

CORPORATE PLAN PRIORITIES REPORT – Delivery of budget savings through changed service provision

A1

Reporting period: Quarter 3, 2011-12

Corporate priority: Delivery of budget savings through changed service provision

Background: Changes to the environment in which the council operates, has forced it to review and revise the range and level of services it will provide in the future and the way in which these are to be delivered. Over the next two years the size and shape of the organisation will need to be modified to meet its future obligations, while enabling delivery of the required savings plan and Medium Term Financial Strategy. Delivery of the budget savings will be achieved with the implementation of a transformation programme focusing on five key areas:

- Accommodation rationalisation
- Shared Services
- Improved ICT infrastructure
- New ways of working
- Delivery of benefits

Fire and Rescue Service

In addition to transformation activity, it has been agreed to report on the progress of the Fire and Rescue service within this corporate priority as 'changes to service provision' form a part of the Fire and Rescue service modernisation programme, which remains of significant strategic importance.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to the delivery of budget savings through changed service provision.

Actions carried forward

There are no actions to carry forward.

Summary

Status: GREEN

Risk: Over the last three quarters the strategic risk relating to the delivery of the medium term financial strategy has moved from a score of 12 (red) to 5 (green) with all mitigating actions taking a positive effect on the financial position of the council.

Finance: Successful implementation of the budget strategy is evident this quarter with robust plans identified to achieve gross savings of £21.6m (101.6%) and actual gross savings achieved totalled £20.7m (97.3%) as at 31 December 2011. On transformation budgets, some delays with ICT deliveries are likely to reduce in-year spend and slippage in to 2012/13 will be necessary. An overall analysis of the revenue and capital budget positions at the end of quarter three are provided in Appendices B & C. Full details of the ongoing financial planning for the authority are reported to Cabinet on 14 February.

Performance: The performance for this priority is mixed for the quarter. As we near financial year end the focus is on end of year forecasts to indicate expected outturns and to review performance activity over the year. In terms of the achievement of savings and general financial management, the authority has delivered on a number of key targets and can report a healthy financial position, including the best capital expenditure against profile for five years.

On those areas of transformational change the picture is more diverse but should be considered against the position at the start of the year. The transfer of back office services and resources to the 'Shared Services' function has not met target but general performance should be praised as considerable achievements have been made in this area. Also, online customer transactions are improving overall and some of the trend information captured this year can be used to set more accurate targets in 2012/13. Complaints are decreasing but staff sickness levels are an area to watch, particularly within schools.

Performance relating to the Fire & Rescue Service is again mixed for the quarter with key areas to watch around numbers killed or seriously injured in road traffic accidents and the completion of fire safety checks in vulnerable households.

[Link to quarter three data report](#)

Performance commentary

Budget savings

Although the capital programme is running behind spend profile with £30.1 million spent during the first three quarters of the financial year against a target of £32.3 million, it is still forecast to deliver a significant improvement against previous years. It is predicted that the council will spend £51.8 million by the end of the financial year which fulfils approximately 91% of the capital programme. This will be the highest level of spend achieved for at least the last five years.

Although revenue income from fees and charges continues to run slightly ahead of profile at the end of quarter three in overall terms (78% achieved against a target of 67%), there are a number of key income streams such as Parking Services, the Heights and Planning and Building Control where the year-end forecast indicates an under-recovery against budget. A significant proportion of the income received during quarter four will actually relate to services provided during 2012/13 (parking permits, planning and building control fees) and will be accrued forward into that financial year. Therefore, by the end of quarter four it is anticipated income from fees and charges will be broadly in line with budget in overall terms.

With regard to collection rates for council tax, business rates and sundry debtors the year end forecasts are 99%, 95.2% and 91% respectively. Council tax collection continues to progress well and a collection rate of 99% is in accordance with the target and will be one of the highest performers in the country. In terms of business rates the council acts as a collection agency between local businesses and central government and there is no direct impact on the council's budget related to recovery of 95.2% of the full amount. For sundry debtors, the year-end forecast is consistent with the target. The heading covers a wide range of service areas and collection rates tend to fluctuate depending on the number and amount of invoices sent out on a month by month basis. The council has robust processes in place to follow up outstanding debts, and there is a provision for doubtful debts included within the accounts which is reviewed each year based on the amount of medium to long term debtors outstanding at the year end.

The *'percentage of predicted revenue outturn (net cost of services) compared to budget'* is performing well with 98.6% achieved this quarter. There continue to be savings in adult social care arising from the cessation/reduction in number of contracts. There are also projected savings in Planning and Regulatory Services, Concessionary Bus Fares, Landfill Tax and street cleansing budgets. A significant underspend is forecast from treasury management savings, along with strong financial management and budgetary control this is projected to result in an underspend of £1.8m.

Good progress continues to be made in delivering the budget savings strategy in the first three quarters of the financial year, regular reports on progress are delivered to the Budget Review Board. Other options for savings continue to be identified in vacancy management, contract reviews and supplies and services reviews, and savings in capital financing budgets, to substitute for areas where implementation of the savings strategy is delayed. Further work is in progress to ensure achievement of full year effects of savings identified in 2012/13.

Online transactions

Performance is just below target for the percentage of transactions completed online compared to telephone/face to face, however, it is anticipated that the end of year target will be met.

The *'number of transactions that the customer can complete online'* is just below target at 370 compared to a target of 380. This measure currently covers public facing forms. A number of other transactions are also available on the council's intranet for internal online transactions.

There has been an 18% decrease in *'completed online transactions compared to the previous quarter'* with just under 2000 online forms completed during quarter three. Web traffic is generally less active at this time of the year which is reflective of the decrease in online transactions this quarter.

Increase in back office functions delivered through Shared Services

At the end of quarter three there has been a 5.05% increase in back office functions delivered through shared services against a target of 7.5%. During quarter three 2.67 full time equivalent (FTE) staff have transferred from the Highways Business Support team. It is anticipated that a further 2.5 FTE's will be transferring from the Blue Badge Team and 1.64 FTE's from the Respite Care Team during quarter four. An additional advisor will also be recruited to the contact centre by the end of January 2012.

As at April 2011 there were 179 FTE's within the shared service centre. The end of year target aims to increase this by 10% (18FTE's). Discussions are continuing with service areas to maximise the transfer of staff, however, it is not possible for some staff to transfer until office buildings are closed and therefore it is currently

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forecast that the end of year target will be missed by 1% which equates to 1.89 FTE's.

Employee Reductions

Since the end of August 2010, there has been 169 compulsory redundancies, 92 voluntary redundancies, 4 efficiency retirements, and a further 10 staff have been redeployed and their posts removed. The total of 275 includes 25 senior managers. The total number of people employed by the council has fallen by 470 (344.2 FTE) since 1 December 2010. The reduction reflects the number of redundancies, and also the extent to which the council has not recruited to vacancies over the period.

Sickness Levels

Whole council sickness levels are higher than the anticipated target of 5.5 days at the end of quarter three with an average of 6.04 days lost due to sickness per permanent employee. Under performance on sickness levels is considerably affected by the data from schools. When sickness levels of school staff are removed from the overall picture, the performance falls below the target average days lost. Ongoing actions are in place to mitigate sickness levels including monitoring of absence figures, absence patterns and early intervention in cases of likely long-term absence. Trials will also shortly begin on the use of the 'Bradford Factor' that scores employees on the frequency and length of their absences specifically penalising repeated short term absences, this is seen as another tool to help reduce short term absence which causes disruption due to its unpredictable nature. It is anticipated that the end of year target will be missed by 0.6 days. The performance of council staff sickness levels is also regularly reported to the Employment Committee.

County Hall Remodelling

At the end of quarter three, 25.5% of the county hall remodelling project has been completed which is in line with the revised target. It is anticipated that 45% of the project will be complete by the end of the financial year and 100% complete by December 2012.

During quarter three a revised schedule of works has been agreed with contractors. Half of floor five has been handed over to the contractors. Much of the cabling has been completed on the fifth floor and the new partition walls are being erected throughout. This area is on schedule and nearing completion. The ICT roll out has been progressing well with issues being identified and resolved. The ICT service has now relocated to Bugle House. During December the contractors relocated the reception area to allow works to take place to create the new reception area on the ground floor.

Complaints

The quarter three complaints summary continues to show positive performance for both the levels of general complaint and those referred to the Local Government Ombudsman (LGO). There were only three complaints referred to the LGO for the period, eight less than the previous quarter, two of these resulting in investigations. There were no payments of compensation this quarter for LGO complaints.

Overall, there has been a 25% decrease in complaints received compared to the same time last year. The biggest decrease in numbers continues to sit with the Highways and Transport service, followed by Waste Services. The only significant increase is for 'Outside Bodies' covering complaints not relating to the council. Other service areas show similar figures to last year. The majority of complaints are now closed at initial stage or stage one. Only ten complaints were dealt with at stage two during the quarter. This position re-confirms that the complaints process is becoming more efficient with more comprehensive responses being provided at stage one and complaints processed in a timelier manner by nominated complaints officers (NCOs).

FIRE AND RESCUE

Accidental dwelling fires

There were 18 accidental domestic dwelling fires during quarter three which is below the target set. The end of year forecast is 67 compared to a target of 88. There has been a 27% decrease in these types of fires since the same period last year (23 fires down to 18). Continued 'Fire Kills' campaigns will highlight different risk areas within the home. Electrical fire safety week will take place during February to raise awareness.

Primary fires

There were 44 primary fires attended during quarter three compared to 51 primary fires attended during quarter three last year which represents a 15% decrease. This positive downward trend is set to continue and should be reflected in the end of year outturn figure which is expected to be below target by 27 fires.

Road traffic accidents

The '*numbers of people killed or seriously injured in road traffic accidents*' continues to be an area for concern. The performance data is reported on a three month lag with September data reported in December. There

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were 27 serious casualties during the months of July, August and September compared to 22 during the same period last year. This represents a 22% increase on the same period last year. This continuing upward trend means that the end of year forecast is now 101 compared to a target of 80. The winter driving campaign is currently running and advice on safer driving is being delivered through local radio; the local press will also be featuring the campaign in January. The safe drive education road show will be delivered to Medina High School students at Medina Theatre on 7, 8 and 9 February. Better driving courses are currently being offered by the council's Road Safety Officer.

The Economy and Environment Scrutiny Panel received a presentation on the recording processes for road traffic accidents in November. See link below to the minutes of that meeting and the PowerPoint presentation.
[Economy and Environment Scrutiny Panel - November 2011](#)

Response standards

Response standards continue to be maintained with consistently good performance during quarter three. It is anticipated that the end of year target of 80% will be exceeded by over 12%.

Home fire safety checks

The *'percentage of home fire safety checks completed for vulnerable households'* remains considerably below target with 42.6% completed in December against a target of 60%. At this point in the year, it is unlikely that the end of year target will be met. The Fire & Rescue Service continues to offer home fire safety checks to the community as a whole through the referral process via partner agencies. Recent budgetary constraints within some partner agencies will impact upon the assistance available to vulnerable people. The service will be working closely with social care agencies to accurately target individuals.

Wider context

Council Tax Freeze

Further to the proposed second year of council freeze announced by the Chancellor at the Conservative Party Conference and featured in the previous quarter's report, the Communities and Local Government Secretary published for [consultation a series of measures](#) (*Technical reforms of council tax*) intended to provide councils with extra flexibility to help ordinary families with their council tax bills. Amongst the proposals are a suggested removal of council tax relief on second homes and empty homes with the monies raised used to keep council tax bills down. It is suggested that implementation of the reforms could allow councils to make up to a £20 reduction in the bill for a typical Band D property in England while helping to get empty homes back into use, thereby increasing housing supply.

(Source: Communities and Local Government, 31 October 2011)

In addition, the Local Government Secretary also announced in December 2011 a new '[local tax lock](#)' which allows people to stop council tax going up if their local authority refuses to freeze bills and increases the tax by more than 3.5% (separate rates apply for London authorities). Where a council wishes to have a council tax increase above the 3.5% limit, a referendum would be triggered and if the local electorate vote against the increase the council will have to revert to an increased tax level that is compliant. These referendums are intended to replace central government's ability to cap council tax rises removed as a result of the Localism Bill.

(Source: Communities and Local Government, 8 December 2011)

Reporting period: Quarter 3, 2011-12

Corporate priority: Raising educational standards

Background: The council is committed to achieving a sustained improvement in the standards of educational attainment by Island students, in order to offer them an improved range of opportunities in later life. Building on the improvements seen in GCSE results attained in 2009/10 academic year, an ambition remains to achieve the national average by the 2014/15 academic year. To support this ambition, the Isle of Wight schools system was returned to a two tier system, fully effective from September 2011.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to raising educational standards.

Actions carried forward

1. At the meeting of Cabinet on 13 December 2011, it was agreed that the Education service should work with schools to assist them in identifying alternatives to exclusion (both fixed term and permanent).

Summary

Status: AMBER

Risk: Risk data has remained unchanged from quarter two which may indicate that a review of risk management arrangements is required to ensure all possible mitigating actions are in place and reported effectively via the quarterly Cabinet reporting process. The target risk scores indicate that levels of education remain an important priority of the council and will continue to receive high levels of scrutiny.

Finance: The Dedicated Schools Grant is being managed effectively in accordance with the Education Funding Regulations. The Local Authority budget forecasts an underspend due to exceeded income targets and anticipated severance costs that did not materialise, however this total has been offset with some small projected overspends relating to premises costs.

Performance: Performance for this priority is mixed this quarter with Personal Education Plans and NEET measures missing quarterly targets but identified to meet the desired end of year position. The numbers of permanent and temporary exclusions within schools continues to rise which presents a significant concern to the achievement of attainment objectives.

[Link to quarter three data report](#)

Performance commentary

Exclusions and Attendance

For temporary exclusions, the figure of 95 reported in December represents a significant increase over the same period during 2010 and also the highest recorded figure since March 2011. From April 2011 to December 2011 there have been 525 temporary exclusions, compared with 482 for the same period during 2010. The end of year position is forecast to reach 950, representing a key area to watch.

The '*number of permanent exclusions*' for quarter three is 5, with an end of year forecast of 12, in both instances this indicator is not meeting targets. The new secondary schools are facing some significant challenges due to changes in staffing and management however officers are working with schools through exclusion meetings, it is hoped that as these new arrangements embed the numbers will decrease.

The figure for '*secondary school persistent absence rate*' has increased to 7.6% from when data was last available in quarter one (6.4%). This dip in performance was expected and is due, in part, to the schools reorganisation. This measure is a former 'National Indicator' and discussions around redefining the indicator into a more meaningful measure are underway within the Schools & Learning management team.

Not in Education, Employment or Training (NEET)

The December 2011 data shows that there are 187 young people aged 16-19 who are NEET (5.5%) this compares to December 2010 of 177 young people who were NEET (5.82%). This has been achieved despite

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a climate where jobs for this age group are scarce.

The number of not known destinations in December 2011 is 797 down from 874 last month. This is higher than that in December 2011 (233) however this does reflect the definition changing to add those young people who are 19 years old in the current academic year; data due from UCAS will further reduce the number. The Education Participation Team (Connexions) are continuing their efforts to contact the full cohort of young people and thus reduce this number daily.

The Education Participation Team are running monthly “Real Opportunities Now” (RON) programmes to engage those disengaged young people who are NEET by giving them challenge & adventure coupled with tasters on what opportunities are available to them in the world of employment & training.

The Hospitality Training Partnership (HTP) are offering flexible tailored programmes for NEET young people, through the European Social Fund, which will allow young people to look at employment and training opportunities in a supported programme. Their offer can include work experience, literacy & numeracy and personal development sessions as required by the young person to help them progress into a positive destination. The Education Participation Team (Connexions) is able to refer young people to this programme but young people are also able to refer themselves directly to HTP. The programme is “roll on roll off” so young people are able to start immediately with as little as 3 hours training to help them engage.

The Foundation Learning programmes offered by our three post 16 providers are now more flexible which allows programmes to be tailored for the individual’s needs as well as more flexible start dates. This gives young people a better opportunity to progress into a positive destination in education, training or employment.

We are also creating employment and training opportunities for young people linked to JobCentre Plus the first of these two week programmes will run in mid January 2012.

The council has launched its pre apprentice programme and we are now offering support to Small and Medium Enterprises (SME) through the Work Based Learning Providers for 40+ of the 16-18 year olds who are registered as NEET. This programme has had a lot of interest from our young people and it is expected that by mid January all places will have been filled.

Personal Education Plans (PEPs)

Performance has continued to improve since the last quarter due to the strict monitoring and robust activity of the Learning Development Adviser’s (LDA’s) and Looked After Children (LAC) units and it is anticipated that this trend will continue thereon.

The ‘percentage of Personal Education Plans completed for children in care’ at the end of quarter three was 86.8%, this represents a significant improvement in the figure recorded for September of 55%, due in part to work undertaken to reconcile recording and improve data quality but also work by the LAC Units and LDA’s to promote the completion of plans with strict monitoring and robust activity. The formation of a working group to focus on attainment and attendance will also offer improvements in this area. As such, the end of year forecast is 97% which is above the target of 95%.

Wider context

Academic attainment

Towards the end of 2011, the exams watchdog Ofqual confirmed the introduction of [short term reforms](#) to current GCSEs from September 2012, with a suggested introduction of longer-term changes to be made to the GCSE syllabuses and exam requirements, to reflect the new National Curriculum. Under the proposals:

- Students starting two-year GCSE courses starting in September 2012 will have to sit their exams at the end of the course in summer 2014.
- Pupils will no longer be able to re-sit individual unit exams in order to boost their marks – although they may retake the whole GCSE exam. Students will, however, be given an early opportunity to re-sit maths, English and English Language GCSEs every November because these are key subjects needed to progress to further study or employment.
- Students will be marked on the accuracy of spelling, punctuation and grammar and their use of specialist terms. In the first instance, these will be those subjects that involve extended writing - English Literature, geography, history and religious studies. Five per cent of total marks in these subjects will be for spelling, punctuation and grammar. Marks assessing written communication skills already exist in English and

Wider context

English Language. The changes will affect externally assessed units from September 2012.

(Source: Department for Education, 14 December 2011)

Ofsted has recently announced plans to introduce [no-notice inspections](#) for all regular school inspections, due to start from September 2012. The details for how the changes will work will form a part of a wider consultation on the future of inspection that is due to be announced early in 2012.

(Source: Ofsted, 10 January 2012)

An independent report commissioned by government has highlighted the need for reform in schools to the [teaching of ICT and computer science](#) to better reflect the role of technology and the need to engage the computer scientists of the future. It is suggested that the range of skills such an approach would help to promote would benefit a range of industries, including the digital and creative economy of business software to telecoms and social media through to engineering and design.

(Source: department for Culture, Media and Sport, 28 November 2011)

A series of reports issued by the Department of Education (November 2011) offer an insight to key issues relating to academic outcomes:

- [Language and literacy attainment of pupils during early years and through key stage two](#) – the results to a study on the merits of assessment at the end of the Early Years foundation stage as a valid measure of a child's current development and educational attainment in future years.
- [A profile of pupil absence in England](#) – providing a detailed breakdown on absences by various school and pupil characteristics, including: attitudes; beliefs; aspirations and experiences of pupils who are persistently absent by the end of their compulsory school education compared to their peers.
- [The evaluation of the impact of changes to A levels and GCSEs](#) – interim findings form an independent evaluation on the impact of changes to A-levels and GCSEs in England.

In December 2011, it was announced that the [Government's Pupil Premium](#) is set to increase by £112 for each pupil and extend to cover 1.77 million disadvantaged children. The Pupil Premium provides additional funding on top of the main funding a school receives, targeted at pupils from disadvantaged backgrounds to ensure they receive the same level of opportunity as children from less deprived families. The Premium covers most disadvantaged pupils, including looked after children, each set to benefit from £600 (rising from £488). In addition the government has extended its reach to cover any child that has been registered for Free School Meals.

(Source: Department for Education, 12 December 2011)

Corporate priority: Keeping children safe

Background: The council remains committed to both improving the educational outcomes for children and young people while ensuring they remain safe and enjoy healthy lives. Safeguarding children and increasing public awareness of taking early, preventative action is a key priority of the local authority. A revised approach to children's social work has been introduced, intended to deliver system improvements and efficiencies, ensuring that appropriate action is taken through a joined up team based methodology, while providing clear, children based outcomes. Additionally an enhanced recruitment and retention policy has been introduced, bringing sustained investment to children's social work on the Isle of Wight.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to keeping children safe.

Actions carried forward

1. The establishment of a joint working group across the Health & Community Wellbeing and Children & Young People scrutiny panels to look at the issues regarding the rates of hospital admission for alcohol related harm is progressing. Further information from health colleagues regarding admission rates and a meeting with the Medical Director are awaited.

Summary

Status: GREEN

Risk: The risk score relating to a failure to safeguard children has moved from high (red) to medium (amber) during the quarter which is a significant step in acknowledging that the risk management has achieved its target score and all mitigating actions are either in place or being implemented.

Finance: Continuing good financial management indicates that no significant budget pressures are present over quarter three for this priority. The main budget allocation is to Longer Term Interventions (£10.8m), which represents 81% of the total budget, this area includes all looked after children associated team budgets, Beaulieu House, agency placements, fostering & adoption, short breaks, homecare and childrens disability budgets. The £1.3m savings target is set to be achieved in 2012/13.

Performance: Overall, the performance position is very encouraging with the majority of indicators set to achieve end of year targets. The only measure not due to reach target relates to the number of Common Assessments completed but considerable progress has been made in this area to date. The progress and improvements with the performance of agency and foster placements across the year is also making a substantial contribution to maintaining a balanced budget position.

[Link to quarter three data report](#)

Performance commentary

Looked After Children

The '*numbers of Looked After Children (LAC)*' has previously remained relatively stable, however significant improvements have been made through the first three quarters of 2011/12 with only 163 looked after children at the end of December 2011 compared with 180 around April/May 2011.

The numbers of children in care continues to be reduced by the work of the social care units and group managers who are actively planning, where appropriate, alternatives for children and young people leaving care and for preventing them coming into care, though it should be noted that the relatively small numbers do lend a certain volatility to the monthly figures.

As outlined in quarter 1 and 2, it is envisaged that this downward trend will continue towards target once the Reclaiming Social Work (RSW) model has fully embedded, with a forecasted 165 looked after children at year end. However, if new legislation is enacted, there are around 11 young people (three year estimate) on remand who would be newly classified as children looked after. Changes would also affect those young people

Performance commentary

who access short break funded activity in excess of 75 days per year, which at the current level could include up to 23 young people.

Agency and Foster Placements

Performance has shown steady improvement throughout the year with the number of agency and residential placements (as at 31/12/2011) at 27 (12 agency and 15 residential placements). Of the 12 agency placements 4 were off island and of the 15 residential placements 11 were off island.

In addition there were 4 residential placements at Beaulieu and 1 previously looked after child is continuing to be funded in their residential placement. Five LAC children will leave agency and residential placements by the end of the financial year (2 in January, 1 in February and 2 in March). Of these placements 3 are residential and 2 are agency. It is estimated that 2 placements will start before year end. The progress and improvements in this area throughout the year are also making a substantial contribution to maintaining a balanced budget position.

Child Protection

The measure of 'numbers of children becoming subject to a Child Protection Plan for a second or subsequent time' now has a target of reducing the number of repeat plans to less than 15%. Out of the 11 Child Protection Plans started during quarter 3, none were repeat plans (0%), this compares to 1 out of 16 (6%) for quarter 2.

At the end of quarter 3, 2 out of the 56 (3.6%) children with a Child Protection Plan had been subject to a plan continuously for more than 2 years, this compares to 3 out of 73 (4.1%) at the end of quarter two. Both of these measures are steadily improving and forecast to be well within target at year end.

Support for Disabled Children

The 'number of families of disabled children who are being supported through direct payments' increased to 72 during quarter 2, however at the end of quarter 3, this had reduced to 50 against a target of 60. This has been mainly due to families voluntarily exiting the scheme because they no longer require the support. Parents are happy with the scheme as it provides them with the flexibility to organise their child's care with the direct payment hours they have been allocated. This measure is positively forecasting to achieve 68 at end of year against a 65 target.

Common Assessments

As of 31 December 2011, 288 assessments have been completed against a target of 334. This is an increase of 96 since quarter 2, significantly greater than that observed between quarter 1 and 2 this year. Some of the increases / declines in numbers undertaken on a monthly basis can be attributed to variations throughout the year, including increases during periods of holiday, e.g. there is an observed rise in June and a decrease in September that can be attributed to the re-organisation of schools and personnel changes. This is also the case over the Christmas and holiday period where the number undertaken was reduced due to Schools being out of session. The uptake of these assessments by secondary schools is also being addressed at a senior management level to boost their profile. The end of year forecast of 350, although short of the aspirational 450 target, still represents substantial improved performance in this area.

Wider context

Troubled families

In the New Year, the government announced the proposed introduction of a new £200 million [outreach service](#) intended to help England's most troubled families and is intended to help such families with multiple problems overcome barriers to employment. The service is intended to be run in conjunction with local authorities and those organisations delivering the Work Programme.

(Source: Department for Works and Pensions, Newsroom, 3 January 2012)

For the Isle of Wight Council, this initiative will identify 315 Island families. Over forthcoming months a dedicated Troubled Family Co-ordinator will be appointed to manage a multi-agency approach to tackle key areas such as, worklessness, truancy, substance misuse and repeat offending.

Childcare Provision

In early November 2011, the government proposed the introduction of [Junior Individual Savings Accounts](#) for every young person who has been in care for more than a year, with the first of these accounts being opened on behalf of looked after children in 2012. The intention is that the funds will mature and become accessible to individuals once they reach 18 years old and will help young people to meet the costs involved with setting up home, transport or furthering education.

Wider context

(Source: Department for Education, 1 November 2011)

A further announcement given in early November 2011 by the Children's Minister outlined proposals for the [introduction of contracts with voluntary groups](#) to help deliver support to children with special educational needs and disabilities and their parents. Part of the proposal is that these groups would help individuals to prepare for employment, training and independent living after they leave school.

(Source: Department for Education, 4 November 2011)

Reporting period: Quarter 3, 2011-12

Corporate priority: Supporting older and vulnerable residents

Background: A key responsibility of the council remains to support the most vulnerable in Island communities, including those adults with a disability or long term health condition and the frail elderly. Going forward, four key themes have been identified, to:

- Support individuals and communities to become less dependent on public services;
- Develop more effective arrangements between public sector organisations, helping to reduce an individual's need for access to the more intensive, high cost services;
- Provide real choice in order to enable people to take control over how they are supported;
- Improve the assessment and response to need in order to speed decision making and achieve improved service outcomes for individuals by strengthening delivery of social work and care management support.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the councils commitment to supporting older and vulnerable residents.

Actions carried forward

1. At the meeting of Cabinet on 13 December 2011, it was agreed that a report be prepared for the 14 February 2012 Cabinet meeting that:
 - assesses what processes led to the council's decision to raise the eligibility threshold being successfully challenged
 - sets out the implications for the adult social care budget going forward, and
 - recommends any changes that are required to the council's decision making processes to reduce the risk of successful challenges being made in the future
2. Also at the meeting of Cabinet on 13 December 2011, it was agreed that officers should
 - develop and consult on a business case for outsourcing directly provided social care services; and
 - develop and consult on a business case for transferring directly provided social care services into new trading enterprises such as independent not-for profit enterprises or a Local Authority Trading CompanyA report on the direction of the business cases will be presented to Cabinet on 31 July 2012, with a final decision planned for 11 December 2012.
3. The establishment of a joint working group across the Health & Community Wellbeing and Children & Young People scrutiny panels to look at the issues regarding the rates of hospital admission for alcohol related harm is progressing. Further information from health colleagues regarding admission rates and a meeting with the Medical Director are awaited.

Summary

Status: AMBER

Risk: The management of risk for this priority remains at an amber rating (medium risk) for quarter three, reflective of the consequences of failing to safeguard vulnerable adults, both in terms of the impact on individuals and their families, but also in terms of the potential damage it would bring to the council's reputation.

Finance: There is a forecast underspend of £322k (0.7% variance) for this large budget area. This forecast is mainly through the reduction in contractual arrangements, grants and joint contracts with the PCT. The £2.9m savings target for this service is set to be achieved this year and plans are in place for the full year effect from 2012/13.

Performance: The performance position for this priority remains at amber over quarter three with all indicators forecasting below the end of year target figures, however it is noted that the general trend of performance over the quarter for Direct Payments and referrals has improved. The impact of restructures and ongoing recruitment to vacant posts is affecting staff capacity to meet targets linked to client reviews but this situation should change as we move in to the new financial year.

[Link to quarter three data report](#)

Performance commentary

Personal Budgets

This quarter sees reporting of Personal Budgets and Direct Payments represented as a percentage of all eligible service users, as opposed to previous reporting as a percentage of all clients. This does not include those clients who are not eligible for a Personal Budget or Direct Payment, instead representing the uptake of those who are eligible for one. Early and sustained progress in the early part of the year has stabilised at just over 62% - the rate of improvement has significantly slowed since August with an end of year forecast of 70%, 10% below target. Further progress against this indicator is expected in 2012/13 as workforce capacity issues are alleviated.

Carers' Needs Assessment

Performance for carers' needs assessments has remained broadly stable between 30% and 33%, but has declined somewhat from a peak of 34% in July to 31% as of December 2011. It should be noted that the December position represents just a 1.2% reduction (or 10 carers) on the November performance. There have been reductions in both the number of clients receiving community services and the number of carers receiving assessments or services, with carer numbers reducing faster in proportion to the reduction of client numbers. The current forecasted out-turn is 32% against a target of 33%.

Safeguarding Vulnerable Adults

The Safeguarding Practitioners have been working with the Care Managers to ensure timely completion of safeguarding cases and there has been progress chasing referrals and unblocking those that have become difficult to move on. Performance has remained broadly stable with a slightly increasing trend to August/September 2011.

As previously mentioned, there are several complex cases currently ongoing which will continue to be open cases until they are resolved and this is having a continued detrimental effect on performance figures. December reported a figure of 60.7% although the current forecast of 59.5% is not sufficient to meet the 70% end of year target which again reflects the current pressures on care management staff.

Wider context

Advisory services

Announced in November 2011 was the funding [for free advice centres](#) due to be delivered by the Big Fund. The new Advice Services Fund was due to open for applications at the end of that month, to be managed by the Big Fund and in support of not-for-profit advice providers. Applicants would be expected to provide advice in at least one of the following: Debt, welfare benefits, employment or housing and be able to evidence public funding cuts of at least 10% for the specified advice service areas from central and local government sources in 2011/12.

(Source: Cabinet Office, 21 November 2011)

Pension provision

Looking to the future, a recent news release by the Department for Works and Pensions highlighted the potential for a future generation not having suitable [pensions provision](#) to support them in retirement. The release identified that only 38% of working age people are currently seen to be saving into a private pension scheme, with a steady decline in pension savings having occurred between 1999/2000 and 2009/10. The decrease is most evident amongst men and the under 40's.

(NB: The government's 'automatic enrolment' intended to help people save for retirement is due to be introduced from October 2012. The scheme will continue to offer an opt-out option)

(Source: Department for Works and Pensions, Newsroom, December 2011)

Dementia awareness

In November 2011, the Department for Health announced that six out of ten people with dementia go undiagnosed. To help raise people's awareness of this problem and to the benefits of early diagnosis and intervention a [£2million pound media campaign](#) was run on television, radio and in other media. The campaign, trialled earlier in the year in the North West and Yorkshire & Humber regions, had yielded some positive outcomes amongst those aged 40+years.

(Source: Department of Health, Media Centre, 7 November 2011)

Care standards

In the same month, the media highlighted concerns being raised to the nature and standards of care received by the elderly in their own homes. The Equality and Human Rights Commission released a report detailing the

Wider context

outcome from an [inquiry into older people and human rights in the home](#). In addition it was announced that the Care Quality Commission was to carry out a [‘themed’ inspection programme of home care services](#). These are intended to help with developing new ways to ensure that these services meet the essential standards people have a right to expect and that they are treated with respect and dignity.

Additionally, the Health Secretary announced in early 2012 that [additional funding](#) (extra £150m) was to be made available to local authorities to help people leave hospital more quickly and receive care at home. Government also announced that it will provide [a further £51m](#) towards Home Improvement Agencies to provide advice and assistance, intended to help older people to continue living in their own homes with particular support focussed on those leaving hospital.

Reporting period: Quarter 3, 2011-12

Corporate priority: Housing and Homelessness

Background: In conjunction with its partners, the council intends to work towards fulfilling the needs of Islander's for secure and appropriate housing, significant to maintaining a quality of life. This may require meeting the needs of those unable to buy their own homes, or to provide environments appropriate to meeting the special needs of the elderly and disabled. To help achieve this the council have set ambitious targets for the development of affordable housing and will work towards enabling the frail and very elderly to remain living in their own homes or access housing solutions appropriate to their physical needs, and to ensure the best possible use of the Island's existing housing stock is made by bringing into use empty properties where appropriate. In addition, the provision of support, guidance and advice, will continue to be provided for temporary accommodation.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to housing and homelessness.

Actions carried forward

There are no actions to carry forward.

Summary

Status: GREEN

Risk: The key risk for this priority relates to insufficient affordable and low cost housing to be built. The risk score has not moved since quarter two, remaining high (red) with a number of mitigating actions both implemented and planned for 2011/12. A continued physical shortfall of properties will limit actions to manage this risk more effectively, however the Pan Meadows development will positively impact this situation over forthcoming years.

Finance: A small overspend (0.3% variance) against the £5.11m budget for this area is forecasted at quarter three, but in general terms there are no significant budgetary pressures at this stage. There are no elements of the 2011/12 budget strategy savings plans directly related to this area.

Performance: Continuing the previously reported positive performance for this priority, a similar report is evident this quarter. The empty properties indicator is a key area to watch due to its relation to the New Homes Bones Scheme and potential financial provision from central government.

[Link to quarter three data report](#)

Performance commentary

Homeless households

Homeless applications remain lower than anticipated at 42 against a target of 63, and lower than the same period last year (65). The slight acceleration in acceptances has slowed in December and a positive forecast of 63 is expected at the end of year.

Temporary accommodation

The number of households in temporary accommodation remains fairly static at around 135, within the target of 150. This is also lower than the same period last year (145). The reductions achieved so far have been through successful 'move on's' via the Island Homefinder scheme. As previously reported, overall performance in this area is strong, however there is still a high demand for these services and preventative work has largely contributed to maintaining the level of performance. There are also on-going difficulties in providing accommodation once a long-term duty to house has been accepted.

Service users supported

Targets for the 'percentage of service users supported to establish and maintain independent living' were raised from 90% to 95.5% from quarter two onwards. The quarter three performance has dropped slightly below the revised target at 92.17%, however the end of year forecast is only marginally below the revised

Performance commentary

target at 95%. As previously reported, tight contract monitoring is attributed to providers meeting targets. This represents strong performance within the context of reduced Supporting People budgets and higher pressures on the service.

Property adaptations/modifications

This measure was newly reported in 2011/12, exceeding the quarter one and two targets. Performance continues to remain high with an additional 423 adaptations/modifications in quarter 3 bringing the total to 1150 against the target of 720. The handy person interventions included in this figure are estimated at 100 due to data not being available from the external provider at the time of reporting. End of year forecast is also well above target of 1000 at 1400. This figure constitutes handy person completed tasks and Disabled Facilities Grants (DFG) with the addition of an emergency stair lift replacement the previous quarter.

Empty properties

The 'number of empty properties brought back into use' measure has been redefined to reflect the New Homes Bonus recording methodology as previously reported and is now described as 'Number of empty properties (PCLC List Review)' which is a measure of the absolute number of empty properties (long-term as recorded on the Council Tax register). The starting figure for this measure was taken at October 2010 and was 1041 – this figure has been reduced to a core of 864 empty properties as of October 2011 (reduced by 177 between October 2010 and October 2011). As of December 2011 the figure stood at 860 properties, against a target of 826. The forecasted end of year figure is 789 against a target of 789. The figure will fluctuate with new properties being constantly added and removed. The current targeted reduction of 177 empty properties is an estimate based upon the old methodology and previous performance.

Wider context

Access to social housing

Government announced [new allocations guidance](#) for access to social housing, which has since been published for consultation (closing date 30 March 2012). The revised guidance is intended to overcome some of the injustices experienced with the current system. New freedoms will permit local authorities and housing associations to reward achievement and encourage housing mobility, while at the same time permitting housing providers to tackle tenants able to work and who are not taking up opportunities for jobs.

(Source: Communities and Local Government, 5 January 2012)

Green Deal

Towards the end of 2011, it was announced that the '[Green Deal – Energy Law](#)' had become law with a planned launch in October 2012. The Green Deal is anticipated to help revolutionise the approach to improving the energy efficiency of homes and businesses, and in turn managing the impact from rising energy prices. The Green Deal will also have a consequence for private landlords, making it unlawful to rent out a house or business premise which has less than an 'E' energy efficiency rating. A £200m funding boost of new and additional Government funding for Green Deal was also announced to provide a special time-limited 'introductory' offer to encourage early take up of the scheme.

(Source: Department for Energy and Climate Change, 19 October 2011)

New Homes Bonus

The Housing Minister advised that payments for the second year of the New Homes Bonus initiative would total over £430m nationally. For the Island the projected payments for years one and two are available on the link - [New Homes Bonus Provisional Allocations 2012-13](#) and summarised below:

Affordable Homes premium: £350 per unit	Year One payments 2011/12	Year Two payments 2012/13: including empty homes and affordable homes premium	Provisional total payments in year (including previous delivery)
£33,950	£484,537	£657,820	£1,142,357

Source: DCLG

NB: The New Homes Bonus was introduced in April 2011 to provide matched funding to the additional council tax raised for new homes and empty properties brought into use, with an additional amount for affordable homes and is due to apply through to 2017/18 inclusive.

Reporting period: Quarter 3, 2011-12

Corporate priority: Regeneration and the economy

Background: Projections for the nation's economy remain uncertain, with expectations for growth in consumer spending being weak in anticipation of a contraction to household incomes. The Island's output growth is forecast to dip below that for the SE region in 2013, reflecting the reductions in the public sector and its associated impact on the private sector, while a similar picture is given in terms of employment growth which is anticipated to be slow until 2013. Over the coming year, the council's Economic Development Delivery Action Plan (2011/12 to 2013/14) will remain focussed on the same key areas of activity as applied in 2010/11:

- Increasing inward investment;
- Provision of sufficient employment land;
- Development of a skilled workforce in key sectors;
- Promotion and expansion of renewable energy activities;
- Installation of a superfast broadband network;
- Developing and promoting a 21st century tourism offer.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to regeneration and the economy.

Actions carried forward

1. At the meeting of Cabinet on 13 December 2011, it was decided that the establishment of an Economic Improvement Fund of £250k (on the basis set out in Appendix 7 to the Cabinet report) be agreed.
2. The Economy & Environment Scrutiny Panel held on 28 September 2011, resolved that an update on actions being taken on the delivery of the six strands contained in the Economic Strategy be considered by the Panel at its March 2012 meeting.
3. The Economy & Environment Scrutiny Panel held on 23 November 2011, resolved that a report on employment opportunities, especially for young people, be submitted to the Panel and relevant stakeholders such as the Chamber of Commerce and Youth Council be invited to the meeting.

Summary

Status: GREEN

Risk: The risk relating to the Island's economic position has remained consistently high scoring (red) over the last three quarters, linked to the wider national economic downturn. The control measures listed, as well as the activities highlighted in the performance commentary would, under normal circumstances, drive the risk score down however this may be restricted by the global and national financial climate.

Finance: There are no direct financial pressures on budgets relating to this priority at this time.

Performance: Performance this quarter has been positive with support provided to potential investors and in-person approaches despite the difficult economic conditions, this activity might indicate that a more challenging target could be set for 2012. In overall terms, the performance of the council for this priority is strong with new initiatives to be put in place in 2012/13 to provide encouragement and confidence within the local economy.

[Link to quarter three data report](#)

Performance commentary

'Islandbreaks' website

The cumulative number of unique visits to the islandbreaks website at the end of quarter three was 431,647, just below the target of 442,046. In December 2011 alone there were 18,403 unique visits to the site which represents an 18% increase on the number of hits during December 2010.

There were 71,185 unique visits to the website during quarter three which again represents a 12% increase when compared to quarter three last year. It is anticipated that the end of year target will be met as the 2012

Performance commentary

marketing campaign begins. This will continue to focus on the successful “Great British Island” theme established in 2011 and the campaign will commence with large outdoor billboards and smaller digital displays in late January/February. The campaign will run throughout the year across a range of media including magazines, web activity and social media.

Potential Investors

Six additional potential investors were receiving support during the third quarter which raises the cumulative number for the year to 18 against a target of 10. The investors are from a variety of sectors including marine, Solar, IT and construction. The end of year target of 15 will be exceeded with performance established in quarter three. The *‘number of in person approaches made to potential investors’* now stands at 19 for the year against a target of 7. Performance in this area is much better than expected (assisted by proactive work at events like the Tidal Energy Summit) and again the end of year target has already been exceeded.

In late November, the council’s Low Carbon Projects Officer visited the International Tidal Energy Summit in London with over 350 delegates in attendance. Although the council did not take a stand at the event this year, we were able to renew contacts from last year and make a number of new contacts. The event continues to prove to be popular amongst industry executives and also offers the opportunity to promote the SOEC (Solent Ocean Energy Centre) and a new project SOREC (Solent Offshore Renewable Energy Consortium) which is in the final stages of consideration for funding by DEFRA.

Advice and guidance to business

The *‘number of in person advice and guidance activities with businesses seeking to grow and develop on the Island’* is performing well and is above target for the third quarter. It is anticipated that the end of year target of 25 will be met and demand will continue to grow, partially as a consequence of the demise of the local Business Link offer and a move to a national online service for business support and advice.

Economic Improvement Fund

The introduction of a £250k Economic Improvement Fund is planned for roll-out in 2012/13. The fund, allocated on a proportional basis to all 33 town and parish council areas and match-funded by the authority, will be specifically for projects contributing directly or indirectly to economic well-being including opportunities for young people to learn new work-related skills.

Economic Development

A revised Economic Development Delivery Action Plan for the period 2011/12 to 2013/14 has been agreed by the Deputy Leader and Cabinet Member for the Economy and Environment which sees the creation of a number of initiatives intended to:

- Invest £3 million in the installation of superfast broadband for the Island that will secure Government funding of £3.2 million towards these works. Set alongside the BT’s recent announcements it is hoped that a minimum of 90% of Island premises will have access to superfast broadband by 2015.
- Allocate £1 million of funding, alongside £2 million funding from the private sector to secure the licences and permissions necessary to unlock the private investment required to develop the Solent Offshore Energy Centre (SOEC). This could also be complemented by funding secured through a further bid to the Regional Growth Fund.
- Provide new funding of £300,000 in order to tackle youth unemployment and create new employment opportunities for a minimum of 160 young people. This would be done by extending the numbers on the pre-apprenticeship scheme introduced in 2011/12, supporting new full apprenticeships for young people and a new initiative for young entrepreneurs looking to start their own businesses, supported by mentoring provided by established businesses. The council could also use this funding to organise a Jobs Fair for Island businesses to promote job and apprenticeship opportunities to local young people.
- Work with the tourism industry to develop a new private sector led tourist board (Destination Management Organisation) to lead the development and growth of an industry so significant to the Island’s economy.
- Commit £500,000 of funding to encourage the Homes and Communities Agency (HCA) to prioritise its investment in, and development of, its employment sites on the Island over its mainland sites.

In addition to these initiatives, there may be other schemes which the council could help facilitate and fund, on a one-off basis, to support economic growth and development. Contributions from businesses and key representative bodies and an examination of best practice across the country will be important in identifying further opportunities for the council to this end. Some of the schemes likely to be supported through the council’s recently established Economic Improvement Fund will also contribute to economic wellbeing throughout the Island.

Corporate priority: Highways PFI Programme

Background: The condition of the Island's roads has, and remains a concern for Island residents, with a Highways Private Finance Initiative (PFI) currently being progressed as a solution. When combined with a transfer of budget from the council, the PFI is intended to deliver a 25 year programme of highway refurbishment, maintenance and operation that will provide safer roads while improving travel choice through improved roads efficiency and effectiveness. The procurement process currently being applied is anticipated to be finalised by the end of 2012, with works commencing the following spring. In the interim, the council will continue to invest in roads, pavements, footpaths and cycle routes across the Island.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to the Highways PFI programme.

Actions carried forward

1. There are no actions to carry forward.

Summary

Status: GREEN

Risk: The Highways PFI programme has an extensive risk register reviewed by the Project Director, Project Board and the Member Review Board, which is updated after each of the procurement stages and proposed mitigation actions are agreed as part of the delivery programme. At present, all identified risks continue to be managed well and there are no high (red) risks.

Finance: The project has an overall procurement stage budget of £7.6m. The delivery so far has been in line with the spend profile and there are no anticipated budget pressures at this time despite needing to carry out additional works in connection with ensuring robust data is provided to potential Service Providers

Project milestone update: The Invitation to Submit Refined Solutions (ISRS) stage was extended and submissions were received on 19 December 2011. The submissions are presently going through a detailed evaluation which will be completed at the end of February 2012 when it is the intention to de-select one of the three bidders.

Following the completion of the ISRS, an evaluation call for Final Tenders will now take place in March 2012 with selection remaining on schedule for June 2012. This schedule will allow the project to achieve financial close in September 2012 and for the contractor to begin work in April 2013 as per project plan.

Milestone	Programmed Date	Actual Date
Issue Invitation to submit detailed solutions (ISDS)	November - 2010	01 November 2010
Issue Invitation to submit refined solutions (ISRS)	August - 2011	01 August 2011
Complete evaluation of refined solutions (ISRS)	February 2012	
Issue Calls for Final Tender	March 2012	
Select Preferred Bidder	June - 2012	
Report to Cabinet regarding the outcome of competitive dialogue	September - 2012	
Financial Close	November - 2012	
Commence rehabilitation of road network	April -2013	

Milestone commentary

ISRS Dialogue & Evaluation

The ISRS stage dialogue was extended at the request of the bidders and submissions were received on 19 December 2011. There were fourteen technical, seven legal and six financial dialogue sessions with the bidders during this stage. The Isle of Wight Council has also met with the funding consortia for all three bidders including their technical, legal and financial advisors to understand the funders' positions in relation to the PFI project. There still remains significant interest for funding this project despite slowly tightening funding markets. The funders' advisors comments were complimentary and they considered the risk allocation to be appropriate and acceptable.

The council have appointed new legal advisors (Burgess Salmon LLP) who have undertaken an independent review of the Project Agreement (PA) that was issued with the ISRS and have produced a report that provides positive conclusions about the risk allocation in the PA including the following statements:-

- "It is broadly consistent with HM Treasury's Standardisation of Project Contracts version 4"
- "It is of a level of maturity which we would expect at this stage of a competitive dialogue procedure"

Progress to Call for Final Tender (CFT)

The Call for Final Tenders will take place in March 2012 which, although later than initially planned, will still allow enough time to select a preferred bidder by June 2012 as per the original project timescales.

Programme

The dialogue timescales have been managed flexibly to balance the need for refining bidder solutions whilst meeting council's key milestones and complying with the DfT approval requirements. Any flexibility used has been carefully controlled to ensure there is no impact on the final delivery date of the project in April 2013.

A new PFI Team Contracts Programme Manager has been appointed and took up post in December 2011. Other transition appointments are being made for migrating staff from the procurement phase to establishing a contract management team.

Corporate priority: Waste Strategy

Background: With the combination of its current Integrated Waste Management contract coming to an end in just four years, the associated facilities being in need of investment and the existing landfill site nearing its capacity, the council is at a stage where it needs to review and evaluate the options and technologies associated with waste management in order to meet its aspiration to become a leader in municipal waste management, while meeting the need to reduce residual waste landfill to a minimum. The development of a long term waste strategy has now begun, which will seek to inform the objectives and options available for the next waste management contract and the need to respond to changes in the market place, legislation and public attitude.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to the waste strategy.

Actions carried forward

1. There are no actions to carry forward.

Summary

Status: GREEN

Waste Strategy: The Waste Strategy project milestones are being delivered on schedule. Some revision of project plans have been made in response to changing circumstances but there are no concerns that key milestone dates will be negatively affected. The quarter three report offers a detailed update on all aspects of the project.

Risk: The project risks are being well managed with suitable mitigating actions in place for all risks considered high (red), regularly discussed at Project Board.

Finance: The council's Medium Term Financial Plan identifies £1m for the Waste project in 2012/13. This allocation will support the development of the Outline Business Case (OBC), and the appointment of legal, technical and financial advisors through to the completion of the Invitation to Submit Outline Solutions (ISOS) stage of procurement.

Operational performance: The operation of the gasification facility has been more consistent this quarter leading to the achievement of targets for biodegradable waste and a positive forecast for the end of year position. The new collection service recently introduced will reduce the council's dependency on this plant to divert waste away from landfill. Performance of other waste measures has been mixed with the forecast end of year figures worse than expected at quarter two.

[Link to quarter three data report](#)

Project Milestone Update	Programmed date	Actual Date
Waste Strategy		
Mass Flow Model sign off	Jul 2011	Jul 2011
High Level review sign off	Aug 2011	Aug 2011
Final Options Appraisal Report	Oct 2011	Oct 2011
Final Procurement Strategy Report	Oct 2011	Oct 2011
Final Commercial Waste Options Report	Oct 2011	Oct 2011
Final Draft Municipal Waste Strategy	Dec 2011	Nov 2011
Draft Strategy to Cabinet	Feb/March 2012	
Full Public Consultation	Oct/Nov 2012	
Final Strategy to Cabinet	Jan 2013	

Project Milestone Update	Programmed date	Actual Date
Landfill Application		
Design Freeze	May 2012	
Draft Application Consultation	Jun 2012	
Final Environmental Impact Assessment (EIA) Statement	Jul 2012	
Final Draft Planning Application to Isle of Wight Council	Aug 2012	
Submit Planning Application	Aug 2012	
Procurement (may be subject to change as procurement phase is finalised)		
Official Journal of the European Community Notice published	March 2012	
Outline Business Case	May 2012	
Cabinet Approval for Procurement	May/June 2012	
Pre-Qualification Questionnaire (PQQ)	Aug 2012	
Invitation to Submit Outline Solutions (ISOS)	Dec 2012	
Invitation to Submit Detailed Solutions (ISDS)	Oct 2013	
Invitation to Submit Refined Solutions (ISRS)	March 2014	
Call for Final Tender	June 2014	
Appointment of contractor	Oct/Nov 2014	
Contract mobilisation	Nov 2015	

Milestone commentary

WASTE STRATEGY

The Draft Municipal Waste Strategy has been completed ahead of schedule. This document draws from National and Local waste policies and includes the development of several key reports (detailed below) that will support the procurement process. It recommends the long term strategy and targets for municipal waste following the end of the existing Integrated Waste Contract with Island Waste Services and will be reviewed every five years following approval of the final document. Additionally, the Draft Municipal Waste Strategy recommends the contract procurement route.

This important strategic document will be presented to all Members and the Overview and Scrutiny Panel in February 2012, prior to being submitted to Cabinet for approval to be published as draft.

The Draft Strategy will remain as Draft until the Invitation to Submit Outline Solutions (ISOS) stage of procurement, at which time the Waste Project team will update the Draft Municipal Waste Strategy to reflect the deliverable outputs on offer. This is likely to occur in Quarter 3 2012/2013, at which time we are likely to engage in a full public consultation. This will ensure that the public opinion is fully considered in the decision making process, before the long term strategy is finalised.

The following supporting reports have been completed in quarter three:

Options Appraisal

Projections of waste tonnages are needed to establish how much waste we will need to collect and manage in the future. This is difficult as waste growth has varied so much in recent years. An approach has been taken that acknowledges that when more houses are built, more waste will be produced. The projections have also taken into account waste minimisation that will reduce the amount of waste each individual household will produce.

To be able to let a new contract for waste, the authority first had to develop an understanding of the types of collection and treatment options available. These are assessed in conjunction with the predicted amount of waste the Island is likely to produce. This creates a shadow case of potential options and costs that the authority can evaluate tenderers against.

To decide the top performing options for collecting and treating waste on the Island a wide range of options have been considered. These options were assessed in a two stage process. Each option was first assessed against a number of criteria, these include:

Milestone commentary

- Environmental impact;
- Approximate cost;
- Public acceptability; and
- Landfill diversion

Each criterion was given a relative importance and was then evaluated by independent consultants working with authority staff. In the second stage of the assessment these options were modelled in detail using the waste projections. The second stage was used to refine the indicative costs and environmental impacts of each option. These options are not prescriptive for the new contract. They form a shadow case to compare bids against. New technologies and innovation will be considered through the contract letting process.

Commercial Waste Options Study

Commercial and industrial waste produced on the Island has, in the past, been sent to landfill. To examine the reasons for this and to decide how much the authority should involve itself with the collection of commercial and industrial waste, a separate analysis was carried out. The work found that there is currently not enough capacity on the Island to recycle or treat this type of waste and most is sent to landfill.

Recommendations of the study were that the authority should consider:

- providing treatment capacity for both commercial and industrial waste and municipal solid waste
- The procurement of a collection service to allow collection of commercial and industrial waste in the same vehicles as household waste

Procurement Strategy

The authority has a duty to demonstrate that it has acted in accordance with the EU Treaty principles of fairness, transparency, non-discrimination and proportionality in its procurement and to comply with the 2006 Regulations which impose procedural requirements in relation to contracts over a prescribed financial threshold. A procurement strategy has been developed to investigate the options for procuring a new municipal waste contract. Through the procurement the council is seeking a sustainable waste management approach for the Island, which:

- Meets the needs of the Island in an environmentally friendly and cost effective way;
- Provides residents with value for money;
- Is consistent with regional, national and European waste targets for waste minimisation, recycling and composting; and
- Recovers value from residual waste that cannot be recycled or composted

The procurement will cover all aspects of municipal waste management including:

- Collection of kerbside recyclables and bring-bank recyclables;
- Collection of kerbside residual waste;
- Collection of kerbside food waste;
- Collection of kerbside green waste (chargeable opt in service);
- Processing/ bulking of recyclables for onwards processing;
- Treatment/ bulking of separated food and green waste;
- Management of Household Waste Recycling Centres;
- Residual waste treatment; and
- Residual waste disposal

The procurement strategy has identified key issues that will be faced by the council, such as how to package the waste contract and how long the contract length should be for.

For example, due to the current condition of our existing waste infrastructure it is recognised that a significant investment in on-Island facilities may be required if the council is to continue treating Island waste as close to source as possible. This would require significant upfront investment that would be more appropriately paid back over a 25-30 year contract. Alternatively, a shorter length contract to collect and transport all waste to the mainland would create a saving in infrastructure but would open significant risk if there were a transport failure and would require the procurement letting process to occur again in the short term. The available options will be modelled from a financial, economical and environmental perspective to form a recommendation in an Outline Business Case (OBC), to be presented to the Cabinet in May 2012.

Milestone commentary

The recommended approach that most closely aligns with council priorities, waste policy and the eco-island strategy is to procure an integrated waste contract with all services awarded to a single bidder. It is envisioned that the “competitive dialogue” process will be used for the procurement. This approach would allow discussion between the authority and bidders to take place at each stage of the process. The best bids would be progressively developed so that they offer the best solution and value for money for the Island. Strict procurement rules mean that the details of each bid must remain confidential while the procurement process is ongoing. This will be further developed through the Outline Business Case to enable a robust decision to be made by Cabinet as to the chosen procurement route.

Stakeholder Management

A Stakeholder Management strategy has now been developed. All stakeholder communications are being delivered collaboratively with the current Waste Contract Management Team to ensure a joined up approach.

The following activities are planned in the next few months:

- Ongoing face to face meetings with residents living adjacent to the landfill extension site
- Members information seminar held on 20 February 2012
- Press advertorials in the Isle of Wight County Press, The Beacon and One Island Magazine outlining the changes to current collections and introducing the future Waste Strategy
- Web pages and Frequently Asked Questions available at www.iwight.com/waste

LANDFILL APPLICATION

The planning for future landfill provision is continuing as scheduled in the project programme.

An analysis of landfill void surveys has revealed a significant change in the consumption rate of void space since the 2009 Waste Needs Assessment was conducted. Over the past three years the rate of consumption has reduced from an average of 10,000m³ per month to 5,000m³ per month. There are several contributing factors to this:

- Island Waste Services have seen a change in the waste streams going to landfill, significantly there is almost no rubble, soil or non-domestic inert waste
- There has also been a reduction in the volume of waste produced nationally since the recession
- Changes in pre-treatment regulations have also attributed to a general reduction of waste
- Private waste companies have increased their market share of commercial and industrial (C&I) and construction and demolition (C&D) waste collection, recycling, treatment and disposal.

The reduction in consumption could result in extending the life of the current landfill by up to 10 years. However, this extended lifetime may be significantly reduced if the gasifier was to fail, or the private sector involvement reduces over time.

The delivery of a new landfill site will require significant environmental mitigation measures to be implemented. The added lead time afforded by the additional landfill capacity at Standen Heath will ensure the planning application for the future landfill can be as robust as possible.

Ecology surveys

All baseline ecology survey work has been completed and the final Draft Baseline Ecology Report was submitted to the council on the 15 December 2010. The survey and evaluation undertaken as part of this report has highlighted a probable need for a number of ecological mitigation requirements to offset the potential effects of the development.

There will be a need for detailed arrangements to move reptiles, dormice, red squirrels and invertebrates to suitably developed sites prior to the commencement of construction activity.

Significantly, a new colony of Juvenile Bechstiens Bats has established between Briddlesford Copse and the Lavender Farm. To fully satisfy Natural England requirements for environmental permitting further survey work will be required next May to establish the significance of the site as a feeding area for this colony.

Performance commentary

Recycling

The ‘percentage of household waste sent for reuse, recycling and composting’ remains below target for the quarter with 28.37% reused, recycled or composted compared with a target of 30%. December’s figure is slightly lower than October and November’s figures (29% and 29.1%) which can be directly attributed to lower tonnages of green waste being composted at the household waste recycling centres.

Performance commentary

From 30 January 2012 the new waste collection arrangements will come into operation with an increased level of items available for recycling. During February and March 2012 the tonnage of materials collected is expected to increase, however it is anticipated that the end of year target will be missed by 10%.

Landfill

The gasification plant was operational for 75% of the time during October, the whole of November and was running for the majority of December. The plant had an unplanned shutdown on 30 December 2011 at which time it was utilising waste "imported" from the mainland as the local waste stockpile had been fully utilised. The fuel sent to landfill during quarter three was used for engineering work and was therefore landfill tax exempt.

December's figures for municipal waste sent to landfill are showing good performance, however it is anticipated that the end of year target will be missed. The gasification plant stopped working during the first week of January which resulted in approximately two weeks worth of waste (collected following the Christmas period) being sent to landfill. This is likely to result in the end of year target being missed.

'Tonnes of biodegradable waste sent to landfill' is performing well with only 17,377 tonnes of waste sent to landfill during December compared to a target of 20,241 tonnes. It is anticipated that the end of year target will be met. The target figure detailed for this performance measure is due to be updated. For 2011/12 the annual Landfill Allowance Trading Scheme (LATS) target has been reduced to 23,468 tonnes, which is 1,955 tonnes per month. This compares to current year to date performance of an average of 1,931 tonnes per month.