

# Deputy Chief Executive's Service – Quarter 2 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
(3)	0	-2	2.5	-1	4.5

## 1.2 TOP ACHIEVEMENTS AND ACTIONS

Top 3 Achievements	Top three challenges	Actions required
Statement of Accounts for Council and Pension Fund signed off as unqualified, with a faster close down process observed.	On-going period of change and required transition to the new organisational structure.	Key staff to be included and involved within the transition plan.
Considerable staff input and support for One Barnet projects, key achievements include go-live of legal services and the close of NSCSO dialogue process to enable final bids.	Managing staff vacancies across finance in order to keep delivering against objectives, priorities, rising demands and maintaining customer satisfaction.	Coverage of workloads and consideration of additional resources if required.
New temporary Agency provider – Comensura - implemented across the Council	Pension's auto-enrolment – LBB's staging date has been notified as 1 March 2013	<ul style="list-style-type: none"> <li>HR project Board created.</li> <li>Substantial Communication programme required</li> </ul>

## 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.

Despite increased pressures within the Service there has been clear achievements noted; the Statement of Accounts was signed as unqualified and certified by the external auditors. They noted a faster close down process and quality working papers. The Audit Committee reviewed the accounts and offered constructive challenge to that process.

## 2. DELIVERING THE CORPORATE PLAN

### 2.1 How the service is performing against its Corporate Plan indicators

MTB NO	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
MTB 1	Percentage of savings achieved	Jul 12 - Sept 12	85%	100%	12015/13301	90.3%	9.7%	▲ 6.3%	
MTB 2	Percentage of the capital programme slipped	Jul 12 - Sept 12	1.9%	20%	13739/86527	15.9%	20.6%	▼	
MTB 3	Variation between revised budget and final forecast outturn	Jul 12 - Sept 12	2.1%	0%	295/31836	0.9%	n/a	▲ 54.9%	
MTB 4	Investments are in compliance with Treasury Management Strategy	Jul 12 - Sept 12	100%	100%	100/100	100.0%	0%	↔ 0%	
MTB 5	Council debt recovery rates	Jul 12 - Sept 12	95.5	98.7%	9462554/9917128	95.4%	3.3%	▼ 0.1	
MTB 7	Value for money (% of council services rated as high performance/low cost)	Jul 12 - Sept 12	50%	80%	6/11	54.5%	31.8%	▲ 9%	Ranked 4th in London overall
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)	Oct 11 - Sept 12	7.5	6	19430/2536	7.7	27.7%	▼ 2.8%	10.1 days (CIPFA, All Members & other Unitary Authorities 2011)
MTB 12	Completion of individual performance reviews	Apr 11 - Mar 12	82.8%	100%	2063/2438	84.6%	15.4%	▲ 2.3%	86% (CIPFA, All Members & other Unitary Authorities 2011)
MTB 13	Qualitative assessment of staff turnover	Jul 12 - Sept 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 1 – Percentage of Savings achieved - The overall savings not achieved and marked as high risk at Q2 are £1.242m (out of £13.301m). The high risk savings are in CES (£95k), Commercial (£941k) and EPR (£206k).

MTB 11 – Reducing sickness absence has declined in the period from 7.5 days to 7.7 days over a rolling 12 month period against a target of 6 days. As a result of this managers are 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	Q2 Forecast 2012/13	Variation		
	£000	£000	£000	£000		
Corporate Programmes	115	60	60	-		0.0%
Finance	3,557	3,881	3,881	-		0.0%
Human Resources	1,948	2,249	2,246	(3)		-0.1%
<b>Total</b>	<b>5,620</b>	<b>6,190</b>	<b>6,187</b>	<b>(3)</b>		<b>0.0%</b>

#### 3.2 Capital

	2012/13 Latest Approved Budget	Additions/ Deletions recommended to Dec CRC	Slippage / Accelerated Spend recommended to Dec CRC	2012/13 Budget (including Dec 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	-	-	-	-	-	-	0%
<b>Deputy Chief Executive Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>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	July 12 – Sept 12	100%	100%	753/753	100%	0%	↔ 0%
	Percentage of the capital programme slipped	July 12 – Sept 12	0.0%	20%	0/0	n/a	n/a	n/a
HR indicators	Reducing sickness absences to 6 days per employee (rolling 12 months)	Oct 11-Sept 12	5.9	6	1033/167	6.2	2.8%	▼ 5.2%
	Qualitative assessment of Workforce stability	July 12- Sept 12	Red Amber	n/a	n/a	Green Amber	n/a	▲
	Completion of individual objective setting	Apr 12 – Mar 13	n/a	100%	146/152	96.1%	4.0%	n/a
Complaints	Percentage of complaints responded to within policy guidelines (Statutory)	July 12- Sept 12	None received	80%	0/0	None received	n/a	n/a
FOI	Percentage of FOI requests responded to within 20 working days	July 12- Sept 12	90.9%	90%	56/56	100%	11.1%	▲ 10%

The Deputy Chief Executive's Service individual performance in relation to managing the business reflects that overall there is positive performance with mostly green indicators achieved. The one area that is amber rated is in relation to sickness absence figures where the direction of travel has decreased marginally by 5.2%. Managers are ensuring human resources policies are complied with in relation to discussing absences through a 'return to work' meeting with their staff.

## 4.2 Managing the business: People Performance management

Performance Indicator	Period covered	Target	Amber criteria	Q2 Actual (No.)	Q2 Actual % of total	Q2 (numerator/ denominator)	Target Variance	Q2 DoT	Council Average	Benchmarking
Attendance										
Average number of sickness absence days per employee (Rolling year)	Oct 11 - Sept 12	6	6 - 6.5	6.2	N/A	1033.12/167.42	-2.8%	<div>▼</div> 5.2%	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)	July 12 - Sept 12	1.44	1.45 - 1.57	1.3	N/A	201.51/163.06	10.4%	<div>▲</div> 19.4%	1.9	2.25 days (CIPFA, All Members & other Unitary Authorities 2011)
% managers submitting a monthly absence return	July 12 - Sept 12	100%	>90%	40	100.0%	40/40	0.0%	<div>▬</div> 0.0%	91.7%	N/A : measure applicable to LBB only
Performance Review										
% performance reviews completed and agreed for eligible staff only	July 11 – Mar 12	100%	>90%	143	88.8%	143/161	11.2%	<div>▲</div> 0.4%	84.6%	86% (CIPFA, All Members & other Unitary Authorities 2011)
% objectives set for eligible staff only	Apr 12 - Mar 13	100%	>90%	146	96.1%	146/152	4.0%	<div>▼</div> 1.2%	91.1%	N/A : measure applicable to LBB only
Cost										
Variance of total paybill to budget	July 12 - Sept 12	£2,165,225	+/-5%	£1,832,918	-15.3%	1832918/2165225	15.3%	<div>▼</div> 36.6%	-11.6%	N/A : measure applicable to LBB only
Management Indicator	Period covered			Q2 Actual (No.)	Q2 Actual % of total	Q2 (numerator/ denominator)	DoT Q2 %		Council average	Benchmarking
Diversity Data										
Percentage of top 5% earners that are female	As at 30 Sept 2012			9	60.0%	9/15	<div>▲</div> 6.6%		49.0%	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 30 Sept 2012	<b>61</b>	<b>35.9%</b>	<b>61/170</b>	▼ 1.2%	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 30 Sept 2012	<b>3</b>	<b>1.7%</b>	<b>3/177</b>	— 0.0%	2.8%	2.33% (CIPFA, All Members & other Unitary Authorities 2011)

#### Employee Relations

<b>High Risk - Employee Relations cases as % of total cases</b>	As at 30 Sept 2012	<b>0</b>	<b>0.0%</b>	<b>0/4</b>	— 0.0%	9.1%	N/A : measure applicable to LBB only
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As at 30 Sept 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	202.71	170.64	132.89	31.75	164.64	33	6	8	14	5.00

The areas that show a divergence from targets are in relation to performance reviews for 2011-12 being signed off and objectives being set for 2012-13, whilst both figures are above the council average these deadlines should have been achieved by the end of the quarter 1. Individual managers have been requested to expedite these in order to undertake half yearly reviews.

### 4.3 Key projects

There are no red rated projects in the Deputy Chief Executive's service in quarter 4.

#### 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	1	3	0
	3 Possible	0	1	7	2	0
	2 Unlikely	0	1	8	1	0
	1 Rare	0	0	0	0	0

#### Risk Commentary for Deputy Chief Executive's Service:

The risk profile of the Deputy Chief Executives service has changed slightly. The risk around HMRC has decreased due to information regarding the treatment of Children's Services workers. Some risks will remain over the period of change and with staff time being affected by the major procurements coming to conclusion. Long terms risks remain – the general state of the economy and the resultant impact on future budget pressures and treasury management. These risks also feature on the corporate risk register.

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	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	Treat	Ongoing	Negligible 1	Unlikely 2	Low 2
<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	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	Treat	Ongoing	Moderate 3	Rare 1	Low 3

Risk	Current Assessment Impact Probability Rating			Control Actions	Risk Status	Target Date (Priority)	Target Assessment Impact Probability Rating		
missed that impacts on the Financial implications both in the current financial year and for future years.									
<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.	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.  Government reductions to funding Various changes are being implemented from 13/14 - Localisation of Business Rates and CTB	Treat	10/02/2013 (Normal)          12/10/2012 (Normal)	Minor 2	Likely 4	Medium High 8



Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
				localisation. Both of these initiatives will affect the funding formula Barnet receive. LG Futures and London Councils are assisting us with our modelling.					
<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