

BUDGET AND PERFORMANCE PANEL

Quarter 2 Corporate Performance and Financial Monitoring Report 29th November 2011

Report of Assistant Head (Partnerships) and Accountancy Services Manager

PURPOSE OF REPORT

To present the corporate performance report for Quarter 2 of the 2011 Performance Review Team Cycle.

This report is public.

RECOMMENDATIONS OF ASSISTANT HEAD (Partnerships) and ACCOUNTANCY SERVICES MANAGER

- (1) That Budget and Performance Panel consider for comment the Quarter 2 Corporate Performance and Financial Monitoring Reports of the 2011 Performance Review Team Cycle.

1.0 REPORT

- 1.1 The second quarter Performance Review Team (PRT) meetings with individual Cabinet members were held between 02 and 09 November 2011. These are presented by Service Heads covering each portfolio area and related corporate priorities.
- 1.2 PRT reports discussed at these meetings set out performance on service delivery (including corporate projects and programmes) using a RAG (Red, Amber and Green) reporting system. The reports also highlighted achievements against key work areas and any difficulties experienced during the previous quarter and/or forecast in the future so that a meaningful discussion could be had on progress and action(s) needed to get delivery back on track.
- 1.3 Individual Cabinet Members were also provided with financial reports for Quarter 2 covering their portfolio and service areas and provided with reasons for any variances and actions being taken to address these.
- 1.4 The Corporate Performance Review report was considered by the Leader of the Council on Thursday 17 November 2011 indicating **only** those activities with a R(ed) status where further corporate intervention is/likely to be necessary to achieve the stated outcome or project/programme benefits.
- 1.5 Following a review of the experiences from Quarter 1 PRT meetings, the guidance supporting the PRT reports - which were in use for the first time in Quarter 1 - have been amended slightly to include a description of the underlying principles behind the RAG ratings so that a more consistent approach is developed in determining the council's overall performance:

These ratings for both *Corporate/Service Plan Outcome Delivery* and council *Project and Programme Delivery* are set out below.

Corporate/Service Plan Outcome Delivery

| Rating | Target for delivery | Description |
|---------|-----------------------------|---|
| R(ed) | Significantly behind target | We have either not achieved or do not expect to achieve what we set out to do |
| A(mber) | Slightly behind target | We are behind schedule but still expect to achieve what we set out to do through actions/plans within the Service |
| G(reen) | On target | We have either achieved / exceeded / expect to achieve what we set out to do |

Project and Programme Delivery

| Rating | Time | Cost | Benefits |
|---------|---------------------------|---------------------------|--|
| R(ed) | Significantly behind time | Significantly over budget | Significant action needed to realise stated benefit(s) |
| A(mber) | Slightly delayed | Slightly over budget | Some action needed to realise stated benefit(s) |
| G(reen) | On time | Within budget | On track to realise stated benefit(s) |

- 1.6 This report is attached as **Appendix A** and indicates that at Quarter 2 there are **no** activities where performance on the delivery of Corporate/Service Delivery Outcome Plans has not, or is not expected to be, achieved within target without further intervention at a corporate level.
- 1.7 Actions have also been/being taken since Quarter 1 to improve the prospects of realising the benefits of council projects and programmes. Of particular note is the Luneside East Project where the status has been reduced to A(mber) following a positive result from the recent Land Tribunal and the expectation that, subject to planning approvals, Phase 1 of the project and management of the site by the contracted developer will now commence in April 2012.
- 1.8 The *Corporate Financial Monitoring and Treasury Management Progress Reports* were also considered at the Leaders PRT meeting. These are attached as **Appendices B and C** respectively.
- 1.9 As a result of the meeting with the Leader an *Action Plan* has been produced, setting out the *Key Actions Agreed*. This is included at **Appendix D** together with information on progress to date on outstanding actions.
- 1.10 At the mid point of the financial year an analysis has been carried out on progress towards the achievement of corporate plan priorities. This analysis, attached at **Appendix E**, provides a clear indication that despite facing significant challenges the council is on track overall to deliver its priorities over the three years of the 2011-2014 Corporate Plan.

2.0 Conclusion

- 2.1 The Council's Performance Management Framework requires the regular reporting of operational and financial performance to Cabinet as part of the Performance Review Team cycle of meetings. The Corporate PRT report provides a summary of key matters and associated actions that have arisen in the quarter and have been escalated to the Leader of the Council and Finance Portfolio Holder for attention.
- 2.2 The Corporate PRT report for this quarter and the analysis of delivery against the Corporate Plan demonstrates that positive action has/is being taken to manage corporate performance towards the achievement of stated outcomes and corporate priorities.
- 2.3 Budget and Performance Panel are asked to consider the report in line with their Terms of Reference within the Constitution relating to the monitoring and review of the council's performance.

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| CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing) |
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None arising from this report.

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| LEGAL IMPLICATIONS |
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None arising from this report.

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| FINANCIAL IMPLICATIONS |
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As set out in the attached report.

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| OTHER RESOURCE IMPLICATIONS |
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Human Resources / Information Services / Property / Open Spaces:

None arising from this report.

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| SECTION 151 OFFICER'S COMMENTS |
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The Section 151 Officer has been consulted and has no further comments to add.

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| MONITORING OFFICER'S COMMENTS |
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The Monitoring Officer has been consulted and has no further comments.

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| BACKGROUND PAPERS | Contact Officer: Performance - Bob Bailey, Corporate Planning and Performance Manager, Finance – Andrew Clarke, Accountancy Services Manager Telephone: 01524 582018 / 582138 E-mail: rbailey@lancaster.gov.uk aclarke@lancaster.gov.uk Ref: PRT 2011 Qtr 1 |
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Performance Review Team Reports.