

# Deputy Chief Executive's Service – performance overview

## 1. Overview

### 1.1 Summary rating for this service

Revenue budget actual variance £000 <sup>[1]</sup>	Capital actual variance £000	Corporate Plan performance rating	HR rating	Key project rating
(10)	(5)	-2	-3	1.5

### 1.2 Top achievements, issues and actions

Top 3 achievements	Top 3 issues	Top 3 actions needed
Statement of Accounts main accounts and Pension Fund Unqualified Audit Opinion	Report clearance and increasing demand from services for financial services support and the increasing complexity of projects being supported across the finance directorate.	A work plan is in the process of being scoped taking into account changing priorities.
Conclusion of the enhanced 'offer' to employees at point of transfer to another organisation.	On going industrial action.	Preparation for the proposed National Strike on changes Public Sector Pensions.
Benefits work outstanding reduced significantly over the quarter, despite the usual summer annual leave. In addition, debt recovery activity continues to be progressing after the system conversion of Civica.	The Benefits system conversion issues with Civica has meant that there have been some delays in processing claims, this has affected the 'local authority error' within the Benefits claim submission to DWP. At the end of quarter 2 the Council was at the upper threshold for the benefits overpayments caused by local authority error, if this is still the case by March 2012, subsidy loss of circa £1.2m will be incurred.	An exercise is starting in early October to examine LA error cases and take appropriate action.

### 1.3 Key correlations & interdependencies

The Deputy Chief Executive's (DCE) service was successful in closing down the main group and pension fund accounts processes early enabling the external auditors to carry out their timetable of work before the end of July for the financial statements opinion. The Council received an unqualified audit opinion for the financial statements and value for money aspects, submitted and approved by the Audit Committee.

Currently back office services are continuing to experience higher demands from the services in period of transformation and change, in particular Human Resources and Financial Services. The increase in demand has been further exacerbated by late requests, poor quality information, and absent financial information from services. In addition, the senior management team is overseeing the One Barnet programme and other transformation activity.

DCE report two corporate indicators – value for money and sickness absence. Over the course of the quarter the value for money position and sickness absence position has declined. Both indicators are stretch targets established locally, when compared to benchmarked authorities it is clear that our performance is comparable and/or better than those within the benchmarked group. There is an expectation that both indicators would fluctuate over a period of change and transformation.

## 2. Budget

### 2.1 Revenue

#### Deputy Chief Executive

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	-	Managing expenditure within budget	0.0%
Human Resources	2,091	2,091	2,081	(10)	This is due to additional income from Health and Safety and CRB traded service	-0.5%
Revenues and Benefits	7,287	7,310	7,310	-		0.0%
<b>Total</b>	<b>13,295</b>	<b>13,467</b>	<b>13,457</b>	<b>(10)</b>		<b>-0.1%</b>

## 2.2 Capital

	2011/12 Latest Approved Budget	Additions/ Deletions recommended to November CRC	Slippage / Accelerated Spend recommended to November CRC	2011/12 Budget (including November CRC)	Variance from Approved Budget	% slippage of 2011/12 Approved Budget
	£000	£000	£000	£000	£000	%
Deputy Chief Executive Services	552	(5)	-	547	(5)	0%
<b>Deputy Chief Executive Services</b>	<b>552</b>	<b>(5)</b>	<b>-</b>	<b>547</b>	<b>(5)</b>	<b>0%</b>

## 3. Key projects

There are no projects reporting as red for Deputy Chief Executive's Service

#### 4. Performance

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	Apr 11-Jun 11	4/10	83.3%	80.0%	67%	19.4%	▼ 19.3%	Barking and Dagenham = 10% Lewisham = 20% Waltham Forest = 10% (All Quarter 1 2011/12)
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	Oct 10-Sep 11	23354/2888	8.0	6	8.1	35%	▼ 0.1%	Bexley = 6.4 days Croydon = 8.2 days Ealing = 7 days Enfield = 8.3 days (All Quarter 1 2011/12)

\*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 2001 - The Direction of travel has been affected by the number of services (Community Safety, Waste & Cleansing Services & Corporate Health/Central Services) moving from the high performance/low spend part of the quadrant to low performance/low spend. Social Care - Adults has moved into the high performance/high spend area of the quadrant. Benefits, which was previously in high performance/high spend, is now shown as low performance/high spend. In addition, more indicators were published in the last quarter of 2010/11 than in the first quarter of 2011/12 and this may have contributed to the adverse performance.

CPI 2003 - Average number of absence days lost due to sickness per employee for the last 12 month period is 8 days. This is an increase of 0.2 days for the rolling period of July 2010 – June 2011.

The average number of days lost due to sickness per employee for Qtr 1 is 1.7 days against the target for the Qtr of 1.34. The benchmark information provided by CIPFA shows the average days as 9 days, and although the Council is performing well against

this external measure the focus is to achieve the target for 2011-12 of 6 days. Senior Management teams regularly review absence and have action plans in place.

## 5. Human Resources

Performance Indicator	Period covered	Target	Amber criteria	Q2 Actual (No.)	Q2 Actual % of total	Q2 (numerator/ denominator)	Target Variance	Q1 DoT	Council average	Benchmarking
Attendance										
Average number of absence days per employee (Rolling year)	Oct 10 - Sept 11	6	6 - 6.5	6.8	N/A	2255/330	-13.7%	<div><div></div><div>7.8%</div></div>	8.1	9 days (CIPFA, All Members & other Unitary Authorities 2010)
Average number of absence days per employee this quarter (target is seasonally adjusted)	July 11 - Sept 11	1.44	>1.44-1.55	1.4	N/A	450/326	4.2%	<div><div></div><div>12.1%</div></div>	1.8	2.25 days (CIPFA, All Members & other Unitary Authorities 2010)
% managers submitting a monthly absence return	July 11 - Sept 11	100%	>90%	39	58.2%	39/67	41.8%	<div><div></div><div>38.3</div></div>	55.9%	N/A : measure applicable to LBB only
Performance Review										
% objectives set for eligible staff only	July 11 - Sept 11	100%	>90%	281	89.2%	281/315	10.8%	<div><div></div><div>4.0%</div></div>	84.1%	N/A : measure applicable to LBB only
% mid year performance reviews undertaken for eligible staff only (to be reported in Q3)	July 11 - Sept 11	100%	>90%	Available for Quarter 3 2011/2012						84% (CIPFA, All Members & other Unitary Authorities 2010)
Cost										
Variance of total paybill to budget	July 11 - Sept 11	£3,592,003	+/-5%	£3,381,710	-5.9%	3381710/3592003	-5.9%	<div><div></div><div>24.8%</div></div>	-4.7%	N/A : measure applicable to LBB only

Management Indicator	Period covered	Q2 Actual (No.)	Q2 Actual % of total	Q2 (numerator/denominator)	DoT Q1 outturn %	Council average	Benchmarking
<b>Diversity data</b>							
<b>Percentage of top 5% earners that are female</b>	As at 30 September 2011	11	57.9%	11/19	▲ 0.76%	50.9%	Women in leadership posts 37% (CIPFA, All Members & other Unitary Authorities 2010)
<b>Number of BME employees as % of total employees</b>	As at 30 September 2011	113	34.5%	113/328	▼ 3.82%	32.8%	Black and Minority Ethnic local population 33.1% (State of the Borough June 2011)
<b>Number of declared disabled staff as % of total employees</b>	As at 30 September 2011	4	1.1%	4/354	▼ 9.3%	1.7%	5.1% (CIPFA, All Members & other Unitary Authorities 2010)
<b>Employee Relations</b>							
<b>High Risk - Employee Relations cases as % of total cases</b>	As at 30 September 2011	0	0.0%	0/9	— < 0.01%	12.5%	N/A : measure applicable to LBB only

Deputy Chief Executive Service	ESTABLISHMENT				OCCUPANCY					OTHER	
	Permanent	Fixed Term	Vacant	TOTAL	Permanent	Fixed Term	Agency / Interim	TOTAL	Variance	Consultants	Casual
	270.54	36.53	39.49	346.56	284.34	39.39	76.00	399.72	53.16	4	6.00

Improvement is required across the function to ensure 'nil absence' reporting' is completed.

A full report to the Senior Managers in DCE will be presented in November and an action plan created to deliver the sick absence target

## 6. Risk Overview and risks rated as 12 or above

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:

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

Risk Commentary - The risk profile of Deputy Chief Executive's Service has not changed since the previous quarter. The reasons for this are that a number of risks are long term such as rising demands within financial services expected over the period of transformation. In addition, the Icelandic banks risk is dependent on legal decision outside of the control of the Council and hence why this risk will be tolerated. The action taken to mitigate risks are ongoing, we expect that the revenues and benefits system issues will be resolved by December. We do not consider that these risks require escalation to the corporate risk register. Risks are considered on a monthly basis by the senior management team where assurances are received regarding their progress.

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

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
<b>RS0012 – Financial</b> Increasing demands from service directorates and through workstreams such as One Barnet.	Major 4	Likely 4	High 16	Review at team meetings Resources are deployed to address the work	Treat	- (High)	Negligible 1	Unlikely 2	Low 2
<b>RS0010 – Financial</b> 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 (50% complete)</i>	Tolerate	30/12/2011 (High)	Major 4	Possible 3	Medium High 12

Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
<b>RS0013 – Financial</b> 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. 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>	Treat	-	Moderate 3	Possible 3	Medium High 9
				Workloads and issues lists being monitored at an operational level <i>In Progress (50% complete)</i>		30/11/2011 (normal)			
				Data cleanse LA errors that have been recorded <i>In Progress (10% complete)</i>		31/12/2011			
<b>RS0008 – Financial</b> 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> Monitor workloads and priorities of the team <i>In progress</i>	Treat	29/07/2011 (high)  On-going	Moderate 3	Unlikely 2	Medium Low 6
<b>RS0015 - Financial</b> 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	Major 4	Likely 4	High 16	Process with democratic services not to publish unless confirmation received. Set up procedural note for the Report clearance Set up procedural note (DS, Legal & Finance) for the Report clearance process and training for report writers <i>In Progress (40% complete)</i>	Treat	31/12/2011	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
years									

## 7. Corporate Plan improvement initiatives

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