



Cabinet report

Date	14 SEPTEMBER 2023
Title	PERFORMANCE REPORT – QUARTER ENDED 30 JUNE 2023
Report of	CABINET MEMBER FOR FINANCE, CLIMATE CHANGE AND BIOSPHERE

EXECUTIVE SUMMARY

1. The purpose of this report is to:

- a) provide a summary of progress against Corporate Plan activities and measures for the period April to June 2023 (unless otherwise stated and shown in detail at appendices 1-12)
- b) inform Cabinet of areas of success, issues requiring attention and remedial activity in place to deal with these.

This report reflects the performance position as at the 30 June 2023 and therefore refers to the Cabinet members and portfolios at that time. Any changes to the Cabinet and responsibilities, after June 2023, will be reflected in the Q2 2023/2024 report.

Performance Exceptions

The following areas are drawn from the attached appendices for particular attention:

- The average number of people on the housing register (all bands) remains red at 2501 people. This is slightly lower than the same period last year (2507) (Appendix 2).
- The floating bridge continued to operate consistently in Q1, with an average of 99.8 percent operation during scheduled hours (Appendix 3).
- The number of out of work benefit claimants dropped over quarter 1 and sits at 3.3 percent. This remains above the South East average of 2.8 percent, but below the England average of 3.7 percent (Appendix 5).
- The number of One Cards in issue has dropped from Green to Amber, although total numbers remain above the volumes issued in the previous 2 years. The decrease in issue is linked to seasonal trends (Appendix 5).
- The number of major planning applications received during quarter 1 is lower than the same time last year (8 in 2023/24 compared to 14 in 2022/23). This is however in line with a national trend in reduction of submissions (Appendix 6).

- The percentage of planning applications determined within the agreed extension of time remained steady over quarter 1 with an average of 33 percent, this is much lower than 2021-22 which had an average of 94 percent (Appendix 6).

RECOMMENDATION

2. That Cabinet approves the Performance Report for the Quarter ended 30 June 2023, and the priority report detail as set out in appendices 1-12.

BACKGROUND

3. On 17 November 2021, Full Council approved a Corporate Plan which set out the council's vision and strategic priorities for the period 2021 to 2025 and the performance metrics from that plan are the ones included within the appendices to this report.

CORPORATE PRIORITIES AND STRATEGIC CONTEXT

4. Ongoing management and monitoring of performance data, the council's strategic risk profile and financial situation is required to support the successful delivery of council priorities. As such, this report provides the Cabinet (and subsequently the council's scrutiny function) with the necessary information to record achievements, challenge areas of underperformance and to account for it to the wider community.

Provision of affordable housing for Island Residents

5. Whilst this report has no direct impact on the provision of housing for Island Residents it will play an important part on reporting on the progress towards the delivery of key activities concerned with that outcome. Details of progress on Housing activities can be seen in Appendix 5 (Economy, Regeneration, Culture and Leisure) of this report.

Responding to climate change and enhancing the biosphere

6. Details on the progress toward the delivery of the [Council's Climate and Environment Strategy](#) as well as the impact of the decision on the Island's designation as a [UNESCO Biosphere](#) and the biodiversity, environment, and sustainable growth of the area designated can be found in Appendix 8 (Finance, Climate Change and Biosphere) of this report.

Economic Recovery and Reducing Poverty

7. Progress towards Economic Recovery and the reduction of poverty is a key outcome for the Isle of Wight Council, and this is reflected in the Corporate Plan 2021-25. As such, each appendix to this report contains relevant details around activities contributing toward this priority.

Impact on Young People and Future Generations

8. The decisions the Council makes now not only affect current residents, but may have long term impacts, both positive and negative, on young people and future generations. These impacts may not immediately be apparent or may not emerge for several years or decades. Impacts will be interrelated across the various domains of young people's lives from housing to education, employment or training, health, and the environment.

9. The United Nations Conventions on the Rights of the Child (UNCRC) in 1989, article 12, places a duty for children and young people to have an active voice in decision making on matters that affect them. We value the views of our young people. Incorporating coproduction and consultation with young people into our decision-making process is a robust way of ensuring young people's views are taken into consideration. Participation workers experienced in coproduction can support engagement with the Youth Council, our Island children, and wider groups of young people to ensure the voice of young people is sought, heard, and acted upon on important matters that will affect them.
10. Appendix 4 – Childrens Services, Education and Lifelong Skills contains detailed information regarding this priority.
11. UN Sustainability Objectives - The United Nations (Department of Economic and Social Affairs) have outlined 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries in a global partnership. They recognize that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests. In support of this, we have mapped each Performance Measure and Aspiration, or Activity as outlined in the 2021-25 Corporate plan against the most appropriate / relevant SDG.

Corporate Aims

12. This report links to the key objectives, activities and performance measures as laid out in the latest [Corporate Plan 2021 - 2025](#).

CONSULTATION

13. The council manages its performance through a framework of discussion at all levels across the authority on a routine basis and escalates issues and risks to the corporate management team and members. Cabinet members, Corporate Management Team and Directorate staff have been involved in discussions around performance against the measures contained within this report and attached appendices. Otherwise, this paper is a factual report on progress and no other consultation is required.

SCRUTINY COMMITTEE

14. The report will be reviewed by Corporate Scrutiny Committee on 12 September 2023.

FINANCIAL / BUDGET IMPLICATIONS

15. The Corporate Plan forms a key part of the budgeting, directorate, and service planning process for the council; it takes account of existing finance and resources and sets out the key priorities and outcomes that the council wishes to achieve. This report will include reference to any implications on the council's financial position arising from activity and performance outlined in the report.

SUMMARY POSITION OF Q4 (DRAFT OUTTURN) 2022/23

Revenue 2022/23

16. The net revenue budget for 2022/23 is £160.5m. The original budget was approved at Full Council on 23 February 2022 with on-going savings totalling £3m.
17. At this stage the accounts are still in draft until approved by the conclusion of the audit process later in the year. At the end of financial year, the council is provisionally reporting an overall saving against the budget of £2.4m (1.5%). Once the position is finalised, the S151 Officer plans, under delegated authority to transfer the saving to supplement the General Fund Reserve (£1m), the Transformation Reserve (£1m) and the Revenue Reserve for Capital (£0.4m) in order to mitigate against further inflationary rises, provide for one-off costs associated with the 2023-24 Organisational Review and to support further capital investment next year and future years where there is a substantial "capital gap" between funding and need.
18. The main variances against the budget are set out in the following table:

Key Items	Draft Outturn Variance £m
Main Forecast Pressure Areas:	
Adult Social Care - total net pressure	3.2
Children's Services - total net pressure	1.6
Main Forecast Savings Against Budget:	
Corporate Finance - Treasury Management savings & Housing Benefit overpayment recovery	-4.0
Concessionary Fares	-0.7
ICT - telecommunications & staffing	-0.5
NNDR S31 Grant Adjustments	-0.6
Miscellaneous Items	-1.4
Net Total Draft Saving Against Budget (1.5%)	-2.4
Transfer to General Fund Reserve	1.0
Transfer to Transformation Reserve	1.0
Transfer to Revenue Reserve for Capital	0.4
Total	0.0

19. See Appendix 9 for a more detailed Draft Revenue Outturn Report.

Capital 2022/23

20. The total capital budget for 2023/24 is £33.5m with a draft outturn position of actual expenditure of £28.9m. There is slippage in spending of £4.6m from 2022/23 into future years (i.e., simply representing budgeted spending that has not taken place in 2022/23 but will now fall into 2023/24).

21. See Appendix 10 for a more detailed Draft Capital Outturn Report.

General Reserves 2022/23

22. General Reserves at the end of quarter four indicates a draft balance of £13.0m and assumes the year end transfer of £1m as outlined above.

SUMMARY POSITION OF Q1 2023-24

Revenue – 2023-24

23. The net revenue budget for 2023/24 is £178.7m. The original budget was approved at Full Council on 22 February 2023 with on-going full year savings totalling £4.5m.

24. At the end of the first quarter the council is forecasting a potential pressure of £3.5m before the use of contingencies. The key pressure areas are Adults and Children's Social Care, and the underachievement of income relating to leisure centres, parking, and planning. This pressure is being partially offset by savings in concessionary fares and treasury management. The shortfall in leisure centre income relates to the legacy impact of Covid and will be offset using the Covid Contingency resulting in a net total forecast pressure of £2.9m.

25. It should also be noted that there is a considerable risk to this forecast position as the financial year progresses and the impact of further inflationary and demand pressures due to the current economic climate.

26. The main variances against the budget are set out in the following table:

Key Items	Forecast Variance £m
Main Forecast Pressure Areas:	
Adult Social Care - total net pressure	1.6
Children's Services - total net pressure	2.4
Leisure - income	0.5
Parking Income	0.3
Planning Income	0.3

Main Forecast Savings Against Budget:	
Corporate Finance - Treasury Management savings & Housing Benefit overpayment recovery	-0.7
Concessionary Fares	-0.6
Miscellaneous Items	-0.4
Total Net Pressure	3.4
Contribution from Covid Contingency	-0.5
Net Total Forecast Variance Against Budget (1.6%)	2.9

27. See Appendix 11 for a more detailed Revenue Budget Monitor.

Capital 2023/24

28. As at quarter one the total capital budget for 2023/24 is £39.6m. The council is forecasting expenditure of £39.6m and therefore the capital programme remains fully funded.

29. See Appendix 12 for a more detailed Capital Budget Monitor.

General Reserves 2023/24

30. General Reserves at the end of quarter one indicates a balance of £13.0m. This is consistent with the revised medium term financial strategy and includes the £1m transferred from last financial year (which will be confirmed upon completion of the audit process for 2022/23). This takes no account at this stage of the further impact of new emerging cost pressures described above.

LEGAL IMPLICATIONS

31. The council has a statutory requirement under the Local Government Act 1999 to achieve 'best value' in its delivery of its services. The authority must decide to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness. The quarterly performance report forms part of such arrangements, thereby assisting the council to comply with legal requirements.

EQUALITY AND DIVERSITY

32. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are age, disability, gender reassignment, marriage and

civil partnership, pregnancy and maternity, race, religion or belief, sex, and the protected characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. It is not considered that there are any direct equality and diversity implications arising from this report.

OPTIONS

33. Option 1: Cabinet does not approve the Performance Report – Quarter ended 30 June 2023 and the priority report detail as set out in appendices 1-12.
34. Option 2: Cabinet approves the Performance Report – Quarter ended 30 June 2023 and the priority report detail as set out in appendices 1-12.

RISK MANAGEMENT

35. A detailed analysis of the performance and the summary risk position of each corporate portfolio is provided in appendices 1-12.
36. Without the production of the QPMR there would be no overall view available on delivery against the Corporate Plan 2021-25.

EVALUATION

37. Option 2 is recommended in that from the information provided in the report and appendices, Cabinet approves the Performance Report – Quarter ended 30 June 2023 and the priority report detail as set out in appendices 1-12.

APPENDICES ATTACHED

Corporate Plan priority reports for:

- Appendix 1: Leader, Strategic Oversight and External Partnerships
- Appendix 2: Adult Services and Housing, Public Health, and Homelessness
- Appendix 3: Transport and Infrastructure, Highways PFI and Transport Strategy
- Appendix 4: Children's Services, Education and Lifelong Skills
- Appendix 5: Economy, Regeneration, Culture and Leisure
- Appendix 6: Planning, Coastal Protection and Flooding
- Appendix 7: Regulatory Services, Community Protection, Waste, and ICT
- Appendix 8: Finance, Climate Change and Biosphere
- Appendix 9: Revenue Draft Outturn Report 2022-23
- Appendix 10: Capital Draft Outturn Report 2022-23
- Appendix 11: Revenue Budget Monitor - Q 1 2023-24
- Appendix 12: Capital Budget Monitor - Q 1 2023-24

BACKGROUND PAPERS

[Corporate Plan 2021-25](#)
[United Nations Sustainable Development Goals](#)

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