



PAPER E

Purpose: For Decision

Committee report

Committee	CABINET
Date	9 JANUARY 2020
Title	PERFORMANCE & FINANCE REPORT – QUARTER ENDED 30 SEPTEMBER 2019
Report of	DEPUTY LEADER OF THE COUNCIL AND CABINET MEMBER FOR RESOURCE

EXECUTIVE SUMMARY

1. The purpose of this report is to:
 - a) provide a summary of progress against Corporate Plan activities and measures for the period June to September 2019 (unless otherwise stated and shown in detail at Appendix A);
 - b) inform cabinet of areas of particular success, issues requiring attention and remedial activity in place to deal with these;
 - c) inform cabinet of status of organisational health Indicators concerning workforce attendance and wellbeing;
 - d) provide a report on the financial position of the council for the same period (shown in Appendices B and C).

BACKGROUND

2. At its meeting of 24 July 2019, Full Council approved a new Corporate Plan which set out the council's vision and strategic priorities for the period 2019 to 2022.
3. Eleven key outcomes are identified within the Corporate Plan which also sets out corporate activities by portfolio and activity of the council will be monitored using the following:
 - a) Long term success factors over ten years; reported in Quarter 4 of each year.
 - b) Key activities/projects being undertaken to achieve long term success.
 - c) Short term measures (three years).
 - d) Strategic risks that may prevent long term success.

4. The report contains an appendix for each Cabinet portfolio (A1 to A10) and an additional appendix (A11) covering organisational health.

STRATEGIC CONTEXT

5. Ongoing management and monitoring of performance data, the council's strategic risk profile and financial situation is required to support the successful delivery of agreed council priorities. As such, this report provides the Cabinet (and subsequently the council's scrutiny function) with the necessary information to record achievements and challenge areas of underperformance and to account for it to the wider community.

CONSULTATION

6. The council manages its performance through a framework of discussion at all levels across the authority on a routine basis and escalates issues and risks to the corporate management team and members. Cabinet members, Corporate Management Team and directorate staff have been involved in discussions around performance against the measures contained within this report and attached appendices. Otherwise this paper is a factual report on progress and no other consultation is required.

FINANCIAL / BUDGET IMPLICATIONS

7. The Corporate Plan forms a key part of the budgeting and service planning process for the council and takes account of existing finances and resources and sets out the key priorities and outcomes that the council wishes to achieve. This report will include reference to any implications on the council's financial position arising from activity and performance outlined in the report.

LEGAL IMPLICATIONS

8. The council has a statutory requirement under the Local Government Act 1999 to achieve 'best value' in its delivery of its services. The authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The quarterly performance report forms part of such arrangements, thereby assisting the council to comply with legal and statutory requirements.

EQUALITY AND DIVERSITY

9. The council has statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and those who do not. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. It is not considered that there are any direct equality and diversity implications arising from this report.

10. A detailed analysis of the performance and risk position of each corporate portfolio is provided in Appendix A and a synopsis provided below.

Leadership and strategic partnerships - Key activity, performance and issues (appendix A1)

11. A [Commercial Strategy](#) was approved by Cabinet on 10 October 2019.
12. The [Island's Digital Strategy](#) was approved by Cabinet on 13 June 2019.
12. Health and Care sustainability plan – workshop on 24 July 2019, next milestone creation of an Integrated Care Partnership by April 2020.
13. The outcome of the government's Fair Funding Review is due at the end of December 2019 but is likely to be delayed due to the General Election.

Adult Social Care (ASC), Public Health and Housing Needs - Key activity performance and issues (Appendix A2)

14. Sustainability and Transformation Partnership (STP) – next milestone, paper to Cabinet on the creation of the Isle of Wight becoming one of five sub-regional integrated care partnerships (ICP) within the Hampshire and Isle of Wight STP
15. Achievement of an improvement in the ratings of ASC provision from 62 per cent rated good or outstanding in December 2016 to 80 per cent in September 2019 (national average is 82 per cent).
16. Improved Better Care Fund (iBCF) has been extended for a further year through 2020/21 and will in part be used to continue the Living Well service for another year.
17. Raising standards initiative has garnered national interest due to its positive impact on our Care Quality Commission (CQC) ratings and iBCF money will also be used to continue this initiative for a further year
18. Discharge to assess process now fully operational. Social Care met its average daily rate of delayed transfers of care (DTC) per 100,000 national target of 2.6 in both June and August.
19. Local Care Board next milestones:
 - Paper to Cabinet 9 January 2020 to outline proposals for transforming the Local Care Board into an integrated care partnership
 - Establish a regaining independence service combining NHS rehabilitation services and ASC reablement services.
 - Establish an integrated complex discharge team.

20. Conversion rates for safeguarding alerts received by ASC into formal safeguarding processes remained high at 57 per cent in September 2019. Ninety-seven per cent of initial safeguarding meetings were held within the national target of seven days.
21. Next milestones:
- Action plan to be produced based on an independent review/audit of Making Safeguarding Personal of which results will be received in November 2019.
22. Joint Strategic Needs Assessment (JSNA) –
- Community Safety Partnership Strategic Assessment (including domestic abuse data) completed in September 2019.
 - Fuel poverty, life expectancy and mortality factsheets completed and published on iow.gov.uk
 - Improved website layout designed and approved. For implementation during 2020.
- Next milestones:
- Interactive deprivation data tool published.
 - Updated smoking (power BI) factsheet published using Power BI – early 2020.
 - Domestic abuse profile for review January 2020.
23. Hampshire/Isle of Wight Partnership for Public Health was agreed by Cabinet in July 2019.
- Next milestones – agree heads of terms and key outcomes.
 - Develop a council wide approach to Public Health for sign off in 2020.
24. Substance misuse services being re-procured. Contract award January 2020
- Next milestones – transfer sexual health service to new provider with clinical leadership by April 2020.
- Procure 0-19 service – process completed in November 2019 with new contract commencing in August 2020
 - Procure Wellbeing services – specification being prepared for procurement in 2020.
25. The [Homelessness and Rough Sleeping Strategy](#) was presented to Cabinet on 14 November 2019.
- Next milestones – communications plan co-produced with key partners in relation to homelessness and rough sleeping.

- Design and implement a new Supporting People offer.
 - Implement and support the council's Empty Property Strategy Action Plan.
26. During Quarter 2, the number of households in temporary accommodation has increased over the last quarter and is now 184 (at the end of September 2019) marginally higher than at the same point on 2018 (180).
27. The number of people on the housing register has risen to 2,557 at the end of September 2019. These levels have risen consistently and are considerably higher than at the same point last year (2,261). However, the number on band 1 of the register (those in the most urgent need) has fallen to 20 from a peak of 30 in March 2019.

Children's Services - Key activity, performance and issues (Appendix A3)

28. Provisional Key Stage 2 results for Isle of Wight schools showed improved performance in reading, writing and mathematics. Overall in Age Related Expectations (ARE) the Island improved to 59 per cent (from 54 per cent) against a national average of 65 per cent (previously 64 per cent).
29. Currently 71.9 per cent of Isle of Wight primary schools are rated good or better compared to 87 per cent nationally. Just over half (57.14 per cent) of Isle of Wight secondary schools are rated good or better compared to 75 per cent nationally.
30. Provisional figures reported by secondary schools indicate that GCSE students on the Island have attained higher grades than in previous years. The proportion of students attaining a grade 4 or above in English and maths this year has improved from 55 per cent in 2018, to 60 per cent.
31. The 'attainment 8' outcome at GCSE which measures the results across the wider curriculum is also significantly better.
32. In Q2 2019/20 there were 256 children in care (no change from Quarter 1), the majority of whom are with Isle of Wight foster carers. A number of programmes are underway aiming to keep children at home or return them home where it is safe and appropriate to do so.
33. Island higher education prospectus was published in Autumn 2019.
34. The number of children subject to a repeat child protection plan within two years remains well below the levels seen in 2018/19 at 20.8 per cent (compared with 25.7 per cent 12 months ago).
35. The number of children on child protection plans has reduced from 170 at the end of 2018 to 128 at the end of September 2019. This is due to more children being safeguarded within early help and child in need planning, a key success of the Transforming Children's Social Care Programme. The timeliness of Initial Child Protection Conference remains well above target.

Regeneration and Business Development - Key activity, performance and issues (Appendix A4)

36. Newport Harbour consultation ran until the end of August 2019.
 - Next milestone - final masterplan was completed September 2019 and presented to members in December 2019.
37. Planning permission has been granted for six homes in Medina Avenue, Newport – after delays demolition work has now commenced on site.
38. Sandham middle School site brief is completed.
 - Next milestone – deadline for return of tenders December 2019.
39. Nicholson Road – planning application submitted in September 2019 with public and statutory consultation running until 1 October 2019.
 - Next milestone – determination by planning committee Quarter 4 2019/20.
40. At the end of September 2019 there were 2,050 people (2.6 per cent) claiming out of work benefits on the Isle of Wight compared with 2.8 per cent nationally.

Infrastructure and Transport - Key activity, performance and issues (Appendix A5)

41. Bid submitted to the Department of Transport maintenance fund for resources to undertake scheme on Undercliff Drive.
42. Works continues on processing requests for resident parking schemes across the Island; to date 89 roads have been subject to requests. Of these, 36 have now been surveyed for parking stress; 25 met the criteria and moved to resident consultation and voting, of these, three have been subject to favourable residents' consultation and will be implemented in Year 1 of the programme.
43. WYG consultants have been appointed to review recommendations from the parking strategy and produce detailed delivery plans and have so far made two presentations to the Parking Strategy Group (chaired by the leader of the council) showing initial findings from audits on some of the Isle of Wight Council car parks.
 - Interim report 29 November 2019.
 - Final report 30 April 2020.
44. An island wide consultation on the reinstatement of Undercliff Drive was concluded in July 2019 and consultation results have been analysed resulting in a bid being submitted the Department for Transport maintenance fund for resources.

45. Hampshire County Council has been engaged to undertake high level traffic modelling with an options analysis for potential crossing locations for a Medina bridge.
 - Next milestone - a more detailed feasibility study will be procured that will look at the costs and benefits at the preferred crossing location.
46. Continuing partnership with Southampton City Council and Portsmouth City Council on Ryde Transport Hub as part of the wider Transforming Cities Projects to improve local and regional connectivity.
 - Next milestone – submission of joint bid for funding to the Department for Transport.

Planning and Housing Renewal - Key activity, performance and issues (Appendix A6)

47. The council is continuing to progress the work with Southern Housing and the Joint Commissioning Unit on the mobilisation plan for Ryde Village Extra Care Scheme. Next milestone:
 - Completion – March 2020.
48. The [Empty Property Strategy](#) was signed off by Cabinet on 5 July 2019.
 - Next milestones - an action plan to deliver the strategy will be developed by January 2020.
49. Draft Island Planning Strategy (IPS) work is ongoing, consideration of the consultation responses which have now been summarised.
 - Next milestone – establish any changes required to the IPS based on the consultation summaries.
 - Further public consultation – March 2020.
50. A draft Island Housing Strategy has been written.
 - Next milestone – delegated decision to approve consultation on Draft Housing Strategy – January 2020.

Environment and Heritage - Key activity, performance and issues (Appendix A7)

51. UNESCO Biosphere status was awarded to the Isle of Wight on 19 June.
 - Next milestones - establish a steering committee.
52. Stage 2 report for delivery of a new record office submitted May 2019.
 - Capital bid submitted for 2020/21 for £4million.
 - Work likely to commence in 2022 if funding approved.

53. Rights of way improvement plan produced after consultation with key stakeholders.

- Next milestone - The Local Cycling and Walking infrastructure plan (LCWIP) is scheduled to be completed and approved before the end of 2019.

Community Safety and Public Protection - Key activity, performance and issues (Appendix A8)

54. Regulatory services provision and activity detail has been documented during Quarter 2.

55. Progress of Community Safety Partnership report to Corporate Scrutiny Committee in November 2019.

56. The fire and rescue service attended 67 out of 88 (76.1 per cent - target 80 per cent) critical incidents in the target times of ten minutes for the first and 15 minutes for the second pump during Quarter 1 . One hundred and seventy-two out of 206 (83.4 per cent - target 80 per cent) of co-responder calls responded to within eight minutes in the same period.

Resources - Key activity, performance and issues (Appendix A9)

57. Roll out of ICT kit to support all teams moving into county hall has been completed and more than 1,400 staff in total have been equipped with the new ICT kit.

- Next milestone – complete roll out of new technology to remaining council buildings by February 2020.

58. Project to redevelop the council website has started.

- Next milestone – analysis of consultation feedback scheduled for December 2019 in order to design high level frameworks and customer engagement activity allowing work to commence in January 2020.

59. The contact centre resolved more than 90 per cent of calls at first point of contact during Quarter 2 and maintained the average speed of answer at around 60 seconds.

60. The current position at the end of Quarter 2 is that the council is forecasting an overall pressure against the revenue budget of £1 million against a total budget of £150.3 million (0.7 per cent). The capital programme indicates a forecast outturn of £24.6 million against a total budget of £35.8 million with slippage in spending of £10.8 million now due to take place in future years. See separate appendices for a more detailed revenue and capital budget monitor.

61. A refreshed recruitment policy has been published for council staff.
- Next milestone - update of managers' guidance for recruiting.

Procurement, Waste Management, Special Projects and Forward Planning - Key activity, performance and issues (Appendix A10)

62. Mechanical Waste Treatment plant has achieved acceptance certification and the majority of snags have been removed.
- Next milestone – all remaining snags removed – December 2019.
63. In September 2019 54.6 per cent of contract waste was recycled, reused or composted, in line with the target of 55 per cent. 89.2 per cent of waste at household waste recovery centres (HWRC) was recycled, reused or composted, down from 93.4 per cent in June 2019. This is in line with previous seasonal trends.
64. The development of a corporate environmental strategy in 2020 will include policies internally on single use plastics and their use across directorates in service delivery. The new Procurement Strategy was approved by Cabinet in November 2019 and includes reference to the reduction of single use plastics as a consideration when purchasing.

Organisational Health Indicators (Appendix A11)

65. Sickness levels have increased over the first half of the year with staff absence average of 7.8 days per permanent employee over the last 12 months.
66. The most common cause for working days lost are those relating to mental ill health, accounting for 33 per cent of all working days lost. Of the working days lost to mental ill health 23 per cent has been specifically identified as work related.
67. The three directorates with the highest averages are; Public Health (14.5), Adult Social Care and Housing (12), and fire and rescue (8.6). Further analysis can be seen in Appendix A11.

SUMMARY POSITION OF QUARTER 2 FINANCE

Revenue – 2019/20

68. The net revenue budget (controllable) for 2019/20 is £150.3 million. The original budget was approved at Full Council on 27 February 2019 with savings totalling £5.5 million for 2019/20 and £4.5 million per year for the following 3 financial years.
69. At the end of the second quarter the council is forecasting an overall pressure against the budget of £1 million which is some 0.7 per cent of the net revenue budget. The administration and directors continue to exercise rigorous financial

restraint over all of its activities, managing the forecast overspend down from £1.2 million at Quarter 1 to £1 million at Quarter 2, and will endeavour to deliver a balanced budget by the year end. The council has sufficient financial resilience and financial discipline to manage the current forecast overspend position.

70. The main forecast variances against the budget are set out in the following table:

Portfolio	Key items	Draft variance £m
Main savings against budget:		
Resources	Treasury Management savings, contingency and Housing Benefit overpayment recovery.	-2.093
Main pressure areas:		
Children's Services	Additional costs of looked after children	1.540
Adult Social Care	Additional care costs & delay in achieving savings	0.677
Infrastructure & Transport	Highways PFI savings delivery profile & additional waste costs	0.689
Infrastructure & Transport	Delivery of the concessionary fares savings	0.157
Community Safety & Public Protection	Bereavement Services income & Coroner's costs	0.316
Miscellaneous Items		-0.254
Net total forecast pressure against budget target (0.7%)		1.032

See Appendix C for a more detailed revenue budget monitor.

Capital

71. The total capital budget for 2019/20 is £35.8 million with a forecast outturn position of actual expenditure of £24.6 million. There is forecast slippage in spending of £10.8 million from 2019/20 into future years (ie simply representing budgeted spending that is forecast not to take place in 2019/20 but will now fall into 2020/21) and a potential forecast underspend of £0.3 million.

72. See Appendix B for a more detailed capital budget monitor.

General reserves

73. General reserves at the end of Quarter 2 indicates a forecast balance of £11.2 million. This is after taking account of the approved transfer to general reserves of £1.1 million as part of the revised medium term financial strategy in order to

improve the council's financial resilience and enable the opportunity to further smooth out the council's necessary savings over a longer period.

This also assumes that the forecast revenue pressure of £1 million will remain by year end. Any further improvement/deterioration will also add/reduce the council's general reserve.

RECOMMENDATIONS

74. That Cabinet approves the Quarter 2 (2019/20) Performance and Finance Report and the priority report detail as set out in Appendix A, together with the council's financial position as set out at Appendices B and C.

Appendices Attached

75. Appendix A: Corporate Plan priority reports for:

[A1: Leader and Strategic Partnerships;](#)

[A2: Adult Social Care and Public Health;](#)

[A3: Children's Services;](#)

[A4: Regeneration and Business Development;](#)

[A5: Infrastructure and Transport;](#)

[A6: Planning and Housing Renewal;](#)

[A7: Environment and Heritage;](#)

[A8: Community Safety and Public Protection;](#)

[A9: Resources;](#)

[A10: Procurement, Waste Management, Special Projects and Forward Planning;](#)

[A11: Organisational Health Indicators.](#)

76. [Appendix B: Capital budget monitor – Quarter 2.](#)

77. [Appendix C: Revenue budget monitor – Quarter 2.](#)

BACKGROUND PAPERS

78. [Medium Term Financial Strategy 2016/17 to 2020/21 and Efficiency Plan](#)
79. [Corporate Plan 2019-2022](#)

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