Committee report

Committee: CABINET
Date: TUESDAY, 1 MARCH 2011
Title: QUARTERLY PERFORMANCE & STRATEGIC RISK MANAGEMENT REPORT - QUARTER 3 2010/11
Report of: COUNCILLOR TIM HUNTER-HENDERSON - CABINET MEMBER FOR MAJOR PROJECTS, PERFORMANCE AND CUSTOMER SERVICES

1. PURPOSE

To report on the council’s performance and strategic risks for the third quarter of 2010/11 ending 31 December 2010.

2. BACKGROUND

This report covers the third quarter of the financial year 2010/11 and includes the identification of key performance achievements and issues for the council against the seven key priorities set out in the Corporate Plan 2009-2013.

The report goes on to indicate an overall performance position at the end of the quarter based on an agreed set of 65 key performance indicators. In addition, the report summarises key achievements and areas for individual directorates.

The Strategic Risk Register appendix highlights the current position of the authority’s strategic risks with planned activity to mitigate those risks.

3. STRATEGIC CONTEXT

The ongoing management of key performance indicators and strategic risks supports all of the Sustainable Community Strategy themes and seven council priorities as outlined in the Isle of Wight Council’s Corporate Plan 2009-2013.

4. CONSULTATION

The council’s performance management framework sets out the processes involved to manage performance effectively. This framework enables both discussion at all levels across the authority on a routine basis and also the escalation of performance and risk issues to senior management as part of the monthly service board process.

5. KEY COUNCIL PRIORITIES

5.1 Summary of Performance:
## School Reorganisation

The current phase of the project is focussed on 24 projects that will be implemented to enable Year 6 pupils to stay in primary schools and to move Year 7 pupils to secondary schools. Financial close for the £30 million new Secondary school for Cowes was achieved in November. A ground breaking ceremony was held for the Cowes One School Pathfinder in November, with full works starting on site in January 2011.

Project milestones have been met in respect of staff transfer, accommodation and resource transfer. Significant progress is being made on Phases 2 and 3 of the School Capital Programme.

In conjunction with Willmott Dixon Construction, the framework partner, the opportunities for local firms, practices and suppliers is progressing very well and an Island based contractors day took place on 10 February 2011. Within the framework, a performance target for a ‘skills legacy’ on the Island, for local employment opportunities has been created as a result of the project.

## Roads / PFI Scheme

Discussions with the Department for Transport regarding affordability and scope of the Highways PFI continued in December 2010. The competitive dialogue process with the three bidders is continuing in parallel with these discussions, which is now in the Invitation to Submit Detailed Solutions (ISDS) phase. Plans are being made for the evaluation stage which is due to commence in April 2011.

The ISDS procurement phase commenced ahead of schedule, future milestones will be based around the ISDS draft and the full submissions by bidders. ISDS dialogue sessions for risk mapping and technical discipline took place during November. Additionally discussions have been held with a telecoms company as a joint venture to up-grade the island's infrastructure, and for it to be used as a test bed for future technologies.

## Transforming Social Care

### Personal budgets (Managed Accounts)

The number of people using Managed Account personal budgets is increasing. This, together with an increased awareness by people who use services and their carers, will support the Local Authority in achieving the NI130 target of 30% of people in receipt of a personal budget by end of March 2011.

### User Led Organisation (ULO)

A meeting with the successful ULO bid organisation was held in mid-November 2010 to look through the bid to ensure it met the agreed outcomes, and changes were agreed where appropriate. The ULO formally started at the end of 2010 in line with the Government’s Putting People First key milestones, with a two-year implementation plan being drawn up to ensure successful delivery against the outcomes through a phased approach. The ULO was formally launched at the User & Carer Conference on 19 January 2011, with its first key stakeholder meeting taking place on 7 February. IWC is also in discussions with the ULO about including an Independent Living Centre as part of the ULO model which will offer advice, guidance and support, as well as assessment for equipment, to people to enable them to live as independently as possible.

### User & Carer Conference

A User & Carer Conference was held at the Riverside on 19 January which raised awareness of personalisation and personal budgets. It showed how people have used their personal budget to change their lives, giving them greater choice and control as well as allowing people who use services and their carers the opportunity to meet and discuss their requirements with providers.
Buy with Confidence - work is underway with Trading Standards to strengthen the Buy with Confidence scheme to support vulnerable people better by the introduction of a mission statement that members of the scheme will be required to sign up to. The mission statement will look to cover aspects that are around the additional needs and support that people who use services or who are vulnerable require – such as safeguarding, communication, etc. Sitting along side this, it hoped to introduce a Support with Confidence scheme that will provide accreditation for personal assistants/carers.

Regeneration and the Economy
Following the Isle of Wight Council involvement in the successful bid to establish the Solent Local Enterprise Partnership (LEP) work has been underway to establish the future governance and structure of the LEP through Council involvement in the Shadow Board. In addition, the Council has been working with LEP partners on the future of SEEDA’s land holdings across the Solent area with a view to ensuring that they are developed with the minimum risk and maximum benefit of the Island.

The Council has completed the production of the Isle of Wight Local Economic Assessment (LEA). The LEA (which the Government requires all upper tier authorities to produce) provides a comprehensive analysis of the local economy including reference to issues such as child poverty, the labour market and property. It will be a valuable tool in helping to inform the development of the island economy.

The IWC has developed a £20m bid to the Government's Regional Growth Fund (RGF) for a Solent Ocean Energy Centre in partnership with Southampton University, Envirobusiness and a range of private sector companies. It has been submitted to Government as part of an overarching bid from the Solent LEP. If successful, it will deliver tidal testing and energy production facilities as well as create a significant number of new jobs and make a major contribution to meeting our economic development aspirations.

The Council had a major presence at the 4th International Tidal Summit in London on the 24th November 2010. Over 150 renewable energy companies were contacted in advance via a quarterly e-bulletin and a number of face to face meetings were held at the Summit with prospective developers interested in deploying their tidal devices in the proposed marine energy facility off the Island.

The Council has also completed the production of an inward investment prospectus and DVD aimed at the renewable energy sector which is to be distributed to over 200 companies worldwide many of whom have been identified through contacts at events such as the Tidal Summit. This is supplemented by new web content via iwight.com

The Council has finalised the tourism marketing campaign for 2011. This has been developed with tourism industry partners including the Chamber of Commerce, ferry operators and Tourism South East with a focus around the Island being “the Great British Island”. The campaign will be a mix of traditional advertising including magazines and bill boards and it will also reflect the increased use of the internet and social media including Facebook. Concerns around foreign air travel and security, the impact of the CSR and the cost of the euro may provide an opportunity to capture more tourists and grow the visitor economy.

Fire Service Modernisation
It was agreed by Cabinet on 7 December 2010 to reduce revenue costs by delaying the proposed first phase rebuild of the Newport and Ventnor Fire stations and accelerating the management review to reduce senior posts now that the service has improved and has greater resilience due to increased full-time fire-fighters.
A decision to transfer the fire control function to Surrey Fire Service would also generate additional revenue savings, but would incur some transitional costs in the first year. Work on the extension at Ryde continues, although the extension has suffered a delay of 2/3 weeks caused by the adverse weather conditions which made construction activity impossible at times.

Ten Retained Duty System fire fighters have successfully passed a selection process to migrate to full-time fire fighter positions and are in the process of being offered employment.

**Local Housing**

Work is about to commence on a scheme for 26 affordable housing units to be sold on a 75% shared equity basis at Hawthorn Meadows. This innovative deal, in partnership with Barratt David Wilson and Landspeed Affordable Homes will see units being sold at between £105,000 and £132,500. These units are expected to be released in June 2011. Work also continues on 42 units for social rent at Hawthorn Meadows which will be available for rent from March 2011 onwards. These units will be offered to those registered on www.islandhomefinder.org.uk and will allow the Isle of Wight Council to assist with meeting the needs of homeless households.

Funding agreements have been completed for 6 units of rural affordable housing in St.Helens and for a scheme of 26 units in Freshwater.

Work is ongoing to look at how the Isle of Wight Council, through minor changes to its Empty Property programme, can maximise the income through the New Homes Bonus incentive (government rewards for the delivery of new and affordable housing and reduced numbers of empty properties).

Isle of Wight Council are working with our Strategic Housing Partners to respond to the governments consultation “Local Decisions: a fairer future for social housing” which seeks views on a range of changes to housing and homelessness legislation as well introducing a requirement for the Local Authority to publish a strategic policy on the allocation of affordable rented housing on the Isle of Wight.

**Delivering Better Services (Transformation Programme)**

The transformation programme is now approaching the end of its second full year and significant progress has been made:

- Much of the core infrastructure is now in place and outline plans are in place for County Hall. The refurbishment of County Hall has moved into the detailed design phase. Mansell Construction Services have been selected to undertake the work with proposals to source over 70% from on-Island suppliers. Work will commence after detailed designs have been completed through the first quarter of next year.

- A contract is now in place for the implementation of the new Enterprise Content Management System. Once the project has established a new corporate email management solution and migrated from the existing legacy electronic document management system, this will support improved information management, new ways of working, service redesign, and the move towards online service delivery.

- The new telephone system and wireless infrastructure is being implemented across the council in phases, whilst the remote working desktop is undergoing detailed testing.

- Pool cars are proving very successful within the Community Services directorate, with a total of 19 cars now in council ownership.
• Process improvement work continues with a focus on making more services available via iwight.com and the call centre to reduce costs and increase accessibility.

As this work has progressed, the size of the Transformation Programme team has been reduced. The future costs of the programme will fall significantly as the directorates take responsibility for service redesign. The nature of the proposed changes means that the transformation programme will now be absorbed into the wider restructure of the Council.

1. OVERALL SUMMARY OF PERFORMANCE

The table below indicates the position of performance by directorate of the 65 key performance indicators as at 31 December 2010.

<table>
<thead>
<tr>
<th>Directorate</th>
<th>No. of measures tracked</th>
<th>% of targets missed (red)</th>
<th>% targets within tolerance (amber)</th>
<th>% targets met or exceeded (green)</th>
<th>% of measures with missing or unavailable data (grey)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children &amp; Young People</td>
<td>14</td>
<td>36</td>
<td>14</td>
<td>36</td>
<td>14</td>
</tr>
<tr>
<td>Community Services</td>
<td>19</td>
<td>26</td>
<td>26</td>
<td>42</td>
<td>5</td>
</tr>
<tr>
<td>Economy &amp; Environment</td>
<td>21</td>
<td>62</td>
<td>0</td>
<td>38</td>
<td>0</td>
</tr>
<tr>
<td>Resources (inc Chief Executive Strategy Unit)</td>
<td>11</td>
<td>18</td>
<td>18</td>
<td>64</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>65</strong></td>
<td><strong>38%</strong></td>
<td><strong>14%</strong></td>
<td><strong>43%</strong></td>
<td><strong>5%</strong></td>
</tr>
</tbody>
</table>

There are a number of performance indicators included in this report that are from the National Indicator Set (NIS). Recent government announcements have informed us that the NIS will be replaced with a comprehensive list of all the data local government will be expected to provide to central government. This new list will come into effect from 1 April 2011. As a result, consideration will need to be given to the future reporting of these indicators in conjunction with a revision of the Corporate Plan.

2. PERFORMANCE BREAKDOWN BY DIRECTORATE

A summary of key achievements and areas to watch within each of the council directorates is detailed below. Full details of all 65 key performance indicators can be sourced from the background papers.

7.1 Children & Young People

7.1.1 Key Achievements:

Commissioned Services – the percentage of Special Educational Need statements completed within 26 weeks achieved 100% for the quarter both including and excluding exceptions.

Targeted Intervention - the ‘% for stability of placements of looked after children: length of placement’ indicator continues to perform below the target of 76% with 61.9% reported for quarter three, however the ongoing success of the Placement Stability
Initiative (whereby no foster placement should end without a placement stability meeting taking place) is seeing an increase in performance levels from the previous two quarters of 60%, as the initiative becomes more embedded.

**Learning and Achievement** – the performance of the ‘% of 16 - 18 year olds who are not in education, employment or training (NEET)’ continues to improve this quarter with a reduction from 7.01% at end of quarter two to 5.8% and it is forecast that the end of year outturn will reach the target of 5%. Further activity to improve NEET figures has been identified with the college offering 17 courses in January & February 2011. Additionally, there are three more Real Opportunities Now (RON) programmes in January, February and March 2011, which engage NEET young people in a short programme of confidence building and motivational activities designed to support them to progress into appropriate education, employment or training destinations. The Connexions teams are also continuing to reduce the number of ‘Not Knowns’, currently at 4.3% (177 young people), which is significantly lower than the 19% (795 young people) reported a year ago.

7.1.2 **Key Issues:**

**Learning and Achievement** – the indicator that monitors the number of temporary exclusions has seen an increase from 50 reported in October 2010 (representing September data) to 77 reported in December 2010 (representing November data). Overall, performance continues to be satisfactory and in line to meet the end of year forecast. A similar number of incidents involving similar numbers of pupils were reported in the same quarter in the previous year. It was an agreed recommendation from the quarter two Cabinet report that an update on progress of temporary exclusion performance was detailed in this report and this is detailed below:

Boys continue to be excluded more frequently than girls, and children with statements of special educational needs are still disproportionately represented in the figures. There were 2 exclusions of Y5 pupils compared with 15 in the same quarter a year ago, with numbers being excluded within the primary sector remaining very small. Whilst the total numbers of exclusions in Q3 was similar to the same quarter in the previous year, there has been a change in the reasons given for exclusion. There has been a reduction in the number of exclusions due to physical assaults and verbal abuse – both down 4% but an 8% increase in the number of exclusions due to persistent disruptive behaviour. That increase is due to two small groups of pupils in years 9 and 11 within the high school phase. We are working with the school to consider a more innovative use of the disadvantaged subsidy to access some support and curriculum provision for the children and their families and monitoring to make sure that assessments (under the Common Assessment Framework) are completed on all of the pupils. Staff training to ensure schools are confident to meet staff needs is critical and a range of training to support pupils with Autistic Spectrum Disorder (ASD) is being commissioned. The University of Chichester has also begun delivery of the National Award for Special Educational Needs (SEN) coordination for all new SEN co-ordinators.

**Targeted Intervention** – Both the ‘% of initial assessments for children’s social care carried out within 7 working days of referral’ and ‘% of core assessments for children’s social care that were carried out within 35 working days of commencement’ are continuing on a downward trend, reflecting a third quarter of issues in this area. Previously, the high vacancy rate within the social care teams has affected performance and it was an agreed recommendation from the quarter two Cabinet report that the impact the full recruitment of social workers has had on performance be highlighted in this report. The last recruitment round took place in early October 2010.
and ‘on paper’, assuming all offers made were accepted, it successfully reduced vacancy rates in qualified social work posts from a peak approaching 40% to a trough of less than 10%. However, not all appointments have yet been taken up owing to process related delays. Key vacancies still feature in the Referral and Assessment team which has traditionally been the hardest to recruit to. It is likely that this will continue to affect critical areas of performance such as initial assessment completion rates and re-referral rates. To combat this effect, further pilot activity has examined how pressure on front line activity in Children’s Social care might be safely reduced against a backcloth of an in year increase across the board of more than 10%. In particular, numbers of looked after children have increased and these are generally in the younger age range and through court based decision-making where there is evidence of significant harm. These increases add to previously identified service pressures and have challenged the previous rate of workflow through the system.

In these circumstances, it is not yet possible to assess the impact of the recruitment round on performance: all vacancies must be filled and the new staff fully introduced to local systems and processes before impact can be reliably measured. In the meantime, attention is being focussed on improving the quality of assessment and recording so that those families who still require a social care response receive an improved service. Performance will continue to improve over time as vacancies reduce, the skills base is enhanced through training and improved ways of working and the social care workload is carefully examined to ensure that agreed interventions are appropriately addressed and non social care activity is successfully diverted to other parts of the service.

7.2 Community Services

7.2.1 Key Achievements:

**Adult Social Care** - consistent positive performance for ‘carers receiving needs assessment or review and a specific carer’s service, advice or information, as a percentage of clients receiving community services’ continues again this quarter with 31.37% reported against a target of 22%. Discussions underway with the PCT to take the development of carer services/carer breaks forward and a joint project for respite services is also in development.

The relatively new measure of ‘number of service users receiving information and/or advice from the Memory Service (previously Dementia Service) as a % of all eligible service users’ is performing well with monthly figures within tolerance of the 82% target. The new pathway links with the GP surgeries and close working with occupational therapy services is delivering advice and information consistently to customers and further work with the Community Psychiatric Nurses is required to ensure accurate recording on SWIFT is prioritised.

**Community Safety Services** - performance against the ‘% of reported incidents for domestic crime resulting in arrest’ remains encouraging with a target of 80% exceeded this quarter. The Domestic Abuse Coordinator is currently working with various services across the Council and with members of the Domestic Abuse Forum to address the challenges presented by the Comprehensive Spending Review 2010, including the problem of funding specialist services. A Snapshot Survey was conducted in November 2010 to help gain a better understanding of the extent of domestic abuse and the impact on services on the Island, it is envisaged that the results will provide a broader picture of the impact of domestic abuse which can be used to provide a basis for strategic development in the future.
The number of businesses newly recruited to the Trading Standards ‘Buy with Confidence’ trader approval scheme rose to 49 in quarter three (cumulative for 2010/11) showing good performance. The scheme continues to be a valuable and cost effective enforcement tool encompassing business sectors that traditionally give rise to a higher level of consumer detriment. Participation in the scheme reduces the risk of non-compliance issues or consumer concern that would otherwise take up officer resources.

**Housing** - the ‘number of empty properties brought back into use’ has continued to perform well during quarter three with the cumulative figure reaching 249 against a third quarter target of 140 and end of year target of 200. In addition, the ‘number of affordable homes delivered’ has exceeded target again this quarter and remains on track to meet the end of year target of 461 with 471 being forecasted.

The ‘% of service users who are supported to establish and maintain independent living’ continues to demonstrate solid performance this quarter with 96.03% reported against a target of 95.5%. However, the ‘% of vulnerable people achieving independent living’ has seen a slightly less positive outturn this period and, although within tolerance, providers have noted two contributing factors to this drop in performance, namely there would appear to be fewer private sector landlords willing to accept clients from supported environments, due to less readily available community based support and; the more complex nature of the client base being referred to schemes leading to a higher incidence of negative move-ons. The situation will be subject to a further review at next quarter.

The ‘number of Houses of Multiple Occupancy inspected’ this quarter continues to meet targets despite the inspection regime being busy with an increase in deficiencies in these type of premises.

7.2.2 **Key Issues:**

**Adult Social Care** - the ‘percentage of social care clients receiving self directed support (direct payments and individual budgets)’ is maintaining a steady increase this quarter with 19.68% reported, however this was below the December target of 25.92%. Investigation into why some people are declining a personal budget is being undertaken, and those cases where the new managed budgets may help, will be revisited. There are now dedicated Reviewing Officers in place to undertake all client reviews and to take any care provision forward through a personal budget. Current projections indicate that the end of year target of 30% will be achieved.

**Community Safety Services** – the ‘% incidents of inappropriate sales of age sensitive products (tobacco, alcohol, fireworks, solvents)’ saw a significant increase during quarter three to 23.5% of all test purchases attempted, initially indicating poor performance levels. However, the Trading Standards service continues to conduct a very accurately targeted intelligence led exercise in respect of alcohol sales which, when combined with other ‘routine’ failures, has resulted in a high percentage failure rate. It is pleasing to report that repeat tests at the premises that had previously failed, all resulted in no inappropriate sales after advice on compliance issues was given, which demonstrates how well compliance messages have been received by traders. The relatively high number of failures at this time can be attributed to the excellent use of intelligence and analysis to enable the service to accurately target resources where they are most needed for the benefit of residents.
The figures for ‘assault with less serious injury crime rate per 1,000 population’ were discouraging this quarter at 7.81 against a target of 6.35. The actual numbers totalled 248, representing a 45% increase when compared with the same quarter in 2009/10. The largest increase relating to domestic violence. The work of the domestic abuse co-ordinator outlined previously will assist in understanding ways in which this issue can be addressed.

**Housing** – both the ‘number households accepted as homeless and in priority need’ and the ‘number households in temporary accommodation’ have seen increases each month throughout quarter three. It was a recommendation from the 27 July 2010 Cabinet meeting that if performance in this area did not improve then a further report including a trend analysis on the causes of homelessness was to be presented to Cabinet. An update to this effect is detailed below.

The uncertain economic climate and subsequent impact on the housing market locally means that there is an upward pressure in the number of applicants accepted as homeless, which in turn reflects an increase in the numbers in temporary accommodation. This is being carefully monitored with the main causes of homelessness being:

a) asked to leave by family or friends
b) termination of private rented tenancies
c) relationship breakdown

The housing team continue to use preventative measures such as the ‘find-a-home’ scheme to help applicants find their own solutions in the private sector and maximising the delivery of affordable homes by utilising the Island Homefinder Choice based lettings scheme to keep applications to a minimum. The pressure in the system however remains and it is likely that increases in acceptances and use of temporary accommodation, albeit small ones, may continue for some time.

7.3 **Economy & Environment**

7.3.1 **Key Achievements:**

**Fire and Rescue Service** – the number of ‘accidental dwelling fires in domestic dwellings’ in December reflected another month within target reducing the forecasted outturn at year end to 83 against a target of 88, which compares favourably with the 2009/10 figure of 90. On all occasions Fire Service personnel who have attended have given fire safety advice.

The ‘% of co-responder incidents attended in eight minutes or less’ has seen improvements over the quarter which is also a clear indication of the change in methodology for the measure calculation, namely data no longer accounts for the call handling time by the ambulance service and is purely a reflection of FRS response to incidents. However, the ‘% of incidents which met FRS response standards* for fire cover’ did see a dip in December down to 73.3% but on further analysis these incidents occurred during the snowfall disruption when the Island was subject to freezing road conditions, which in turn increased both the turn in time for Retained Duty System crews and the time from mobilisation of an appliance to attendance at the incident. This was exacerbated by the travel distance to these incidents which were in semi rural locations. It is envisaged that the end of year outturn will still achieve the target of 80%.

*response standards relate to specific response times based on urban, semi-rural and rural risk areas
The ‘% of home fire safety checks completed for vulnerable households’ throughout the quarter saw particular improvement rising from 47.6% in September to 69.6% in December, highlighting the benefit of the Age Concern referral and the Home Fire Safety Check (HFSC) delivery system.

Highways & Transport – The ‘% of urgent highway road repairs undertaken within 2 hours’ has maintained excellent performance throughout the quarter with the achievement of 100% in each month of repairs made within timescale.

7.3.2 Key Issues:

Fire and Rescue Service - due to a variety of incidents following no specific trend, the ‘number of primary fires attended’ rose above the target of 160 to 173 by the end of quarter three. The service continues to conduct prevention work in a range of areas to try to achieve an overall reduction in coming months. To date this has included a targeted Christmas Fire Safety campaign in the retail sector to raise awareness of the additional risks over the Christmas and New Year sales period.

Highways & Transport – The ‘numbers of people killed or seriously injured in road traffic accidents’ presents as an area for concern with an in-year cumulative total of 61 against an expectation of 55 by end of quarter three and year end figure of 73. A comprehensive evaluation of the killed or seriously injured collisions is currently being undertaken to identify common trends and cluster sites so that a programme of remedial initiatives can be delivered.

Planning Services – all performance indicators relating to the ‘percentage of applications determined within timescale’ displayed underperformance in December 2010 due to a backlog of planning applications being managed. It is hoped that this performance will improve by year end to achieve targets or to be within tolerance of targets.

The Regional Spatial Strategy target of 520 new housing units completed in 2010/11 will not be met. Of the total 333 units completed so far this year, 280 have been on what is termed ‘brownfield’ land (84.04%) which does fulfil the national target of 60% for new homes built on brownfield land. Officers within Housing Services and Planning Services continue to work together to maintain a dialogue with developers to try and maintain delivery of sites in the difficult current financial climate.

Waste and Coastal - the ‘percentage of municipal waste land filled’ has varied across the months within quarter three but signals real issues in the achievement of the end of year target of 44% with 56% currently forecasted. A breakdown at the Resource Recovery Facility caused some waste being taken directly to landfill. This has now been resolved.

The ‘cumulative tonnage of biodegradable waste sent to landfill’ for April to December was reported at 23,219 tonnes, three thousand tonnes over target, due to previous unplanned shut downs of the gasification plant. Despite the work being undertaken to mitigate the impact of the increased amounts of waste being sent to landfill there is still a risk to the Council in the terms of landfill tax liability.

The measure ‘% of household waste sent for reuse, recycling and composting’ has exhibited long-term underperformance largely as the current collection arrangements do not motivate high recycling rates. Discussions are ongoing with Island Waste to
develop a revised approach to maximise recycling rates and minimise the council’s exposure to landfill tax.

7.4 Resources (inc Chief Executive Strategy Unit)

7.4.1 Key Achievements:

Exchequer and Resident Services - the ‘% of Council Tax collected’ by the Revenues & Benefits team this quarter sits at 86.94% as at 31 December 2010 against a target of 87%, indicating that performance is within tolerance and still on track to achieve the end of year target. Continued achievement of good performance by the call centre and help centres to meet targets on the ‘percentage of all enquiries resolved at the first point of contact’ with particularly notable performance in the help centres consistently above 99% for the quarter and providing a year to date figure of 97.98% resolution rate. The ‘% of invoices paid within 20 days of receipt’ has seen positive and reliable figures presented across the quarter with performance reaching 95% for both November & December 2010, against a target of 75%.

Information, Communication & Technology - the quarterly total for the ‘% of transactions completed on-line compared to telephone/faceto face’ exceeded the target of 40% at 45% with a particularly high percentage of online forms completed in December 2010 (47%).

Human Resources - the council is continuing to see improved performance this quarter in relation to staff sickness levels with the ‘average days lost’ reaching 5.26 days which is well within the target of 6.75 days set as the pro-rata target for the end of quarter 3. The data includes reported sickness absence for schools. Due to the nature of sickness reporting, the outturn data at year end is subject to change for this period as a result of required manual input of sickness records in some areas of the workforce and may also be affected by seasonal illnesses not untypical at this point in the year. The council maintains a healthy comparison with other similar local authorities, staying within the upper quartile. This position continues to be actively monitored via a range of management tools already in place across the authority and supported by the recent ratification by the Employment Committee of a revised attendance management policy and wellbeing strategy. Quarterly reporting and scrutiny of sickness absence information is also to be undertaken by the Employment Committee.

7.4.2 Key Issues:

Exchequer and Resident Services – as reported in quarter two, the ‘time taken to process housing benefit/council tax benefit new claims and change events’ continues to remain above the 11 day threshold. The volume of change events has seen significant increases and the service continues to make best use of available resources to meet the designated timeframes to process claims.

Financial Management – Savings targets for quarter 3 were not met despite good progress being made in the first half of the financial year in securing the savings approved as part of the budget strategy. It becomes more difficult to achieve further savings as the year progresses, and robust processes have been put in place to ensure that savings are secured and any potential shortfalls are identified and managed at an early stage. In overall terms there is a potential risk of an under achievement of the
budget savings target of up to £3.8m at the year end, mainly due to car parking income and adult social care savings targets. It is imperative that we do not overspend this year due to the impact it would have on resources for future years, particularly important in view of the grant settlement for 2011/12 and 2012/13. By the end of quarter 3 savings options had been identified to reduce the net projected overspend at the year end to £1.0m. Further action to be taken in the final quarter of the year indicates that we should not overspend in overall terms in the current financial year.

Legal Services – remaining an area for concern is the ‘whole council % of freedom of information (FOI) requests completed in statutory timescale’ with only 83% achieved in December 2010, an average of 84% across the quarter compared to 88% in quarter three last year. This area of activity will be closely monitored in the next quarter with the implementation of the transparency pages on iわight.com featuring financial information on all invoices over a value of £500, chief officer pay, information on contracts and a list of the Council’s property assets.

8 ACTIONS CARRIED FORWARD FROM PREVIOUS CABINET MEETINGS

8.1 On 13 July 2010 Cabinet agreed that officers be authorised to investigate new models of affordable housing and prepare a further report for Cabinet outlining how new delivery vehicles could be established to increase the provision of affordable housing for Island residents. A further paper on tackling affordable housing in rural areas will be prepared for approval by the Cabinet Member in 2011.

8.2 On 7 December 2010 Cabinet agreed that the performance of the temporary exclusions indicator be monitored through quarter three with an update on progress to be included in the quarter three Performance and Risk report due to be presented to Cabinet on 1 March 2011. This update is duly included within this report on page 6.

8.3 On 7 December 2010 Cabinet agreed that an update be included in the quarter three Performance and Risk report of progress of performance in children’s social care and the impact of the full recruitment of social workers has had on this performance. This update is duly included within this report on pages 6 and 7.

9. FINANCIAL / BUDGET IMPLICATIONS

Failure to effectively manage risk and performance is likely to impact on the council’s financial position in terms of either increased cost or missed opportunity.

10. LEGAL IMPLICATIONS

The council has a statutory requirement under the terms of the Local Government Act 1999 to achieve Best Value in its delivery of its services. The performance of a service against expectations forms a key component of the test of Best Value. Risk management is a significant component of the council’s governance arrangements and has a direct and positive impact on our ability to comply with legal and statutory requirements.

11. RISK MANAGEMENT

The council’s key business risks are identified and managed at the strategic, operational and project levels. Strategic risks are those which present the most significant potential impact on the council’s operations and achievement of its objectives and are owned at director level. These are underpinned by a hierarchy of
less significant but still material service and project risks managed at the Head of Service and Project Director/Manager level, as appropriate.

Following the comprehensive spending review and the budgetary cuts a full review of all the strategic risks has been undertaken with each director and the chief executive. These reviews have captured changes to the existing risk profile, additional control measure that are required together with any new risks that the Council may now face.

The key changes to risk register include:

- The creation of a new risk which is concerned with ensuring that we deliver the savings by creating sufficient capacity to getting the redundancy process correct and ensuring timescales are met and support is given to staff. The new risk encompasses the risk of failing to deliver people related strategies ensuring that the workforce is skilled and engaged.
- The re-instigation of an historic risk relating to positively managing the reputation on the Council during this period of extreme change.
- Additional financial control measures included within the financial risks to ensure savings are achieved.

The Audit Committee reviews all the council’s strategic risks on a quarterly basis in order to assure themselves of the adequacy of the council’s risk management arrangements and the appropriateness of the planned Internal Audit coverage of the controls in place to manage those key risk exposures.

An overview of the strategic risks are available in Appendix A.

12. **EQUALITY AND DIVERSITY**

Although there is no direct impact of equality and diversity on this report, the council requires that all their services are delivered fairly to all residents. The council is prioritising the requirement for service equality and diversity ‘Impact Assessments’ as a structured three year approach to ensuring that services are delivered against the new Equality Framework for Local Government.

13. **EVALUATION**

The purpose of this report is to ensure that performance is actively managed across the council so improved services are delivered to residents.
14. **RECOMMENDATIONS**

The following actions are recommended:

Option 1 – that a full report on exclusions from schools is brought to June Cabinet, which outlines what actions are being taken to reduce exclusions

Option 2 – that a report is brought to September Cabinet on the implementation of the recruitment and retention strategy for children’s social care and the impact on performance

Option 3 – that Cabinet are provided, as a standing quarterly item, an update on the percentage of social care clients receiving self directed support.

16. **APPENDICES ATTACHED**

**APPENDIX** – Strategic Risk Register

17. **BACKGROUND PAPERS**

*Quarter 2 2010/11 Performance Reports by Cabinet Member*

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