

Deputy Chief Executive's Service – performance overview

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
19	(56)	0	-5.5	-1.5

1.2 Top achievements, issues and actions

Top 3 achievements	Top 3 issues	Top 3 actions needed
Faster closure of accounts, draft ISA260 report issued from the auditors. The closure was some four weeks earlier than previous years. Minimal accounting adjustments noted.	There are a number of vacancies affecting the finance service which are having an impact on staff morale.	The Finance Directorate had an away day to bring the teams together to discuss key challenges and issues, building on that we will analyse the feedback, this includes action to embed corporate governance objectives during 2011-12.
Management information on workforce matters launched to managers via SAP self service.	Workforce matters on managing sick absence and performance management are adverse to targets set.	SMT to agree an action plan to reduce sickness absence so corporate target is met
Civica rectified a number of issues and is now performing well in terms of functionality, this also included improvements to the hosting platform from 14 June 2011.	Action short of strike within the Revenue and Benefits service, started on the 18 th of June. Having impact on service delivery.	The Revenues and Benefits Service continues to run User Acceptance Testing to identify issues with Civica system.

1.3 Key correlations & interdependencies

Our focus within the Senior Management Team is ensuring current performance continues to improve and also to devote time to strategic issues, such as our support to the One Barnet programme and overseeing the implications of future budget pressures. These programmes have become resource intensive. The joint working between HR and Finance has enabled these programmes to be progressed and supported well.

The joint work between all of DCE and the rest of the organisation has enabled the quickest closedown and ISA260 in the history of Barnet.

All services continue to be at capacity, in particular within Revenue and Benefits section who have recruited agency staff and devoted existing staff to reduce the backlog as soon as possible. This is having some impact on the customers which customer services is resolving with the assistance of the Revenue and Benefits Service.

The Directorate continues to manage its finances and capital well. The performance around sickness absences around staff requires action by individual managers, also there has been a concerted effort in completing appraisals for 2010-11 and setting objectives of the 2011-12 however this is still not at a satisfactory level.

2. Budget

2.1 Revenue

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast 2011/12	Variation		
	£000	£000	£000	£000		
Finance	3,917	4,066	4,066	(0)	Reserves have been used to finance the fixed term posts.	0.0%
Human Resources	2,091	2,091	2,110	19	Small staffing overspend partially offset by increased income through Traded Services	0.9%
Revenues and Benefits	7,287	7,278	7,278	-		0.0%
Total	13,295	13,435	13,454	19		0.1%



2.2 Capital

	2011/12 Latest Approved Budget	Additions/ Deletions recommended to March CRC	Slippage / Accelerated Spend recommended to March CRC	2011/12 Budget (including March 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	608	(56)	-	552	552	(56)	0%
Deputy Chief Executive Services	608	(56)	-	552	552	(56)	0%

3. Key projects

Programme* / Project name	Total allocated Budget	Capital funded?	Projected end date	Stage project is in	Spend to date	Planned stage progression next period	Current status	Direction of travel in Quarter 4	Forecast Quarter 2 Status	Comments / Risks / Finance
Pericles	£911,000	Yes	30.9.11	Delivery	£911,000	Implementation	Red	-	Amber	Go live delayed a number of times due to concerns over data conversion and off site hosting issues. A web host is yet to be advised in order to progress this any further. On-going monitoring taking place and some success achieved in functionality.

4. Performance

CPI NO	Indicator description	Period Covered	Numerator and Denominator	Previous outturn	Target	Outturn	Target Variance	Traffic Light	DoT Variance	Benchmarking
2001	% of services that are in the high performance/low spend quadrant of the Capital Ambition analysis	Apr 11-Jun 11	10/12	58.3%	80.0%	83.3%	4.2%	Green	 42.9%	37.5% London average (using comparable authorities of Croydon, Greenwich, Kensington and Chelsea and Kingston Upon Thames)
2002	CIPFA Corporate Services Value for Money Indicator	Reporting in quarter 4. Previous outturn is 50.0%. Target is 75.0%								
2003	Reduce the average number of absence days per employee per year to 6	Apr 01-Jun 11	23536.33/2936.51	7.8	6	8.0	33.6%	Red	 2.8%	9 days (CIPFA, All Members & other Unitary Authorities 2010)

Summary of performance indicators in red

Absence days - the key points

- Where there are increases in sickness absence there is active case management which should effect a reduction over the next quarter. In some cases, notably DCE, the increase in sickness absence is mainly attributable to Revs and Bens, where there are significant staff issues resulting from the proposed future changes to service delivery.
- The New BI reporting functionality has made it much easier to analyse the data and drill down to the individual level. This will make tailoring solutions and interventions easier and should further reduce absence going forward.
- BI emphasises the importance of monthly reporting by managers – without this the potential power of the data will be considerably compromised. This needs to be further emphasised across all directorates and consequences in place for lack of action.

5. Human Resources

Performance Indicator	Period covered	Target	Amber criteria	Q1 Actual (No.)	Q1 Actual % of total	Q1 (numerator/ denominator)	Target Variance	Q4 DoT	Council average	Benchmarking
Attendance										
Average number of absence days per employee (Rolling year)	July 10 - June 11	6	6 - 6.5	7.4	N/A	2507.7/339.06	-23.3%	▼ 12.1%	8.0	9 days (CIPFA, All Members & other Unitary Authorities 2010)
Average number of absence days per employee this quarter (target is seasonally adjusted)	April 11 - June 11	1.34	1.3 - 1.5	1.6	N/A	213.0/352.6	-17.0%	▼ 20.8%	1.7	2.25 days (CIPFA, All Members & other Unitary Authorities 2010)
% managers submitting a monthly absence return	April 11 - June 11	100%	>94%	67	94.4%	67/71	5.6%	▲ 46.8%	72.7%	N/A : measure applicable to LBB only
Performance Review										
% objectives set for eligible staff only	April 11 - June 11	100%	>94%	283	85.8%	283/330	14.2%	Not previously reported	80.8%	N/A : measure applicable to LBB only
% appraisals completed for eligible staff only	Apr 10 - March 11	100%	>94%	251	77.0%	251/326	23%	Not previously reported	63.6%	84% (CIPFA, All Members & other Unitary Authorities 2010)
Cost										
Variance of total paybill to budget	April 11 - June 11	£3,696,415.0	+/-5%	3,408,507.4	-7.8%	3408507.4/ 3696415	-7.8%	not previously reported	-1.9%	N/A : measure applicable to LBB only
Management Indicator	Period covered			Q1 Actual (No.)	Q1 Actual % of total establishment	Q1 (numerator/ denominator)	DoT Q4 outturn %		Council average	Benchmarking
Diversity data										
Percentage of top 5% earners that are female	As at 30 June 2011			7	58.33%	7/12	Not previously reported		53.19%	Women in leadership posts 37% (CIPFA, All Members & other Unitary Authorities 2010)

Number of BME employees as % of total employees	As at 30 June 2011	116	35.8%	116/323.9	Not previously reported	29.73%	8.5% (CIPFA, All Members & other Unitary Authorities 2010)
Number of declared disabled staff as % of total employees	As at 30 June 2011	4	1.2%	4/323.9	Not previously reported	1.35%	5.1% (CIPFA, All Members & other Unitary Authorities 2010)
Establishment/staffing							
Number of FTE established posts	As at 30 June 2011	365.5	11.5%	365.5/3178.7	▲ 4.8%	N/A	No relevant information available
Number of FTE occupied posts as % of total establishment	As at 30 June 2011	397.4	108.7%	397.4/365.5	Not previously reported	100.4%	No relevant information available
Number of FTE employees in permanent posts	As at 30 June 2011	295.1	80.8%	295.1/365.5	▼ 4.1%	80.2%	88.3%(Capital Ambition, 2010)
Number of Fixed Term Contract staff as % of total establishment	As at 30 June 2011	28.8	7.9%	28.8/365.5	▲ 63.9%	8.4%	No relevant information available
Number of Hays temps covering established posts as % of total establishment	As at 30 June 2011	71	19.4%	71/365.5	▲ 68.9%	11.4%	All agency staff 11.7%(Capital Ambition, 2010)
Number of non Hays temps covering established posts as % of total establishment	As at 30 June 2011	3	0.8%	3/365.5	Not previously reported	0.3%	All agency staff 11.7%(Capital Ambition, 2010)
Number of consultants Not covering established posts as % of total establishment	As at 30 June 2011	3	0.8%	3/365.5	Not previously reported	0.5%	No relevant information available
Employee Relations							
Number of active employee relations cases	As at 30 June 2011	5	N/A	N/A	▼ 28.6%	N/A	N/A : measure applicable to LBB only
High Risk - Employee Relations cases as % of total cases	As at 30 June 2011	0	0.0%	0/5	— <0.01%	12.6%	N/A : measure applicable to LBB only

There is a large increase in sickness in this directorate, having increased from 6.6% last quarter to 7.4% this quarter, moving away from the target by 23.3%. 28% of this sickness is long term, and 72% is short term. 52% of the total sickness in the directorate is attributable to Revs and Bens. This is despite Revs and Bens staff only comprising 26% of the staff in the directorate. The current difficult employee relations climate within revs and bens can partly account for this, as the resultant lack of morale correlates with an increase in absence. Due to the red flagging across the piece and the large increases in sickness absence the Business Partners are undertaking further analysis of the directorate's sickness.

The percentage of managers submitting a monthly return is 91.6%, This is significantly higher than the council average of 69.5% and an increase of 42.4% on last quarter.

66% of appraisals were completed for the last financial year and 72.4% of managers have logged targets for their staff as part of the performance review process for this financial year. The Service has raised some concerns regarding the accuracy of this latter figure and HR are currently looking at this.

Diversity data

58.3% of the directorate's top 5% of earners are female, reflecting the high number of women in some of its services, for example, HR and Finance. The average for the council is 53.19%. 35.81% of employees are from Black and Minority Ethnic backgrounds, compared to 33.7% council-wide. 1.2% of staff are disabled. As these are new indicators, we will need to monitor on an ongoing basis and undertake further analysis to look for trends across the services within DCE and to identify any succession planning where appropriate.

Establishment and staffing

In line with the requirement to maintain a flexible workforce that can be responsive to change, the flexible portion of the workforce is increasing. 80.8% of established posts are occupied by employees on permanent contracts and 7.9% on fixed term, representing an increase. Temporary agency workers likewise increased by 7.9% much of this is due to the number of temps working in Revs and Bens to address a back log issue.

There are five ER cases open this quarter, all are being actively managed and none have been flagged as high risk to the council.

Also, staff vacancies are continuing, in order to continue with the service provision DCE are using a flexible work force to meet service demand

6. Risk Overview and Top three risks

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

Those risks rated as over 16 are considered short term risks as the finance Directorate works through a number of vacancies and the rotation of staff is completed. This is also in relation to sourcing additional support for the One Barnet and Regeneration schemes.

The Long terms risks are for Iceland and Revenues and Benefits system. Iceland is dependent on legal outcome and therefore will be tolerated until decisions are final. The Civica replacement and backlog risk is being continually monitored until resolved, as such we would expect this to be mitigated slowly by the results of the monitoring. This is also included on the corporate risk register for discussion by the Corporate Directors Group.

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
RS0011 - Staffing & Culture New teams and continuity of knowledge to deliver tasks and objectives.	Major 4	Likely 4	High 16	On the job training for the staff in all teams. Additional support being offered by managers <i>In Progress (25% complete)</i>	Treat	On-going (High)	Minor 2	Unlikely 2	Medium Low 4

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 3	Almost certain 5	High 15	Review at team meetings and discussed in staff 1:1's. Weekly updates are reviewed by managers to assess and prioritise staff resources <i>Under review 25% complete)</i>	Treat	On-going	Negligible 1	Unlikely 2	Low 2
RS0010 – Financial Iceland – risk of not getting funding back from deposits due to lack of priority status.	Major 4	Possible 3	Medium High 12	External lawyers are coordinating the councils case. <i>In Progress (25% complete)</i>	Tolerate	30/09/2011 (High)	Major 4	Possible 3	Medium High 12
RS0013 – Financial New revenues and benefits systems went live February however with process inefficiencies, data conversion issues and batch processes running slowly. In addition, due to the downtime from December to February, the main billing exercise took two weeks to process compared to 3/4 days initially specified. Significant backlog of workload is required to be processed. 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.	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 (10% complete)</i>	Treat	On-going 30/09/2011	Moderate 3	Possible 3	Medium High 9

Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
RS0008 – Financial One Barnet & Major Regeneration Schemes - Risk is a lack of resources to deal with effectively, with One Barnet and complexities of regeneration schemes, e.g. Mill Hill, Brent Cross and others.	Major 4	Possible 3	Medium High 12	Specialist support is being procured to fill gaps in capacity - recruitment process. <i>In Progress (30% complete)</i>	Treat	29/07/2011 (high)	Moderate 3	Unlikely 2	Medium Low 6

7. Corporate Plan improvement initiatives

There are no Deputy Chief Executive's Service CPIIs in 2011/12