

# Deputy Chief Executive's Service – Quarter 3 2012-13

## 1.1 SERVICE DASHBOARD

Revenue budget actual variance £000 <sup>[1]</sup>	Capital actual variance £000	Corporate Plan Performance	Managing the Business	People Performance management	Key projects
(2)	0	-1.5	2	1	n/a

## 1.2 TOP ACHIEVEMENTS AND ACTIONS

Top 3 Achievements	Top three challenges	Actions required
Finalisation of NSCSO procurement process to preferred bidder stage.	Mobilisation of the NSCSO contract and creation/embedding of appropriate client side arrangements.	Successful delivery of the transition and mobilisation projects.
Setting draft 2013-16 budget proposals for consultation in November, ensuring continued focus on medium term financial planning.	Setting a robust capital programme and supporting infrastructure delivery plan.	Enhance arrangements to oversee and monitor capital programme formulation and delivery.
NSCSO support package provided to in scope managers and staff; this will now be rolled out to DRS.	Reward Project – this is a vital part of the People Strategy however because of the necessary NSCSO mobilisation activity there has been some slippage.	Re-order work so that timelines can be achieved.

## 1.3 SUMMARY OF THE SERVICES PERFORMANCE

Overall performance has improved since quarter 1, particularly in corporate plan performance, managing the business and key projects. There was a declining performance in people performance management in respect of sickness absence during the quarter, all managers are required to address on a one to one basis with staff reasons for absences.

Managing performance is key during the last quarter of the year to ensure business as usual continues and that all change/mobilisation/transition continues.

## 2. DELIVERING THE CORPORATE PLAN

### 2.1 How the service is performing against its Corporate Plan indicators (if it has any)

MTB NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
MTB 1	Percentage of savings achieved	Oct 12 – Dec 12	90.3%	100%	12015/13301	90.3%	9.7%	↔ 0%	
MTB 2	Percentage of the capital programme slipped	Oct 12 – Dec 12	12.2%	20%	89704/193741	46.3%	131.5%	▼ 279%	
MTB 3	Variation between revised budget and final forecast outturn	Oct 12 – Dec 12	0.9%	0%	786/223447	0.4%	n/a	▲ 56%	
MTB 4	Investments are in compliance with Treasury Management Strategy	Oct 12 – Dec 12	100.0%	100%	100/100	100.0%	0%	↔ 0%	Not yet available for Q3
MTB 5	Council debt recovery rates	Oct 12 – Dec 12	95.4%	95%	30201600/31179994	96.9%	2%	▲ 1.5	
MTB 7	Value for money (% of council services rated as high performance/low cost)	Oct 12 – Dec 12	54.5%	80%	6/11	54.5%	31.8%	▲ 0.1%	Ranked 2 <sup>nd</sup> overall in London
MTB 8	CIPFA value for money performance – support services	To be reported in quarter 4 2012/13							
MTB 11	Reducing sickness absences to 6 days per employee (rolling 12 months)	Jan 12 – Dec 12	7.7	6	18450/2403	7.7	28%	▼ 0.2%	
MTB 12	Completion of mid year performance reviews	Apr 12 – Mar 13	n/a	100%	2112/2215	95.3%	4.7%	n/a	Local indicator
MTB 13	Qualitative assessment of staff turnover (organisational)	Oct 12 – Dec 12	Green-Amber	n/a	n/a	Green-Amber	n/a	↔	Local indicator

\*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.

MTB – percentage of the capital programme slipped. There have been major slippages of the capital programme in quarter 3 for Environment, Planning and Regeneration, Children's Services and Commercial Services. There is urgent need to re-profile this slippage over when the spend is expected.

MTB 11 – Reducing sickness absence has remained broadly the same from the previous period at 7.7 days, which is significantly below the target of 6 days. Through a period of change this figure is not unexpected however management have not been complacent around the issue and the return to work policy has been enforced through-out the council. In addition, managers continue to be required to undertake the following action:

- Completes monthly SAP Absence returns (Nil absence)
- Return to work interview for every employee
- HR attend every investigation interview or 1st formal interview or take notes to support managers
- Managers and HR carry out trigger interviews with employees.

### 3. RESOURCES AND VALUE FOR MONEY

#### 3.1 Revenue

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Q3 Forecast 2012/13	Variation		
	£000	£000	£000	£000		
Corporate Programmes	115	60	63	3		5.0%
Finance	3,557	3,881	3,881	-		0.0%
Human Resources	1,948	2,249	2,244	(5)		-0.2%
<b>Total</b>	<b>5,620</b>	<b>6,190</b>	<b>6,188</b>	<b>(2)</b>		<b>0.0%</b>

## 4. MANAGING THE BUSINESS

### 4.1 How the service is managing its business

	Indicator description	Period Covered	Previous relevant outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance
Finance indicators	Percentage of savings achieved	Oct 12 – Dec 12	100%	100%	753/753	100%	0%	↔ 0%
	Percentage of the capital programme slipped	Oct 12 – Dec 12	n/a	20%	n/a	n/a	n/a	n/a
HR indicators	Reducing sickness absences to 6 days per employee (rolling 12 months)	Jan 12 – Dec 12	6.2	6	1050/167	6.3	4.8%	▼ 1.9%
	Qualitative assessment of Workforce stability	Oct 12 – Dec 12	Green Amber	n/a	n/a	Green Amber	n/a	↔
	Completion of mid year performance reviews	Apr 12 – Mar 13	n/a	100%	156/161	96.9%	3.1%	n/a
Complaints	Percentage of complaints responded to within policy guidelines (Policy)	Oct 12 – Dec 12	n/a	80%	0/0	n/a	n/a	n/a
FOI	Percentage of FOI requests responded to within 20 working days	Oct 12 – Dec 12	100%	90%	28/29	96.6%	7.3%	▼ 3.4%

Reducing sickness absence has worsened by 1.9% from 6.2 to 6.3 days. This is still within the amber range. The Service is not complacent about this outturn, however the management context is now very challenging with the imminent outsource and the consequent proposed relocation of Services. Managers continue to be required to undertake the following action:

- Completes monthly SAP Absence returns (Nil absence)
- Return to work interview for every employee
- HR attend every investigation interview or 1st formal interview or take notes to support managers

Managers and HR carry out trigger interviews with employees.

## 4.2 Managing the business: People Performance management

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 sickness absence days per employee (Rolling year)	Jan 12 - Dec 12	6	6 - 6.5	6.3	N/A	1050/167	-4.8%	▼ 1.9%	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 12 - Dec 12	1.71	1.72 - 1.84	1.4	N/A	247/176	17.5%	▼ 8.5%	2.2	2.25 days (CIPFA, All Members & other Unitary Authorities 2011)
% managers submitting a monthly absence return	Oct 12 - Dec 12	100%	>90%	47	100.0%	47/47	0.0%	— 0.0%	92.7%	N/A : measure applicable to LBB only
Performance Review										
% performance reviews completed and agreed for eligible staff only	Apr 12 - Mar 13	100%	>90%	Next reported in Quarter 1 2013/2014						
% mid year reviews completed for eligible staff only	Apr 12 - Mar 13	100%	>90%	156	96.9%	156/161	3.1%	Not Previously reported	95.3%	N/A : measure applicable to LBB only
Cost										
Variance of total paybill to budget	Oct 12 - Dec 12	£2,165,225	+/-5%	£1,912,159	-11.7%	1912159/ 2165225	-11.7%	▲ 23.6%	-11.3%	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 Dec 2012			6	54.6%	6/11	▼ 9.1%		49.6%	Women in leadership posts 49.9% (CIPFA, All Members & other Unitary Authorities 2011)

<b>Number of BME employees as % of total employees</b>	As at 31 Dec 2012	<b>64</b>	<b>35.2%</b>	64/182	▼ 2.1%	31.9%	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 31 Dec 2012	<b>4</b>	<b>2.1%</b>	4/187	▲ 25.9%	2.9%	2.33% (CIPFA, All Members & other Unitary Authorities 2011)

#### Employee Relations

<b>High Risk - Employee Relations cases as % of total cases</b>	As at 31 Dec 2012	<b>0</b>	<b>0.0%</b>	0/3	— 0.0%	7.7%	N/A : measure applicable to LBB only
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As at 31 Dec 2012	ESTABLISHED POSITIONS AS FTE		EMPLOYEES COVERING ESTABLISHED POSITIONS AS FTE			MSP RESOURCE AS HEADCOUNT	NON MSP RESOURCE AS Headcount			AVAILABLE CASUAL RESOURCE AS FTE
	Total Established Positions (FTE)	Occupied (FTE)	Permanent	Fixed Term, Temporary, Seasonal	TOTAL	TOTAL	Resource paid in the quarter	Consultants paid in the quarter	TOTAL	Total
Deputy Chief Executive Service	225.60	180.61	140.39	34.22	174.61	27	3	7	10	5.00

The People Performance Indicator outturns for Q3 are satisfactory in relation to the context of the NSCSO activity. The red DoT for Sickness will require managers to remain vigilant as the process to TUPE transfer services to Capita is progressed over Q4.

#### 4.3 Key projects

There are no red rated projects in this service in quarter 3.

#### 4.4. 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	0	4	0
	3 Possible	0	1	7	2	0
	2 Unlikely	0	1	8	1	0
	1 Rare	0	0	0	0	0

##### - Risk Profile

- The risk profile has remained unchanged during quarter 3. Senior managers are managing the impact of the change process and transition carefully to ensure business as usual continues and any impact is minimised leading in to quarter 4. This has been largely effective to date.
- Risks are reviewed monthly at a minimum through regular meetings and highlighted for escalation if deemed appropriate at the performance meeting.

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 in period of transition and change.	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	Ongoing	Negligible 1	Unlikely 2	Low 2

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
<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 years.	Major 4	Likely 4	High 16	Considerations to the outcome actions have been considered some of them are: set up procedural note (DS, Legal & Finance) for the Report clearance process and training for report writers <i>In Progress (50% complete)</i>	Treat	Ongoing	Moderate 3	Rare 1	Low 3
<b>RS0018 - Financial</b> 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	We are in regular dialogue with Arlingclose, the Council's investment advisors, around how to deposit money safely. The lending list is already restricted to the UK, Australia and Canada, and lending limited to 14 days unless agreed in advance with the S151/DS151.	Treat	Ongoing	Minor 2	Likely 4	Medium High 8
<b>RS0016 - Compliance</b> 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 Report submitted to Statutory Officers Group, with recommendations agreed. Action plan formulated	Treat	31/12/2012 (High)	Major 4	Rare 1	Medium Low 4
<b>RS0019 - Financial</b> 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.	Major 4	Likely 4	High 16	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. <i>In Progress (5% complete)</i>	Treat	10/02/2013 (Normal)	Minor 2	Likely 4	Medium High 8



Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
				Government reductions to funding Various changes are being implemented from 13/14 - Localisation of Business Rates and CTB localisation. Both of these initiatives will affect the funding formula Barnet receive. LG Futures and London Councils are assisting us with our modelling. <i>In Progress</i> (15% complete)		12/10/2012 (Normal)			
<b>RS0021 - ICC</b> Financial management – the risk of inappropriate control of finances leading to overspends and erosion of the Council's minimum reserve position.	Major 4	Possible 3	Medium High 12	Budget monitoring and management in place monthly SAP reports 1:1 finance support Monthly review of reserve position Finance and business planning meetings	Tolerate	Ongoing	Major 4	Possible 3	Medium High 12