

CHESHIRE EAST COUNCIL

CABINET

Date of Meeting:	1 August 2011
Report of:	Borough Treasurer and Head of Assets Head of Policy and Performance
Subject/Title:	2010/11 Final Outturn Performance Report
Portfolio Holders:	Councillor Wesley Fitzgerald, Cabinet Member for Resources Councillor David Brown, Cabinet Member for Performance and Capacity

1.0 Report Summary

- 1.1 Cheshire East is committed to continuous improvement and excellence in all that it influences and delivers. This report gives summary and detailed information about its financial and non-financial performance at the final outturn stage of 2010/11.
- 1.2 Annex 1 provides Cabinet with the final financial outturn performance for the 2010-11 financial year. It particularly focuses upon areas of high financial risk to the Council, and highlights significant changes from the Three Quarter Year Review (TQR) reported in January. The report includes updates on the Capital Programme, Debt, and in-year collection rates for Council Tax and Business Rates.
- 1.3 Annex 2 provides a summary of the key performance headlines for 2010-11.

2.0 Decision Requested

- 2.1 Cabinet is requested to note and comment as appropriate on the following financial issues, contained in Annex 1:
 - the final revenue and capital outturn positions for the Council;
 - the impact on the Council's general reserves position as detailed in Section 2;
 - the Council's in-year collection rates for Council Tax and Business Rates, detailed in Section 7;
 - the Council's invoiced debt position as shown in Section 8;
 - progress on delivering the 2010-11 capital programme, detailed in Section 9 and Appendix 1;
 - Delegated Decisions approved by Directors for Supplementary Capital Estimates (SCE) and virement requests up to £100,000, as shown in Appendix 3a;
 - Delegated Decisions approved by Directors in consultation with the relevant Portfolio Holder and the Portfolio Holder for Resources for Supplementary Capital Estimates and virement requests over £100,000 and up to and including £500,000 as shown in Appendix 3b.

2.2 Cabinet is requested to note and comment as appropriate on the following service performance issues, contained in Annex 2:

- note the successes achieved during 2010/11, and consider the issues raised in relation to under performance against targets and how these will be addressed.

2.3 Cabinet is requested to approve the following:

- (i) a budget carry forward into 2011-12 of £160,000 for parish and council elections within Democratic Services, as previously identified at the three quarter year review (Section 3);
- (ii) the allocation of the £200,000 policy changes contingency earmarked for ICT to meet legacy authority leasing costs (Section 3);
- (iii) the revised in-year capital budget for 2010-11 as set out in Section 9, including:
 - Supplementary Capital Estimates and virement requests over £500,000 and up to and including £1.0m, as shown in Appendix 3b
 - Reductions in approved capital budgets, as shown in Appendix 3c.

2.4 Cabinet is asked to recommend that Council approve an SCE request in excess of £1m for Alderley Edge By Pass as detailed in Appendix 3b:

3.0 Reasons for Recommendations

3.1 The Council is committed to high standards of achievement and continuing improvement. Performance information plays a vital role in ensuring that the Council celebrates its achievements, understands its performance in key areas and addresses issues of under performance. The Council and partners have identified a series of improvement measures to support outcomes for local people as outlined in the priorities and objectives of the Sustainable Community Strategy.

3.2 In accordance with good practice, Members should receive a quarterly report on the financial performance of the Council. Finance Procedure Rules set out the requirements for financial approvals by Members, and relevant recommendations are contained in this report.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications including - Climate change, Health

6.1 Performance management supports delivery of all key Council policies including climate change and health. Ongoing impacts of the 2010-11 financial outturn in future years have been taken into account in determining the 2011-12 Budget. The impact of the outturn on general reserves will now be fed into the assumptions underpinning the 2012-13 Financial Scenario and Budget, and Reserves Strategy.

7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 The Council's financial resources are aligned to its priorities and used to deliver priority outcomes for local communities. Monitoring performance helps ensure that resources are used effectively and that business planning and financial decision making are made in the context of performance.

8.0 Legal Implications (Authorised by the Borough Solicitor)

8.1 Although the Council will no longer be required to report to Government on its performance against measures in the National Indicator Set, monitoring and reporting on performance is essential if decision-makers and the public are to be assured of adequate progress against declared plans and targets.

9.0 Risk Management

9.1 Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2011-12 budget, and the level of general reserves will be factored into the 2012-13 Financial Scenario and Budget, and Reserves Strategy.

9.2 Performance and risk management are part of the key management processes of the Authority. Risks are captured both in terms of the risk of underperforming and the risk to the Council in not delivering its ambitions for the community of Cheshire East. The Policy & Performance team are working to further align the relationship between performance management and risk management as part of the 2011-12 service planning process.

10.0 Background

10.1 Our vision, corporate plans, financial allocations, democratic and organisational structures are all designed to help us achieve the outcomes that matter to the people of Cheshire East. Performance reporting and a focus on improvement are fundamental to achieving our long term ambitions. The report reflects a developing framework to embed performance management culture throughout the organisation.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting:

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