

To: City Executive Board

Date: 11th September 2013

Report of: Head of Finance
Head of Business Improvement and Technology

Title of Report: Integrated Report 1st Quarter 2013/2014

Summary and Recommendations

Purpose of report: To update Members on Finance, Risk and Performance as at the end of Quarter 1, 30th June 2013.

Key decision: No

Executive lead member: Councillor Ed Turner

Policy Framework: Improving value for money and service performance

Recommendation(s):

The City Executive Board are requested to

A) note the financial position and performance of the Council for the first quarter of 2013/14 and also the position of risks outstanding as at 30th June 2013.

B) That the Council's performance indicator for the Recycling Rate Target be amended to 44% for 2013/14 and 2014/15 and 45% for 2015/16 and 2016/17 in accordance with paragraph 8

C) That the Board agrees that the weight of residual waste per household, per annum, should in future be used as the Council's key indicator (published in the Corporate Plan) to measure its recycling performance in accordance with paragraph 8

Appendix A Integrated Report

Appendix A1 Corporate report

Appendix A2 City Regeneration

Appendix A3 Organisational Development

Appendix A4 Community Services

Appendix B Briefing note on changes to recycling rate

Appendix C Budget Monitoring report as at 30th June 2013

Background

1. Historically Finance, Performance and Risk have been reported separately to the City Executive Board with little documented consideration of the interrelationship of these three key elements of management information.
2. An integrated reporting approach is one which enables a more holistic picture to be presented and understood. It is a concept many local authorities have and are grappling with.
3. Attached at **Appendix A** is the Council's Q1 integrated performance report. It has been produced using CorVu the Council's performance management system and utilises a Red, Amber and Green reporting methodology.

Principles of the integrated report

4. The key principles applied in producing the report are:
 - Exception reporting utilising clear graphical summaries, followed by narrative which focuses only on those issues that requires attention.
 - Narrative which pulls together and makes the links between risk, finance and performance to form a holistic view and incorporating trend data.
 - CorVu will be used to create the base data for the report from existing information (i.e. no additional work created for Services).
 - Some entries for performance monitoring and risk monitoring are shown as "no data". What this means when referring to performance measures is the indicator is not required to be calculated for the period reported. For risk it is because the previous quarterly measurement was not undertaken so no assessment of the risk being increased or reduced is possible.
 - The distinction between a summary Corporate-level view and Directorate-level picture of performance is retained and the latter enhanced by the inclusion of, service plan target performance
 - The detail of the existing finance report will be appended to the integrated as it is needed to enable decisions to be taken at executive level (authorisations, virements etc)
 - The following tolerances apply to the financial dials:
 - **Green** – Forecast outturn is within 100% of the latest approved budget
 - **Amber** – Forecast outturn is within 100% - 105% of the latest approved budget
 - **Red** - Forecast outturn is over 105% of the latest approved budget. Performance in this area is a potential concern and will be commented on within the report

5 What Do the Dials Show?

Several items are displayed below each dial.

| | |
|----------|---|
| Budget | This is the monetary value of the Latest Budget for the above dial |
| Forecast | This is the projected outturn position i.e. what we think the year-end spend will be |
| Variance | Difference between the Latest Budget and the Projected Outturn (Forecast) |
| Prev Qtr | The projected outturn estimated at the time of the previous quarter |
| Movement | Change in projected outturn for the previous quarter with the projected outturn for the current quarter. Please note that the projected outturn for the previous quarter can be retrospectively revised if additions/transfers to latest budget levels have taken place during the interim. |

6 Performance Summary

This section is broken down into 3 sub-sections;

- Current Quarter's information on performance targets broken down between the RAG categories.
- A summary of the previous quarter's position.
- Direction of Travel table displaying the movement between categories from one quarter to the next.

7 Risk Management

This section is similarly broken down into the same 3 sub-sections;

- Current Quarter's information on performance targets broken down between the RAG categories.
- A summary of the previous quarter's position.
- A Direction of Travel table displaying the movement between categories from one quarter to the next.

8 Update on Recycling

A briefing note is attached at **Appendix B** which details changes in legislation around 'street arising' which effect the recycling rate for the council. Members are requested to consider the attached briefing and :

- a) Agree changes to the recycling rate for 2013-14 to 2016-17
- b) agrees that the weight of residual waste per household, per annum, should in future be used as the Council's key indicator (published in the Corporate Plan) to measure its recycling performance.

Financial Implications

- 9 Detailed financial analysis is shown in **Appendix C** of the attached integrated report, but in summary General Fund shows an adverse forecast outturn variance of £109k and HRA Revenue budgets are showing no variations to their predicted outturn. The General Fund Capital is projecting further slippage of £125k against the latest budget and the HRA capital budget is in line with its forecast budget.

Legal Implications

- 10 There are no legal implications directly relevant to this report.

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