( ) this reflects a negative, or adverse movement from the budgeted position. Conversely, projected variances accompanied with a + sign represents a positive, or favourable movement from the budgeted position.

4.2 As at the end of Quarter 1 June 2019 (Q1) we are currently projecting a year end overspend against budget of (£165K). It should be noted that this projected overspend includes the full removal of the General Fund corporate staff turnover target of (£518K), shown against Corporate Services (Central Expenses) which all services are expected to contribute towards. Therefore, any further net turnover savings achievable in the remaining quarters will help reduce the overall net position. Also, (£156K) approved staff savings have been removed which is shown against Communities and the Environment (Business Support) in the service analysis. This is an area which is subject to change over the next few due to ongoing restructuring. This is currently work in progress and projections will be included in monitoring, as soon as they are available.

- 4.3 Financial Services is currently refreshing how it presents all of the Council's Corporate Financial Monitoring information. The aim of the review is to simplify the information presented, thereby increasing transparency allowing Members a greater understanding of the key financial risk areas faced by the Council and in turn aid informed decision making. This work is ongoing and we will consult with Members through the Financial Resilience Advisory Group across a number of areas over the next few months.

## 5.0 Summary Position

- 5.1 **Service Analysis:** a summary of the Q1 revenue position for the main service accounts of the Authority is set out in table 1 below. **Appendix C: Quarter 1 Financial Monitoring – Service Analysis** covers this information in more detail.

**Table 1 Quarter 1 Financial Monitoring – Service Analysis**

	Original Budget 2019/20 £'000	Q1 Actual 2019/20 £'000	Projected Outturn 2019/20 £'000	Projected Variance 2019/20 £'000
Communities and Environment	4,105	(3,391)	3,885	+220
Economic Growth and Regeneration	4,683	1,687	4,693	(10)
Corporate Services	5,940	895	6,433	(493)
Central Services	1,080	611	996	+84
Other Items	129	(1,438)	95	+34
<b>TOTAL</b>	<b>15,937</b>	<b>(1,636)</b>	<b>16,102</b>	<b>(165)</b>

- 5.2 **Subjective Analysis:** a summary of the Q1 revenue position analysed across the Councils subjective headings is set out in table 2 below. **Appendix D: Quarter 1 Financial Monitoring – Subjective Analysis** covers this information in more detail.

**Table 2 Quarter 1 Financial Monitoring – Subjective Analysis**

	Original Budget 2019/20 £'000	Q1 Actual 2019/20 £'000	Projected Outturn 2019/20 £'000	Projected Variance 2019/20 £'000
Employees	26,541	5,468	26,455	+86
Premises Related Exp	10,575	3,647	10,668	(93)
Transport Related Exp	1,455	193	1,457	(2)
Supplies and Services	14,041	4,857	14,603	(562)
Transfer Payments	28,027	4,581	28,027	0
Support Services	369	6	369	0
Capital Charges	2,804	0	2,804	0
Capital Financing Costs	4,791	0	4,791	0
Appropriations	2,776	1	2,742	+34
Income	(73,297)	(20,389)	(73,669)	+372
Capital Financing Inc	(2,145)	0	(2,145)	0
<b>TOTAL</b>	<b>15,937</b>	<b>(1,636)</b>	<b>16,102</b>	<b>(165)</b>

- 5.3 It should be noted that the above analysis focuses on net expenditure. The funding of this expenditure arises predominantly from two sources, council tax and business rates. Although it is early in the year to get a definitive view of year end collection performance, it is anticipated, at this stage, that business rates income will exceed budget so long as the Heysham Nuclear Power station reactors do not close down. This would effectively reduce the reported overspend. A report in this respect will be included in the half year financial report.

<b>RELATIONSHIP TO POLICY FRAMEWORK</b>	
Performance, project and resource monitoring provides a link between the Council Plan and operational achievement, by providing regular updates on the impact of operational initiatives against strategic aims.	
<b>CONCLUSION OF IMPACT ASSESSMENT (including Health &amp; Safety, Equality &amp; Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing):</b>	
The content of this report has no impact in itself.	
<b>LEGAL IMPLICATIONS</b>	
No legal implications directly arising from this report.	
<b>FINANCIAL IMPLICATIONS</b>	
No financial implications directly arising from this report.	
<b>OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:</b>	
No other implications directly arising from this report.	
<b>SECTION 151 OFFICER'S COMMENTS</b>	
The Section 151 Officer has been consulted and has no further comments.	
<b>DEPUTY MONITORING OFFICER'S COMMENTS</b>	
The Deputy Monitoring Officer has been consulted and has no further comments.	
<b>BACKGROUND PAPERS</b>	<b>Contact Officer:</b> Dan Bates Director for Corporate Services <b>Telephone:</b> 01524 582011 <b>E-mail:</b> dbates@lancaster.gov.uk <b>Ref:</b> N/A
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