

Deputy Chief Executive's Service – Quarter 3 2011/12

1. OVERVIEW

1.1 Summary rating for this service

Revenue budget actual variance £000 ^[1]	Capital actual variance £000	Corporate Plan Performance rating	HR rating	Key project rating
0	0	-2	-0.5	2

1.2 Top achievements, issues and actions

Top 3 Achievements	Top three issues	Actions required
1. The approval of budget headlines in November setting out the Council's financial plan over the period 2012-15 for consultation. This was published 6 weeks earlier than last year, and earlier than most other Council's, putting us in a strong position in terms of service planning and implementation	1. Maintaining business continuity and supporting the Council's transformation programme.	1. Prioritisation and monitoring of key deadlines and milestones.
2. Dedicated effort by all staff involved in the evaluation process of the New Service Organisation bids.	2. Managing the change agenda.	2. Team meetings and staff briefings in place to provide opportunities for staff to ask questions and raise concerns
3. Cleared significant amount of the backlog of transactions within the Revenues and Benefits Team.	3. Require improvement to the customer experience within the Revenue and Benefits service.	3. Transformation of the revenue and benefits service in line with the Customer Services transformation workstream.

1.3 Summary of the Service

The Deputy Chief Executive's Service continues to support the organisation with its transformation programme, One Barnet, in addition to participating as services included within the dialogue process for the outsourcing of back office functions and customer services. The focus of the senior management team has been to continue to monitor priorities and direct resources accordingly.

Positively, the service has continued to prepare the Council's financial plan for the next three years ahead of previous years, and indeed earlier than most other Council's, enabling the Council enough time to consult with its key stakeholders and undergo robust challenge and scrutiny by Members.

The number of risks within the service has increased due to the current financial climate – particularly in response to the suggested further austerity measures likely in future years and the continued treasury risks linked to the Eurozone. These risks are being continually monitored for impact and probability, alongside the Treasury Management Strategy.

2. DELIVERING EFFECTIVE SERVICES

2.1 Corporate Plan indicators (CPIs)

CPI NO	Indicator description	Period Covered	Numerator and Denominator	Previous relevant outturn	Target	Outturn	Target Variance	DoT Variance	Benchmarking
2001	% of services that are in the high performance/low spend quadrant of the Capital Ambition analysis	Jul 11-Sep 11	7/11	66.7%	80.0%	63.6%	20.5%	▼ 4.5%	Ranked 3rd overall in London behind Kingston Upon Thames (71%) and Wandsworth (64%)
2002	CIPFA Corporate Services Value for Money Indicator	Reporting in quarter 4. Previous outturn was 50%. Target is 75%							
2003	Reduce the average number of absence days per employee per year to 6	Jan 11-Dec 11	21149.3/2747.1	8.09	6	7.7	28.3%	▲ 4.8%	Bexley = 6.5 days Croydon = 7.6 days Ealing = 6.2 days Enfield = 8.4 days (All Quarter 2 2011/12) LAPS benchmarking

*The relevant previous outturn used will either be the previous quarter, or the same quarter of the previous year. The same quarter of the previous year will be used for annual indicators, cumulative indicators (where the numbers add up during the year and are reported as 'year to date') and if the indicator is affected by seasonal fluctuations.

CPI No. 2001: Performance has reduced slightly since the last quarter. There are 10 services reported this quarter compared to 9 in the previous quarter. The main changes are as follows: Social Care Adults has remained in the high performance part of the quadrant but bordering high/low spend; Benefits has moved from low performance to the high performance area of the quadrant but remains as high spend; Community Safety has moved from low performance/low spend to high performance/low spend. Waste and Cleansing which was not reported last quarter is in the lower performance/low spend part of the quadrant. Barnet's position is still remarkably favourable when compared to boroughs who have reported the same number of services such as Enfield (18%), Haringey (18%), Havering (27%), Richmond (55%) and Sutton (45%).

CPI No. 2003: This is a Council-wide indicator. The Direction of Travel for this indicator is positive with a 4.8% improvement since last quarter.

2.2. Corporate Plan Improvement Initiatives (CPIIs)

There are no CPIIs for Deputy Chief Executive in 2011/12

3. RESOURCES AND VALUE FOR MONEY

3.1 Revenue

Description	Original Budget	Budget V1	Forecast 2011/12	Variation	Comments	% Variation of Revised Budget
	£000	£000	£000	£000		
Finance	3,917	4,066	4,066	-		0.0%
Human Resources	2,091	2,091	2,091	-		0.0%
Revenues and Benefits	7,287	7,310	7,310	-		0.0%
Total	13,295	13,467	13,467	-	Managing expenditure within budget	0.0%

3.2 Capital

	2011/12 Latest Approved Budget	Additions/ Deletions recommended to February CRC	Slippage / Accelerated Spend recommended to February CRC	2011/12 Budget (including February CRC)	Forecast to year-end	Variance from Approved Budget	% slippage of 2011/12 Approved Budget
	£000	£000	£000	£000	£000	£000	%
Deputy Chief Executive Services	547	-	-	547	547	-	0%
Deputy Chief Executive Services	547	-	-	547	547	-	0%

4. MANAGING THE ORGANISATION

4.1 Key projects

There are no key projects reporting status red for quarter 3.

4.2. Human Resources

Performance Indicator	Period covered	Target	Amber criteria	Q3 Actual (No.)	Q3 Actual % of total	Q3 (numerator/denominator)	Target Variance	Q3 DoT	Council average	Benchmarking
Attendance										
Average number of absence days per employee (Rolling year)	Jan 10 - Dec 11	6	6 - 6.5	5.9	N/A	1883.9/320.47	2.0%	▲ 13.5%	7.7	10.1 days (CIPFA, All Members & other Unitary Authorities 2011)
Average number of absence days per employee this quarter (target is seasonally adjusted)	Oct 11 - Dec 11	1.71	1.72 -2%	1.6	N/A	531.7/324.99	5.8%	▼ 15%	2.0	2.25 days (CIPFA, All Members & other Unitary Authorities 2011)
% managers submitting a monthly absence return	Oct 11 - Dec 11	100%	>90%	56	78.9%	56/71	21.1%	▲ 35.6%	74.1%	N/A : measure applicable to LBB only
Performance Review										
% objectives set for eligible staff only	Oct 11 - Dec 11	100%	>90%	Next reported in Quarter 1 2012/2013						N/A
% mid year performance reviews undertaken for eligible staff only	Oct 11 - Dec 11	100%	>90%	295	95.8%	295/308	4.2%	not previously reported	90.8%	N/A : measure applicable to LBB only
Cost										
Variance of total paybill to budget	Oct 11 - Dec 11	£3,604,503	+/-5%	£3,342,497	7.3%	3342497/3604503	7.3%	▼ 23.7%	5.1%	N/A : measure applicable to LBB only

Management Indicator	Period covered	Q3 Actual (No.)	Q3 Actual % of total	Q3 (numerator/denominator)	DoT Q3 %	Council average	Benchmarking
Diversity data							
Percentage of top 5% earners that are female	As at 31 December 2011	11	57.9%	11/19	0%	50.6%	Women in leadership posts 49.9% (CIPFA, All Members & other Unitary Authorities 2011)
Number of BME employees as % of total employees	As at 31 December 2011	118	35.4%	118/333	▲ 2.7%	0.327	Black and Minority Ethnic local population 33.1% (State of the Borough June 2011)
Number of declared disabled staff as % of total employees	As at 31 December 2011	6	1.7%	6/352	0%	2.7%	2.33% (CIPFA, All Members & other Unitary Authorities 2011)
Employee Relations							
High Risk - Employee Relations cases as % of total cases	As at 31 December 2011	0	0.0%	0/7	0%	8.9%	N/A : measure applicable to LBB only

ESTABLISHMENT			
Permanent	Fixed Term	Vacant	TOTAL
274.75	45.48	44.58	364.81

OCCUPANCY			
Permanent	Fixed Term	Agency / Interim	TOTAL
274.76	50.47	48	373.23

Variance
8.42

OTHER	
Consultants	Casual
3	8

Attendance continues to be good with lower levels of sickness noted within the Service compared to Council average, however the number of managers confirming nil absences continues to be below acceptable levels. Whilst the performance for the quarter for submitting nil absences has improved by 36% there has been significant attention to this matter and the target has been missed by a significant percentage, one cause being the annual leave period where a nil absence may not have been posted. Continual reiteration of management responsibilities is required.

The percentage of staff with a mid-year performance appraisal completed is higher than the Council average, however the 100% target has not been met. Managers are clearing outstanding reviews.

Diversity and employee relations data remains in acceptable ranges.

4.3. Risk Overview

The following is the 5 X 5 matrix 'heat map' highlighting the number of risks at a Directorate Level and where they are currently rated:

SCORE		IMPACT				
		1	2	3	4	5
		Negligible	Minor	Moderate	Major	Catastrophic
PROBABILITY	5 Almost Certain	0	0	0	0	0
	4 Likely	0	0	1	3	0
	3 Possible	0	0	2	3	0
	2 Unlikely	0	0	0	0	0
	1 Rare	0	0	0	0	0

Risk Commentary for Deputy Chief Executive's Service:
 The risk profile of the Service has changed from quarter 2, with an increase in risks rated 12 and above.

- There were two long term risks last quarter relating to the Civica conversion and the Iceland deposits. Iceland deposits has been downgraded due to recent court judgements on test cases and is no longer appears on this register for items 12 and above. The Civica conversion we are tolerating as review of transactions takes place;
- Those risks that are being treated have not moved significantly from the previous period mostly due to the new processes in relation to report clearance having time to embed, and also demands continuing at escalated levels from services.
- The new risk from Human Resources is expected to be mitigated to a tolerable level following implementation of actions.
- All risks are monitored monthly by the Senior Management team and are communicated to the Lead Member.

The following risk register lists those risks rated as 12 and above:

Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
RS0012 – Financial Increasing demands from service directorates	Major 4	Likely 4	High 16	Review at team meetings Resources are deployed to address the work demands where possible Resources are deployed to address the work demands where possible <i>Under Review (40% complete)</i>	Treat	On-going	Negligible 1	Unlikely 2	Low 2

Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
RS0015 - Financial Report Clearance time not being adhered to. Finance being requested to clear complex reports on the same day as receiving them, there is a risk that something is missed that impacts on the Financial implications both in the current financial year and for future years.	Major 4	Likely 4	High 16	Forward plan on Committee papers produced by Corporate Governance. <i>Complete</i> Governance surgeries have been put in place during January to educate report writers on required information for management of risks. <i>In Progress (40% complete)</i>	Treat	On-going	Moderate 3	Rare 1	Low 3
RS0018 - Financial There is an enhanced risk around treasury in respect of creditworthiness of banks across the globe as a result of the current Eurozone crisis. The potential break up of the Euro and associated defaults could leave banks around the world exposed to bad debts. The Council therefore needs to review its treasury strategy continuously to ensure that the most prudent course of action is taken in respect of Council funding..	Major 4	Likely 4	High 16	Continual monitoring of deposits <i>In Progress (10% complete)</i>	Treat	On-going	Major 4	Possible 3	Medium High 12
RS0016 - Compliance Health and Safety: Risk of insufficient statutory tests and inspections carried out or remedial actions instigated in council owned or run properties	Major 4	Possible 3	Medium High 12	Action Plan in place to mitigate any risks of non-compliance. Joint working with Assistant Director of Estates. <i>In Progress (20% complete)</i>	Treat	30/03/2012 (High)	Major 4	Rare 1	Medium Low 4
RS0008 – Financial Transformation schemes - Risk is a lack of senior management capacity to deal with effectively with the complexities of the One Barnet programme.	Major 4	Possible 3	Medium High 12	Specialist support is being procured to fill gaps in capacity - recruitment process. <i>Complete (100% complete)</i> Review of priorities <i>In progress (ongoing)</i>	Treat	Complete On-going	Moderate 3	Unlikely 2	Medium Low 6

Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
RS0013 – Financial New revenues and benefits systems went live February 2011 however with process inefficiencies, data conversion issues and batch processes running slowly. When the Council needs to submit its grant subsidy claim for March 2012 the risk will be that the LA error will not be in the tolerable ranges which would result in the threshold being lost circa £1.2m. As at the end of June 2011 the threshold is currently at £500k. LA error is intervening period between receipt and assessment of the claim - with a backlog situation this will always be the case. The outcome will be known by end of March 2012.	Major 4	Possible 3	Medium High 12	Risk escalated to Corporate Risk Register - mitigation actions being managed at corporate level <i>Implemented (100% complete)</i> Workloads and issues lists being monitored at an operational level <i>In Progress (100% complete)</i>	Tolerate	On-going	Moderate 3	Possible 3	Medium High 9
RS0019 - Financial There is a risk that the state of the UK economy and the Eurozone crisis will lead to additional cuts in government support to Local Government.	Moderate 3	Likely 4	Medium High 12	Review any Government announcements Government will release announcements as and when there are updates. Budget 2012/13 has made some provision the risk around further cuts. In Progress (5% complete)	Tolerate	On-going	Minor 2	Likely 4	Medium High 8