

Explanation notes for the Finance and Performance Scorecard



Finance Monitoring

The monitoring report sets out each Directorate’s financial position as a % variance against the agreed budget. In the form of a graph, the report provides the financial out-turn position over the previous three years and also, the latest FORECAST position together with the last two months of the financial year. This allows the reader to compare the current forecast position against the historic, both short and long term. The graph allows a simple view of the budget variance trend.

The % variance is displayed together with the actual monetary value, these are RAG rated based on the methodology detailed below. Finally, the Directorate’s latest agreed annual budget is provided to help set the context.

RAG Rating key – Monitoring/Budgets			
	0% - 0.8% overspend / 0% - 1.8% under spend		0.8% - 0.99% overspend / 1.8% - 1.99% under spend
	1% or more overspend / 2% or more under spend		

Delivery Plans

Delivery Plans: figures provided by finance teams to illustrate departmental progress on achieving required savings. Progress is RAG rated as follows:

- Red: no clear project plan in place to achieve required savings
- Amber: plans in place to deliver savings and shows evidence of progress against target
- Green: clear plans in place to achieve savings and more than 50% have already been made

A financial value is set against each of the above criteria, the sum of which is the total amount required in savings for the department.

Performance

The report sets out each Directorate’s performance forecast for indicators that sit within the basket of levels 2 and 3 priority indicators for the City. This is presented in the form of a graph, both departmental and for the Directorate as a whole. For individual departments the year end forecast is shown as a percentage the proportion of targets linked to indicators that will be achieved. RAG rating is prescribed using the key below. Targets forecast to be unattainable or have been raised as a specific concern by an Assistant Director are shown as RED.

Performance – RAG Rating - Calculated against distance from target



More than 15.1% of Target	
Between 0% & +15% of target	
Between 0 & -15%	
More than 15.1% of Target	

Value For Money

A comparative analysis of value for money based on budget forecast and population data. Value for money comparison is drawn from the budget submission (RA) for 2011/12 and the Office of National Statistics 2011 mid-year population estimate.

All Unitary Authorities are placed, left to right, based on the most expensive provision of service to the least expensive based on population. Charts also provide a 'mean' value shown as a horizontal line against which the authorities can be compared to ascertain if that authority is providing a service.

Risks

Identified risks for each directorate and its departments are drawn from the Strategic and Operational Risk Registers. Risks added to the scorecards are those which score 16 or above. They are listed with their scores and illustrated on heat maps.

Risks are calculated based on two factors:

- **Impact** - Severity of impact on the business, should a risk turn into an eventuality.
- **Probability** – The likelihood of a risk occurring.

A score is given to each of these factors to establish the overall risk rating by multiplying the given score for Impact with the score for probability which is then rated red, amber or green.

Risk Ranking						
Likelihood / Probability	Almost Certain	5	10	15	20	25
	Likely	4	8	12	16	20
	Possible	3	6	9	12	15
	Unlikely	2	4	6	8	10
	Rare	1	2	3	4	5
		Insignificant	Minor	Moderate	Major	Catastrophic
Impact / Severity						

HR – Sick days

The bar chart shows rolling 12 month average sick days per month against the Council target of 6 days. Data is provided by HR and can also be found on their monthly reports uploaded to Staffroom.

Employee Engagement

Data is taken from the full Employee Survey of 2010 and the latest interim survey of 2011.

The survey's measured engagement on the extent to which employees "Say, Stay and Strive".

The three elements of Employee Engagement can be defined as:

Say Speaking positively about the Council and advocating it.

Stay A desire to invest a future in the organisation and a sense of commitment.

Strive Investing discretionary effort and the motivational relationship between staff and the organisation.

2010 Results.

The following Employee Engagement Indices have been drawn up for the Council, the Directorates and the service areas:

	Engagement Index Score
External Council Benchmark	58%
Plymouth City Council	57%

2011 Results

	Engagement Index Score
Plymouth City Council	62%

Employee Engagement is important to measure, as it goes far beyond just simple job satisfaction. Engaged employees help drive organisational performance and tend to be much more content in their job.