



Purpose: For Decision

Committee report

Committee	CABINET
Date	TUESDAY, 27 JULY 2010
Title	QUARTERLY PERFORMANCE & STRATEGIC RISK MANAGEMENT REPORT - QUARTER 1 2010/11
Report of	COUNCILLOR TIM HUNTER-HENDERSON - CABINET MEMBER FOR MAJOR PROJECTS, PERFORMANCE AND COMMUNICATIONS STEVE BEYNON – CHIEF EXECUTIVE

1. PURPOSE

To report on the council's performance and strategic risks for the first quarter of 2010/11 ending 30 June 2010.

2. BACKGROUND

This report covers the first 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 a revised and agreed set of sixty six key performance indicators. In addition, the report summarises key achievements and areas to watch by 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 discussion at all levels across the authority to take place on a routine basis and escalate performance and risk issues to senior management as part of the monthly service board process.

5. KEY COUNCIL PRIORITIES

5.1 Summary of Performance:

<i>School Reorganisation</i>
Accommodation for Year 5 classes is close to completion in time for the commencement of term in September 2010. Progress has also been achieved in the re-deployment of staff with weekly lists of vacancies at primary and secondary school levels now being introduced. For the Cowes One School Pathfinder, a developer was agreed following the bidding process and work is now planned for commencement in October 2010.
<i>Roads / PFI Scheme</i>
A re-examination of all government funded projects approved since 1 January 2010 was called for by the new government which included the Island's Roads PFI Scheme. A subsequent announcement given by HM Treasury indicating Schemes that were not to progress did not include this Scheme although a final decision on funding will be decided in the planned Comprehensive Spending Review later this year. In the interim and following completion of the evaluation process in May, three bidders were identified and are currently progressing the Invitation to Submit Outline Solutions (ISOS) process.
<i>Transforming Social Care</i>
A number of initiatives have been employed in delivery of this programme including a 'Your Care Pathway' six month pilot, being operated in conjunction with partner organisations, which is intended to improve support and help service users understand and use Personalised Budgets more effectively. Issues presented around capacity to deliver the programme are being resolved through recruitment of two additional project officers, who are due to commence in July 2010.
<i>Regeneration and the Economy</i>
The development of an employment and skills plan in conjunction with the Pan Meadows development has helped to provide increased opportunities for training for residents on that estate
<i>Fire Service Modernisation</i>
Work is progressing with both the new Ryde and Ventnor stations. The refurbishment and extension of Ryde fire station is due to commence in September 2010. There are several issues which need to be resolved with regards to the new fire station in Newport and these are currently being addressed. The build of Newport fire station will be delayed as a result of these issues, however this delay is not critical in terms of the overall project.
<i>Local Housing</i>
Further progress has been achieved with the delivery of affordable housing across the Island and current forecasts predict a further 100 units being built before the end of the year. While numbers for those in temporary housing remain within target, a marginal increase in numbers has begun to be seen. Contract extensions have now been issued for 'Supporting People' services and the co-operation from providers is acknowledged.

Delivering Better Services (Transformation Programme)

A range of initiatives under this heading have demonstrated progress having been achieved in this quarter combined with the range of savings achieved being ahead of target. Training programmes for managers are planned for introduction in the Autumn including additional master classes on working practices together with coaching skills intended to improve the motivation of staff.

6. OVERALL SUMMARY OF PERFORMANCE

The table below indicates the position of performance by directorate of the sixty six key performance indicators as at 30 June 2010.

Directorate	No. of measures tracked	% of targets missed (red)	% targets within tolerance (amber)	% targets met or exceeded (green)	% of measures with missing /unavailable data (grey)
Children & Young People	14	50%	7%	43%	0%
Community Services	19	21%	5%	69%	5%
Economy & Environment	22	41%	4.5%	50%	4.5% (includes 1 annual measure)
Resources (inc Chief Executive Strategy Unit)	11	27%	27%	46%	0%
Total	66	35%	9%	53%	3%

7. 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 sixty six key performance indicators can be sourced from the background papers.

7.1 CHILDREN & YOUNG PEOPLE

7.1.1 **Key Achievements:**

Schools Reorganisation

- **Class Accommodation for Year 5**

Work has started on a number of sites with portable accommodation in place and handed over at schools in Cowes, Niton and Gurnard before the end of June 2010. The process will continue at other schools over the coming months and all units are due to be in place in time for use by September 2010.

- **Class Accommodation for Year 6**
The accommodation for Year 6 that will be required for September 2011 is currently being assessed.
- **Capital Programme**
This has been agreed in order to support the School Re-organisation programme for 2011.
- **Transfer of Staff**
Redeployment of staff at risk of redundancy has been progressing successfully to fulfil requirements at primary and secondary school levels. A total of 181 staff have now received confirmation of offers for redeployed positions. Two weekly lists have been developed and introduced to advertise all vacancies suitable for re-deployment. One details primary school positions and is to be sent to individuals in the primary redeployment process. The second list covers all other teaching vacancies and is to be emailed to all schools due to close.
- **Cowes One School Pathfinder**
 - The One School Pathfinder (OSP) is currently on time and on budget. The dialogue process was completed on 5 May 2010, with final bid submissions received on 17 May 2010. A decision was subsequently made to appoint Pihl as the preferred bidder for the Pathfinder development.
 - A planning submission is due to be submitted in July with the work now planned to start at the beginning of October 2010.
 - An information event was held for parents and residents on Tuesday 25 May which was well attended and provided the opportunity for questions to be asked about the new state-of-the-art learning centre. A further event for this audience is planned for 8 July 2010. There is also a consultation with pupils, staff, Interim Governing Body and Trust planned for September 2010.
- **School Report Newsletter**
A 'School Report Newsletter' has been produced to keep parents informed of all elements of the schools reorganisation project.

Commissioned Services

Steady progress has been made by Island schools on the National Healthy School Status, the figure increasing as more schools register for and achieve status.

Learning and Achievement

The Secondary school persistent absence rate (NI 87) has continued to demonstrate good performance against target although the figure given at 30 June 2010 has yet to be validated. Performance for 2008/09 Academic Year, ranked amongst the top quartile when compared with other Local Strategic Partnerships (LSPs) for England. (Source Places Analysis Tool, Communities and Local Government)

7.1.2 Key Issues:

Targeted Intervention

- While provisional and not yet validated, the result of 25.9% given for '*% referrals to social care that were repeat referrals*' for this quarter, demonstrates a return to performance levels being achieved at the end of the second quarter in 2008/09. At that time through the realignment of business processes and by increasing capacity at the preventative level to introduce earlier interventions, performance had improved and stabilised at around 16% each quarter end.

- Similarly performance reported for NI 63 '*% for stability of placements of looked after children: length of placement*' of 60% suggests a continued decline in performance given over the last two quarters from the 68.9% reported at the end of December 2009. However, it should be noted, the relatively small size of the cohort applied to this indicator makes it susceptible to significant changes of performance.
- The introduction of a new co-ordinator in the latter half of 2009 for *Personal Education Plans* (PEP) has helped to achieve some marginal improvement in the levels of PEPs that are being completed, but numbers continue to fall short of target and are significantly below those that were achieved in quarter three 2009/10. An email system has been introduced, intended to alert social workers and managers of outstanding PEPs, PEPs that are about to become out of date and to provide reminders for any outstanding paperwork required to be completed. Improvement with performance has already begun to be seen as a consequence of this, for children between Reception and Year 11.
- Work continues to help improve the performance of '*% of core assessments for children's social care that were carried out within 35 working days of commencement*'. The provisional figure currently given for quarter one of 76.2%, remains below target but demonstrates a continuation of the improvement shown over the past year. This is a significant improvement on the position recorded at the end of 2008/09 when the Island was amongst the worst performing LSPs in England for this indicator (Source Places Analysis Tool, Communities and Local Government).

7.2 COMMUNITY SERVICES

7.2.1 **Key Achievements:**

Local Housing

- **Affordable Housing**

- The commencement of work has been achieved on the former Wight Motors, Ryde to provide 15 flats on a derelict site in the town centre
- Pre-enabling works have commenced on the development at Pan Meadows
- Handover of Salvation Army Hostel undertaken on 5 July 2010
- 42 affordable housing units completed to date during 2010/11 and on target to achieve 100 by end of financial year.
- 79 empty homes have been brought back into active use since April 2010

- **Temporary Accommodation**

The number of households in temporary accommodation at the end of June was 123 against a local target of 140 (Government target of 175). Performance has continued to meet target across the quarter despite a fluctuation in results across the quarter from a low of 117 in April to a high of 127 in May.

- **Supporting People**

- Approaching 700 clients in sheltered services have had their support needs assessed to ensure effectively targeting of available resources
- Contracts extensions until the 31 March 2011 have been issued to all providers in relation to the main Programme Grant, albeit at reduced capacity, only one provider declined the contract extension offer.
- Significant cooperation has been received from providers in managing the reduction of funding and contract capacity.

- **Choice Based Lettings**

'Island Homefinder', the new Choice Based Letting allocation system, went live on 28 April offering individuals and families greater opportunity for engagement and choice in the location of housing options available to them. The process employed is based on a bidding style approach and in the first nine bidding cycles, in excess of 100 properties have been allocated and over 4000 bids were received.

Transforming Social Care

- **'Your Care Pathway' Pilot**

- Age Concern Isle of Wight, Isle of Wight Advocacy Trust, Isle of Wight Citizens Advice Bureau and Help & Care are working with the Council on a six month pilot scheme. The scheme is intended to provide better support that will help services users to understand and utilise Personal Budgets more effectively, while providing additional support planning capacity to help reduce the timescales involved in the Personal Budget process.
- The four organisations have been working collaboratively together and with the Council's social care staff, to offer information and advice on Personal Budgets and self directed support as well as offering a brokerage service intended to assist vulnerable adults, their families and carers to plan the support and services they require. The outcomes from these pilot schemes will subsequently be used to shape the future delivery of Personal Budgets on the Island.
- The pilot is proving to be successful both in terms of enabling more people to receive a Personal Budget as well as providing capacity for care management staff. The Age Concern/Advocacy Trust brokerage pilot has now been extended to offer brokerage support to all clients, regardless of age and disability and will be extended for a further 4 months to enable preparatory work for a service to be set up. This element of the pilot is now being led by the Advocacy Trust.

- **Working Together for Change – Provider Development Programme completed**

- Provider workshops were held with representatives from IWC, Department of Health, three providers and service users to look at service user reviews.
- Provider projects identified and commenced included: a befriending project and changing business models to take account of personalised budgets.
- There is continued support being offered from the Transforming Adult Social Care (TASC) programme team and the Rural Community Council (RCC).
- A provider conference was held on 15 June at the Cowes Yacht Haven. Nationally renowned presenters talked about a wide variety of subjects, including micro-businesses, social enterprises and the need to change business models. Around 100 delegates attended on the day, ranging from existing providers to potential future providers and staff. The event helped to broaden the understanding to the programme and introduced new ways of thinking towards the implementation of Individual Budgets and the development of future markets to support personalisation.

- **Service User Engagement**

- Plan My Care - A prototype for an internet-based support planning and provider database has been reviewed and is now due to go live in July 2010.
- Managed Accounts - A virtual personal budget is due to be introduced which increases the capacity for meeting targets for the uptake of Personalised Budgets.

- **User Led Organisation (ULO)**

A prospectus has been prepared to invite bids from organisations to provide a User Led Organisation on the Island based on the Centre for Independent Living model.

The ULO will:

- Provide information, advice and guidance, as well as advocacy and peer support
- Offer support in using Personal Budgets – this will include hosting and moderating the Island’s ‘Plan My Care’ website
- Offer support to recruit and employ Personal [care] Assistants
- Provide assistance with shared-assessment
- Provide disability equality training
- Provide supported and trained volunteers who support service users and carers
- Support the implementation of the Disability Equality Duty by public sector organisations in the locality

Housing

- Performance for each of the months in this quarter measuring hazards likely to cause significant harm to residents/tenants, identified through assessments, exceeded the results reported for the same quarter of last year and which were for housing renewal activity only.
- While the target has been achieved for the quarter with *‘the number of empty properties brought back into use’* the results for June 2010 of 79 properties, does not present quite as strong a performance as achieved in the same period last year when there were 117 properties reported as at June 2009. In part this may be due to the range and size of properties captured within last years results which provided greater multiples of units available for inclusion under this measure.

Community Safety

- Trading Standards have delivered a positive performance in two areas being monitored. While for *‘incidences of inappropriate sales of age sensitive products’* cannot be directly compared with the same period for last year when there were no instances captured, performance throughout the remainder of the year had been consistently within target and the momentum achieved has been carried through into this year. Performance was also consistently strong for the *‘number of businesses newly recruited to the trading standards service’* in 2009/10 outstripping the end of year target by thirty-eight businesses. Again the positive momentum achieved would appear to have transferred itself into 2010/11 with the target for this quarter once again having been exceeded.
- Another area of strong performance is *‘percentage of reported incidents for domestic crime resulting in arrest’* where performance in the first quarter builds on the successes of 2009/10, both exceeding the previous years overall result and the target for this quarter. This offers re-assurance that arrests are being achieved for a high percentage of such crimes on the Island and the positive results of the partnership work that supports this outcome.

7.2.2 Key Issues:

Local Housing

Affordable Housing

A decision is currently being awaited from Homes and Communities Agency over funding available following the June emergency budget. Until the outcome is known all work has been suspended on capital schemes in order to be in a position where it would be possible to “plug strategic funding gaps”

Homelessness

Numbers of 'households accepted as homeless' has seen an increase in the first quarter of this year with the cumulative total standing at 27 at the end of June 2010 compared with 56 for the whole of 2009/10. In the same period in 2009/10 there were a total of four acceptances. It is only by going back to 2008/09 that a similar increase was seen of 31 although at that time a number of the initiatives currently employed were just being introduced. Accordingly, further trend analysis is required alongside careful monitoring of homeless acceptances.

Adult Social Care

At the end of 2008/09 performance for NI 146 '*percentage of adults with learning disabilities in employment*' placed the Island amongst the lowest quartile for English LSPs (Source Places Analysis Tool, Communities and Local Government). Since then performance had been improving and stabilised at a figure of around 14% for each month reported, against the prevailing difficulties the economic downturn has presented for employment opportunities on the Island. However, from a high of 15.77% in March 2010, the outturn figure reported has declined to its current level of 13.32%, which may be a reflection of the further contraction to the employment markets on the Island.

Community Safety

Performance for '*assault with less serious injury crime rate per 1,000 population*' was marginally short of meeting target for this quarter. However, this is the second successive year where an increase in incidents has been reported rising from 242 for 2008/09 to 271 in 2009/10 to the 303 reported for this quarter. The Community Safety Partnership monitor this measure as a part of LAA2 and a range of joint initiatives principally between the council and police are seeking to combat such crimes through preventative approaches that minimise the potential for such offences.

7.3 ECONOMY & ENVIRONMENT

7.3.1 **Key Achievements:**

Roads PFI Scheme

• Procurement Process

- Pre Qualification Questionnaire (PQQ) submissions were received on 20 April 2010 and with the evaluation process completed in May; three bidders (Colas, Amey and Vinci) are now going forward to the Invitation to Submit Outline Solutions (ISOS) stage. The ISOS helps to form the basis of the contract for how the Service Provider subsequently intends to plan, budget and deliver services on the Island. There is now a need to maintain the interest of the three bidders to ensure that process remains flexible and competitive. All documents required for the ISOS stage (Output Specification, Project Agreement and Payment Mechanism) were completed on schedule. A Risk workshop focusing on the ISOS stage was completed on 24 May 2010, with the ISOS documentation released on 3 June 2010 and the ISOS phase of the Competitive Dialogue commenced on 9 June 2010.
- PFI Data Room was opened to bidders on 26 May 2010.
- The outstanding ICT issues that were threatening to delay the next procurement phase have been resolved.

Fire Service Modernisation

• **Fire Stations**

- Pre Qualification Questionnaires (PQQs) for the construction of the Ryde station and architect for the Newport and Ventnor stations have both been completed. An invitation to tender will follow.
- The planning application for Ryde Station has been submitted.
- The new site for the Newport station is bisected by a footpath that will need diversion. Opposition to the diversion may delay the project.

• **Operational Assessment Peer Review**

- A team of assessors reviewed the Fire and Rescue Service on 22 - 24 February 2010 and concluded the service is performing well and noted several areas of notable practice. The peer assessment team consisted of representatives from IDeA, other Fire and Rescue Services and representatives from Surrey County Council and Wealden District Council. The assessment provided re-assurance that the appropriate actions are being taken by the Council and the Fire and Rescue Service to address the improvement areas arising from previous assessments and inspections; namely the Fire Service Modernisation programme.

Fire & Rescue Service

- Numbers for '*accidental dwelling fires in domestic dwellings*' between April-June of 19, showed an improvement on the same period in 2009, where the total had been 24 and was also fewer than for 2008 where the total was 22.
- Similarly the number for '*all primary fires attended*' of 78 for the quarter, whilst missing target demonstrates a decrease on figures reported for the same quarter in 2009/10.
- While within target for both June and April, overall performance the quarter for '*co-responder incidents attended within eight minutes or less*' was down on that achieved in the same period last year and marginally better than that achieved in 2008. While end of year performance exceeded target in the preceding two years the forecast currently given suggest that the target will also be met.

Regeneration and the Economy

• **Future Jobs Fund**

This was a Department for Works and Pensions initiative to get young people back into work. The Isle of Wight Council has been working in partnership with Hampshire, Portsmouth and Southampton authorities on a joint project across the sub region to employ some 800 people. To date this council has provided work for 38 young unemployed people which far exceeded the original 25 allocated. Funding for the Future Jobs Fund has now been withdrawn by government.

• **Pan Employment and Skills Plan**

- This has been developed to help ensure that as part of the Pan Meadows development, local people are provided with the opportunities to develop key skills and are more able to access the job market either through this development, or through future regeneration activity.
- The Pan Meadows development has been recognised by 'Construction Skills' as the first Local Authority to have completed the Client Led approach to the procurement of key skills outcomes as part of a Development Agreement.

- **Events**

- The Council was present at 'Seaworks', the biggest business to businesses event for the commercial marine and work boat sectors in Europe where a number of Island companies were in attendance and won new contracts
- Council facilitated a key stakeholder event at the Royal Yacht Squadron for Eneco in respect of their licence to deliver the one of the new offshore wind farms

Planning Services

- Performance achieved in the first quarter for '*major applications determined within 13 weeks*' was significantly better than for the preceding two years. By comparison to 2009/10, performance in June was some 66% improved and the overall result for that year exceeded target which bodes well for the potential outcome for 2010/11.
- By comparison for '*minor applications determined within eight weeks*' performance was stronger for both April and May when compared to the preceding two years while June dipped slightly against the result reported for the same month last year. Despite this end of year results for both 2008/09 and 2009/10 have exceeded target and there is the potential for this to be achieved again based on first quarter results.
- In the case of '*other applications determined within eight weeks*' first quarter performance has been less consistent when compared with the preceding two years with only the results for April being better than those achieved in either 2009 or 2008 and June bettering the outcome for 2008.
- When considering performance for the quarter as a whole, performance for '*percentage of appeals allowed against the council decisions to refuse planning applications*' has seen a third successive drop. Providing an average of the results for the three months a shift can be seen from 24.3% in 2008/09 to 21.6% in 2009/10 and 19% this year, demonstrating a positive improvement with the processes being employed.

Highways

Numbers for individuals '*killed or seriously injured in road traffic accidents*' was within target for the quarter at 15 (cumulative annual total). Prior to this period, the measure had been reported on a quarterly basis and for the same three months in 2009 the total reported was 20.

7.3.2 Key Issues:

Roads PFI Scheme

- **Government re-examination of projects**

The new government announced a re-examination of all projects approved since 1st January 2010. The IWC Highways PFI was due to be subject to that process. However, HM Treasury have since announced those schemes that have been stopped or suspended following that review and IWC Highways PFI was not one of these. The next stage is for the Department of Transport Secretary of State to approve the project. This is expected to happen either ahead of the planned Departmental Spending Review or as part of that Review.

Fire Service Modernisation

- **Newport Station delays**

- An outline planning application may need to be submitted for the Newport Site in support of the footpath diversion.
- The re-design of the Pan spine road is likely to delay the construction of the Fire

Station due to the lack of access to the site.

Fire & Rescue Service

- The results for the first three months of this year measuring *'incidents which met response standards for fire cover'* demonstrated a reduced performance when compared to the first three months of last year, with an average reduction of fourteen percentage points across the three months. There has however, been a stepped improvement seen in the figures recorded for the first three months of this year which demonstrates an acknowledgement for the need to rectify this position.

Regeneration and the Economy

- The loss of government grant funding (£83k) through Local Authority Business Growth Incentives Scheme (LABGI) may impact on the delivery of economic objectives.
- The demise of South East England Development Agency (SEEDA) and loss/reduction of in year budgets (Sub-Regional Partnership, Solent Innovation and Growth Network, etc) may also have an impact on the delivery of economic objectives.
- Withdrawal of the 'Future Jobs Fund' may impact on the ability to provide job opportunities for young people.

Leisure and Sports

The number of users of Council leisure facilities was below that achieved for the same period last year, which appears to be linked to a reduction in the use of outdoor activities. Reduced levels of disposable income available to spend on such activities due to economic pressures, may have influenced the numbers. The fitness programmes on offer in leisure centres are being reviewed and a new Client Retention programme has been introduced.

Planning Services

- The results for the first three months were down on those *'number of housing units built against the agreed annual regional spatial strategy target'* against the same period in 2009/10 and compare less favourably still with those achieved in 2008/09. The current end of year forecast of 450 (against a target of 520) is supported by historical trend. Achievement of this target is dependent upon the actions of the private development market, and the IW Council under its wider Housing Enabling role has been pro-actively working with the private sector. However, as the construction industry is heavily influenced by the state of the national economy and the market is becoming more risk sensitive and is likely to remain so until such time as the full implications of the legislative changes, both financial and planning are understood.
- The Council, through its Housing Services section has been:
 - Speaking to developers to get them to alter the mix on site in order to make the developments more viable for them.
 - Working to bring allocated sites such as Worsley Road to the market as soon as possible.
 - Working with the Homes and Communities Agency (HCA) to understand the implications of the emergency budget and its relation to strategic sites such as Hawthorn Meadows (kick-start bid) and East Cowes town centre.
 - Working up a scheme with a major house builder and a registered provider that does not rely on funding from the HCA.
 - Working with a developer to deliver at Pan Meadows.

Waste and Coastal

The degree to which success is achieved with diverting waste from landfill is partly dependent on the reliability of the gasification plant which is owned and operated by Energos, and the Council's Resource Recovery Facility (RRF), which is operated by the Council's Integrated Waste Management contractor, BIFFA. When there are unplanned disruptions to either plant this will impact on the levels of waste that need to be landfilled which in turn impacts on the levels of biodegradable waste sent to landfill. In addition disruption to the RRF plant will also impact on the levels of recycling particularly steel and aluminium. This impacts on the performance achieved on both the monthly and quarterly indicators. Negotiations are underway with BIFFA as to what they will do to mitigate the impact of these closures on the amount of waste landfilled and the Council's budgets.

7.4 RESOURCES (inc CHIEF EXECUTIVE STRATEGY UNIT)

7.4.1 **Key Achievements:**

Delivering Better Services

- **Pool cars**

The 6 pool cars introduced in January have now travelled over 25000 miles and are likely to exceed the predicted savings of £42000 this year. Given this success, procurement of more pool cars has been progressed over the last quarter and is at the tender evaluation stage, with the next batch of cars to be delivered in October.

- **Accommodation moves and savings**

- Plans are now finalised for the move of co-location of Community Safety Services, involving the move of teams located in Charter House to Jubilee stores. Building works will commence in late October. This move will enable the disposal of Charter House providing capital receipt and revenue savings.
- A solution to the move of the Registrars service from Northwood House to the council offices at Seaclose Park has been agreed. This will enable the service to relocate by 30 September. Detailed work will continue over the next quarter to refine the longer term plans.
- Feasibility work on the redesign of the office and meeting spaces within County Hall has progressed over the past quarter, with a number of options under analysis. This will enable the council to maximise the use of the space within County Hall and therefore reduce the number of buildings we currently operate from.

- **Different ways of working**

- Orders for new technology have been placed that will enable new ways of working. These include a new telephony system and more effective remote access to the computer network. These solutions will be delivered in Quarter 3 and are a key enabler in the reduction of the number of council office buildings
- A new Electronic Content Management system is being procured. This system will support new ways of working by managing our electronic information held in emails, network files and computer systems much more effectively. As a result, it will reduce the amount of paper we use, the amount of paper and electronic storage we need, will mean officers can work away from the office more effectively and will reduce the time it takes for us to find information to Freedom of Information requests. Implementation will take place in Quarter 3

- **Procurement:**
 - A range of measures are being implemented to achieve savings through the way we procure goods and services. The budget includes savings of £1.073m in 2010/11 and a further £1.476m in 2011/12. An initial exercise in reviewing basic office supplies and equipment has delivered £500k savings. Agreement has been reached with Red Funnel to provide discounted works and personal travel rates for the hi-speed and car ferry services. Discussions are ongoing with Wightlink and Hover travel to secure similar arrangements. Discussions with Greyhound have secured discounted work travel rates for mainland coach travel.
 - In addition opportunities for collaboration and joint contracts, different delivery markets and contract monitoring are being developed.
 - Work is underway on reviewing the overall procurement strategy one strand of which is to look at ways of supporting the local economy and delivering sustainability and reductions in carbon footprint through the procurement process

Exchequer & Residents Services

- **Creditor Payments**
The *'percentage of invoices paid within 20 days of receipt'* performance has been improved for the three months of this quarter when compared to last year. Much of the improvement seen has been due to the issues seen with the introduction of the SAP Finance System in April 2009 now having been resolved.
- **Council Tax and Business rate collection**
Despite the recession collection rates have been good and for 2009/10 Council tax collection was 98.5% compared to the England average of 97.8% and Shire Unitaries of 97.0%. Business rate collection was 98.8% compared to an England average of 97.8% and shire counties of 97.4%. The first quarter is slightly down on target but is holding up well in difficult economic conditions.

Financial management

- **Savings target**
The savings identified in the first quarter of 2010/11 were ahead of target. This follows a similar pattern to that seen in the preceding year. It is currently forecast that the overall target for the year may be missed as the ability to identify further savings becomes more difficult towards the end of the year. It is proposed that robust processes are applied during the course of the year to attempt to manage this situation.

Strategic Asset Management

- **2010 Strategic Asset Management Plan**
The annual revision of corporate asset management has been concluded for 2010, resulting in the 2010/11 – 2012/13 Strategic Asset Management Plan being presented to Cabinet on 27 July. This sets out the Council's property strategy for the three year period, on a rolling basis, and includes asset rationalisation and investment plans. It is a dynamic plan and, as service asset planning emerges, will reflect this from the corporate perspective.
- **Branstone Farm Studies Centre**
Additional classroom facilities and general improvements have been successfully completed, on time and within budget, at this education facility, as part of the Council's aims to raise the standards of educational attainment and

opportunity on the Island. Specifically, young people will gain appropriate access to specialism and opportunities for vocational learning through further education, apprenticeship or employment based training as provided at Branstone Farm Studies Centre.

- **Shanklin eco-loos**

The last of the Council's One Island Project for the construction and improvement of public conveniences across the Island completed in June with the opening of new eco-loos at Shanklin Esplanade. These incorporate a variety of eco features designed to reduce running costs.

- **Shared ownership capital receipts**

The sale of the freehold interest in 2 shared ownership residential properties in Ryde has completed generating a capital receipt to the council of £120,000.

- **Capital Receipt for Pan**

The council has received the first payment towards the land comprising the Pan residential scheme, in the sum of £750,000

7.4.2 Key Issues:

The delivery of the Council's Medium-Term Financial strategy is the main priority for the Resources directorate and essential to the ability of the Council to achieve its Corporate Plan. An initial budget review has been completed and reported to Cabinet on 13 July 2010 and to Council on 21 July 2010. The review sets out the overall financial position of the Council including the impact of the national emergency budget, achievement of savings and current financial year budget pressures.

A range of measures have been proposed and the achievement of these and the Delivering Better Services programme will be critical to the ongoing financial health of the Council.

8 ACTIONS CARRIED FORWARD FROM CABINET MEETINGS HELD ON 01/06/10 & 30/03/10

- 8.1 A written briefing has been provided to the Cabinet Member on approved schemes for housing development that have yet to be implemented.
- 8.2 A report was provided to the 13 July Cabinet meeting report on rural affordable housing issues on housing development and the Warm Homes initiative.
- 8.3 Two written reports are provided to the 27 July Cabinet meeting, one on children's social care, addressing in particular performance issues around core assessments and personal education plans. The second on the cohort of young people who are not in education, employment or training.
- 8.4 The Interim Waste Plan will be presented to the 14 September Cabinet meeting.

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. The strategic risk register is aligned to the strategic themes and Council priorities within the Eco Island vision, however not all of these will have a specific strategic risk as the service area will hold individual service risks or project risks registers. 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 and owned at the Head of Service and Project Director/Manager level, as appropriate.

Of the seven strategic priorities, five (School Re-organisation; Highways PFI; Transforming Social Care; Economic Development and Delivering Better Services) are represented by specific risks within the strategic risk register. Fire Service Modernisation and Housing do not have specific risks at a strategic level. The Fire Service Modernisation is a well managed project within the Fire Service, and operational risks have been identified and managed at a local level. Housing risks are also managed at a local level.

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 analysis of the strategic risks by the Council's priorities is contained within 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. OPTIONS

Option A – to agree the recommendations set out under item 15.

Option B – to adjust and agree the recommendations set out under item 15.

14. EVALUATION

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

15. RECOMMENDATIONS

The following actions are recommended:

1. Performance related to temporary exclusions (all Schools) is showing below target for quarter 1. This trend is against the previous pattern demonstrated therefore, it is recommended that this is monitored. If actions to reverse the trend do not show a positive impact in quarter 2, then a full report will be presented to Cabinet for consideration.
2. The Homelessness Team are to conduct further trend analysis (for the last three months) on causes of homelessness for new cases accepted and determine whether full preventative measures can be identified. Monthly updates are to be provided to Cabinet Members by Directors. If performance has not improved then a full report will be presented to Cabinet for consideration.
3. The Local Infrastructure Plan (LIP) should be completed in line with the Homes and Community agency (HCA) guidelines and deadline (October 2010), to ensure the Council is in the best possible position to obtain grant funding for future affordable housing development projects. A written report is to be presented to Cabinet in October 2010.
4. That officers report back to Cabinet in September, on how the local economy can be supported and sustainability and reductions in carbon footprint can be better achieved through the procurement process.

16. APPENDICES ATTACHED

[APPENDIX](#) – Strategic Risks Register by corporate priority

17. BACKGROUND PAPERS

[Quarter 1 2010/11 Performance Report by Cabinet Member](#)

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