



# Committee report

Committee	<b>CABINET</b>
Date	<b>TUESDAY 30 MARCH 2010</b>
Title	<b>QUARTERLY PERFORMANCE MANAGEMENT REPORT - QUARTER 3 2009/10</b>
Report of	<b>CABINET MEMBER FOR MAJOR PROJECTS, CUSTOMER SERVICE AND COMMUNICATIONS</b>

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1. PURPOSE

To report on the Council's performance and strategic risks for the third quarter of 2009/10 ending 31 December 2009.

2. BACKGROUND

This report covers the third quarter of the financial year 2009/10 and includes the identification of key performance achievements and issues for the Isle of Wight Council against the seven priorities set out in the Corporate Plan 2009-2013.

In addition, the report appendices highlight:

- A summary of progress against the five Corporate Themes. The summaries include key performance achievements and/or areas to watch.
- Strategic Risks

3. STRATEGIC CONTEXT

The ongoing management of key performance indicators, strategic risks and the strategic programme supports all of the 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 management processes involve the examination of performance, risk and project information at monthly service boards. As such, senior management are involved in discussions about performance and risk on a routine basis.

5. KEY COUNCIL PRIORITIES

5.1 **Summary of Performance:**

<b><i>School Reorganisation</i></b>
The transition to a two tier system is progressing with a number of elements having been achieved. There are issues being identified around resource and timing for the completion of other elements and the potential for a reduction in performance around school placements. A new Project Director for this programme has been recruited and is in post.
<b><i>Roads / PFI Scheme</i></b>
The process for applying for the PFI has reached another milestone with referral to HM Treasury and the process has been completed. Some significant progress has also been achieved in resourcing staff to a number of integral posts within the project while a process has also been introduced that will reduce the volumes of paperwork needing to be stored and which enables information to be shared more freely with external partners across a range of functions.
<b><i>Transforming Social Care</i></b>
The programme is moving forward, with a number of the activity areas now well progressed and with elements completed. There remain some issues around staffing which is impacting on capacity within the programme. The vacancy for a Head of Social Care has now been filled and this will provide some added stability.
<b><i>Regeneration and the Economy</i></b>
The impact of the economic downturn continues to be seen in terms of numbers receiving Job Seekers Allowance and the effect on property prices. At the same time the Council has been proactive in promoting the Future Jobs Programme that seeks to enable 18-24 year olds to enter the job market. Work is also underway to attract potential business employers to the Island.
<b><i>Fire Service Modernisation</i></b>
As a part of the process for providing better coverage to the Island, the planned migration of retained duty staff to whole time fire-fighters has begun to be progressed, and the changes to stations in various locations across the Island is being progressed. However, there are some issues remaining in respect of the proposed locations for both Newport and Ventnor stations that require further work.
<b><i>Local Housing</i></b>
There have been some positive developments in the past quarter in respect of reducing numbers in both Temporary Housing and Homelessness together with some stimulus to numbers accessing affordable housing. However, the uncertainty over the future of the Supporting People programme has led to a suspension of the re-commissioning of contracts for the services engaged in this programme.
<b><i>Delivering Better Services (Transformation Programme)</i></b>
Progression has been positive in a number of activity areas with delivery on a number of associated elements. Key issues remain around areas such as the prioritisation of activities in the next tranche and establishing and agreeing the approach for putting in place appropriate technology in order to take this programme forward.

## 6 SCHOOL REORGANISATION

### 6.1 **Key Performance Achievements:**

- **Key decisions** – During Quarter 3 the Council received approval to establish 2 academies, sponsored by Academies Enterprise Trust.
- **Governing Bodies** – Interim Governing Bodies have been approved and are operational at a number of schools. The Governing Body's first priority will be to appoint leadership teams (interviews for Primaries in 2010 and Secondary's in 2011) to enable detailed planning for the new arrangements.
- **Staffing** – The process of primary staff transfer commenced and staff were invited to express preferences for posts. This process will continue throughout the Spring Term.
- **Project Team** – We now have a full compliment of staff in the School Organisation Project Team.
- **Accommodation** – Significant progress has been made in securing a contractor who will provide appropriate accommodation for Year 5 pupils in September 2010. This will enable all schools to deliver the curriculum for children in the primary schools.
- **Communication** – Member briefings has taken place. The project director will issue a newsletter to parents keeping them updated on the progress of school reorganisation.

### 6.2 **Key Performance Issues:**

- **Timescales** – A challenging timescale has been agreed to deliver the Cowes One School Pathfinder. Directorates across the Council will be required to support the delivery of this project.
- **Admissions** – It is anticipated that the Council's performance in terms of '% of first preferences met' for choice of school, may drop. Briefing sessions will be offered in spring. A newsletter for parents and carers has been prepared for publication. The amount of 1<sup>st</sup> preferences for schools will fall this year as a result of the school surplus reduction strategy. However, our position regarding meeting preferences remains well above national average.

## 7. ROADS / PFI SCHEME

### 7.1 **Key Performance Achievements:**

- **Approval** – The Outline Business Case (OBC) approval process has been completed. The OBC was reviewed by HM Treasury in February 2010 and the project has now been approved.
- **Communications** – The Highways PFI project established an extranet site during December 2009. The Extranet will enable the PFI project to share data with bidders for the project, advisors and other council departments. Creating a virtual data room will avoid the need for paper storage and significantly reduce travel for potential bidders during the procurement phase.
- **Business Engagement** – The Council is in the process of establishing an Economic Development Support Group which will include membership from: the Employment and Skills Board; Isle of Wight Chamber of Commerce; 14-19 Education Consortium; Business Link; the Isle of Wight College and WM Enterprise. This group will assist in developing the appropriate training and skills

base on the Island to support the PFI project, focus on economic regeneration and the development of supply chains on the Island. The group will also assist in ensuring that communication with regards to the PFI between the Council, businesses and the Education sector is appropriate to enable full advantage to be taken of the opportunities that the PFI project will offer to the Island.

- **Education** – The PFI team has recently supported the launch of four engineering related diplomas and undertaken a road show involving various schools on the Island. The PFI team is also involved in the Young Chamber conference which will present further opportunities to promote the PFI project as both a job opportunity and an important tool in economic regeneration.

## 8. TRANSFORMING SOCIAL CARE

### 8.1 **Key Performance Achievements:**

- **Personal Budgets pilot** – The pilot schemes for Advice and Information, Advocacy and Brokerage have been commissioned and work has started to develop these services to deliver help, support and information to all individuals involved or wanting to be involved in the personal budget process. These pilots will assist in helping more people to understand and access personal budgets and will result in more people receiving a personal budget rather than relying on the more traditional, council commissioned, social care services.
- **General** – Completed Programme Plan with key milestones entered to ensure effective progression of the project and ensure key deliverables are met. Communications Plan drawn up to ensure all stakeholders are kept up to date on developments and actions.
- **Plan My Care** – Plan My Care commissioned from Department of Health grant funding, to develop a prototype IT system to provide support planning, information and advice for self directed support. Memorandum of Understanding to support the pilot has been signed off with the Department of Health.
- **Resource Allocation System** – Additional Functional Assessment in the Care Environment (FACE) Resource Allocation System (RAS) operational training delivered, to ensure all care managers understand the process for individual budgets and are able to promote the use of them with service users. FACE RAS desktop exercise commenced to develop the financial information required to produce a Resource Allocation System for the personal budget process.
- **Fairer Charging Policy** – Consultation has been completed and a report of the analysis of results is ready for Cabinet decision.
- **Person Centred Planning** – Second group of staff and providers trained in Person Centred Planning techniques and Personalisation Champions trained. This will help to deliver the key messages of personalisation across staff groups and providers, raising awareness and improving take up of the personal budgets. Also equipping providers with information and training skills which will assist them in the transformation from traditional to personalised services.

### 8.2 **Key Performance Issues:**

- **Personal Budgets pilot** – There is a need to collate the feedback/issues relating to the Personal Budgets pilot and planning for this has been delayed due to capacity. Work will be progressed to identify where delays in the processing of personal budgets assessments are occurring, in order that additional resource can be focussed appropriately to reduce waiting times and deliver more Personal

Budgets, and the dedicated Programme Manager role, will deliver capacity to move this on further.

- **Staffing capacity** – Prioritisation of workload has been challenging with the Programme Manager post being vacant. The vacant Programme Manager role led to capacity issues to deliver the programme, therefore some timescales have been revised and now the capacity issues are being resolved.

## 9. REGENERATION AND THE ECONOMY

### 9.1 **Key Performance Achievements:**

- **Business Support** – Significant Council support has been given to a number of large companies seeking to expand their businesses on the Isle of Wight. Commercial confidentiality prevents the publication of further details at this stage but the work is consistent with Council's aspirations in respect of renewable energy technologies.

A quarterly business survey was initiated in the quarter. This involved telephone interviews with over 400 companies, the results will inform an emerging basket of key performance indicators for the service area.

- **Economic Development** – A bid to Government has been made in collaboration with the Partnership for Urban South Hampshire (PUSH) for recognition of the area as a Low Carbon Economic Area (LCEA). LCEAs are intended to accelerate low carbon economic activity in places where key strengths are already developing in order to encourage inward investment in low carbon business opportunities. A decision on this is expected shortly.

Significant progress has been made in drafting a new economic development action plan for the Island. This has been informed by some detailed background papers that will place the Island in a strong position to drive forward improvements in its economic well being. These papers include: -

- Analysis of inward investment opportunities
  - Inward investor support strategy and action plan
  - Business creation, growth and retention support strategy
  - Analysis of the Isle of Wight economic structure and performance
- **Skills & Labour Development** – Significant progress was made across the quarter in recruiting to the job opportunities provided by the Council for 18-24 year olds under the Future Jobs Fund programme. Working in collaboration with PUSH nine placements were ready to commence at the beginning of January. A further seven will be available over the next 12 months although negotiations are ongoing to extend this by a further 10 with the possibility of an extra 30 after this first wave of appointments.

### 9.2 **Key Performance Issues:**

- **Job Seekers Allowance** – At the end of Quarter 3 the percentage of the resident working age population in receipt of Job Seekers Allowance (JSA) was 4.5% (3,565 individuals). This is an increase of 0.4 percentage points (363 people) on the figure at the end of Quarter 2 and compares with 3.0% for the south east and 4.1% for Great Britain. The majority of claimants (49.8%) are in the 25-49 years age range but the Council should note that 30.5 % of claimants are in the age range 18-24 a figure which is in excess of the south east (27.7%) and Great Britain (29.4%).
- **Property market** – Average house prices on the Island rose in the quarter by £5,419 (3.6%) to £156,099 continuing a general upward trend that began in July.

This compares with an average price in the south east of England of £204,275 (England & Wales £161,783). Average prices at end the end of the calendar year were still some £10,991 below the prices at the start of the year, equivalent to the difference in the south east but twice that for England and Wales.

## 10. FIRE SERVICE MODERNISATION

### 10.1 **Key Performance Achievements:**

- **General** – Baseline project plan and other start-up documentation now in place ensuring compliance with Council Project Management policy. Documentation confirms validity of project and supports project governance.
- **Issues/Risks** - Planning issues for Phase 1 and 2 captured and assessed as low risk. Ecology issues for Phase 1 captured, no risks identified as no need to move animals or find alternative sites etc, so no prospective time or cost issues.
- **Staffing** – Retained Duty Staff (RDS) transfer selection completed. Sufficient quality of candidates enables migration to whole time fire-fighters to progress as envisaged in the project plan, within time constraints. Whole time fire-fighters start 1 February 2010 realising project benefits of better coverage of the Island, shorter response times etc.
- **Stations** - Station designs are well advanced with clear user requirement to be articulated to architects. Ryde procurement strategy went to Procurement Board on 4 February 2010 (and was subsequently agreed), ensuring that the refurbishment of Ryde station proceeds in accordance with the project plan.

### 10.2 **Key Performance Issues:**

- Pan contract award and Pan Spine Road is needed to advance Newport HQ and station procurement as the site of the new HQ assumes the Spine Road is in place. If it is not, access to St Georges Way will need to be constructed, adding significant unbudgeted cost to the project.
- Unresolved legal issues at Ventnor and Newport regarding surrounding covenants and access are ongoing. These issues may affect procurement for design and construction proceeding, with the potential to add delay to the project.

## 11. LOCAL HOUSING

### 11.1 **Key Performance Achievements:**

- **Temporary Accommodation** - due to the ongoing success of the preventative measures introduced by Housing Services the number in temporary accommodation continues to fall with a total of 113 households in temporary accommodation at the end of December. This compares with 223 households in temporary accommodation at the end of December 2008.
- **Homelessness** – likewise homeless acceptances remain very low at 28 (against a Quarter 3 target of 93) compared with 68 at the same point last year. No homeless reviews have been overturned so far this year which is indicative of the robust nature of current procedures. Schemes and incentives such as the council assisting tenants with deposits and guaranteeing private landlords receive rent have helped bring about the improvements described above.
- **Affordable Housing** – through numerous additional affordable housing home ownership initiatives a total of 164 additional households have accessed

affordable housing since April 2009. During Quarters 1-3, 235 empty homes back into use during against a target of 135.

- **Supporting People** – the input of the Supporting People programme via a range of Supporting People services has enabled the authority to significantly exceed its Local Area Agreement 2 target in respect of the percentage of vulnerable people achieving independent living. During the quarter 83.82% of vulnerable clients moved into independent living via a planned intervention against a target of 67.9%.

## 12. DELIVERING BETTER SERVICES (TRANSFORMATION PROGRAMME)

### 12.1 **Key Performance Achievements:**

- **Accommodation** – Notice has been served on another leased space (17a Riverway, Newport) to reduce accommodation costs. Adult services have been relocated from Ryde Town Hall providing more effective use of resources.
- **Resource Booking** – The resource booking system contract has now been signed allowing progress in using resources more effectively for touchdown working. This supports the Transformation outcome of 'More agile use of assets and resources'.
- **Travel** – Pool cars have been procured and are now in use within Adult Services to provide greener more cost effective transport in key areas. Agreement has been made on a discounted business travel scheme for more efficient cross Solent travel.
- **Lone Working** – The lone working system has been launched to support staff who are working on their own. This supports our duty of care to staff to ensure that they are safe and secure in their working environment and ensures that staff are able to perform roles that require working alone. It directly supports the Transformation outcomes of a 'Developed, skilled and able workforce'.
- **Information Communication Technology** – ICT network improvement work in county hall and other sites has been completed to improve functionality and to prepare the way for new flexible working technology. Timescales for Phase 2 of the Business Systems Improvement Project (BSIP) to introduce new HR/Payroll systems have been extended to April 10 to ensure lessons from the Phase 1 implementation have been learned.
- **Training** – First tranche of Leadership courses completed with exceptionally good evaluation. Project Management training courses are also underway with excellent evaluation and impact to date. This directly supports the Transformation outcome of a 'Developed, skilled and able workforce'.

### 12.2 **Key Performance Issues:**

- **Prioritisation** – There is a need to prioritise a number of activities required within Tranche 2 to enable best use of resources within the transformation group and the business.
- **Space Planning** – There is a need to complete the space planning requirements to ensure that the authority has the full picture for building requirements.
- **Information Communication Technology** – There is a need to have the appropriate technology in place to support office moves and changes.

### 13. PERFORMANCE SUMMARIES BY CORPORATE PLAN THEME

For a **Thriving Island** – refer to Appendix A

For a **Healthy & Supportive Island** – refer to Appendix B

For a **Safe & Well-kept Island** – refer to Appendix C

For an **Inspiring Island** – refer to Appendix D

For **Delivering Better Services** – refer to Appendix E

### 14. 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.

### 15. 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.

### 16. 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.

The Audit Committee reviews 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 F. Key changes to the Council's risk profile across this period have been:-

- The continuing impact of the economic downturn and the pressure on the Council's finances across the next three years.
- Inclusion of a new strategic risk in relation to Transforming Social Care
- The downgrading of the risk relating to School Reorganisation reflecting the Cabinet approval of the option decision and ongoing project progress.
- The completion, submission and central government approval of the Outline Business Case for the Highways PFI.



17. 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.

18. OPTIONS

Option A – to agree the recommendations set out under item 20.

Option B – to adjust and agree the recommendations set out under item 20.

19. EVALUATION

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

20. RECOMMENDATIONS

Cabinet Members and Directors have already established a regular dialogue to identify actions to resolve outstanding issues arising from this report.

The following actions are recommended:

- i. An update via email on the council's performance on invoice processing is provided to Cabinet Members on a monthly basis with a full report to a future Cabinet meeting if performance has not improved.
- ii. Officers to prepare an action plan on the progress of the cohort of young people who are not in education, employment or training and report back to a future Cabinet meeting.
- iii. A detailed update on the interim waste plan (2008-11) is brought to a future Cabinet Meeting
- iv. A report is brought to a future Cabinet meeting on opportunities to develop sustainable housing particularly in rural areas
- v. A progress report is provided to Cabinet by the Director of Community Services which outlines the actions being taken to deliver the personalisation agenda and to ensure that key targets are met

APPENDICES ATTACHED

21. [Appendix A](#) - Thriving Island Summary Report  
[Appendix B](#) – Healthy & Supportive Island Summary Report  
[Appendix C](#) – Safe & Well-kept Island Summary Report  
[Appendix D](#) – Inspiring Island Summary Report  
[Appendix E](#) – Delivering Better Services Summary Report  
[Appendix F](#) – Strategic Risks Register by Priority

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