



Committee report

Committee	CABINET
Date	12 MARCH 2020
Title	PERFORMANCE & FINANCE REPORT – QUARTER ENDED 31 DECEMBER 2019
Report of	DEPUTY LEADER OF THE COUNCIL AND CABINET MEMBER FOR RESOURCES

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 October to December 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).

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 Council 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. Additionally, interactive versions of the performance measures shown in the appendices can also be seen online at iow.gov.uk at <https://www.iow.gov.uk/council/OtherServices/Business-Effectiveness-Unit/Performance-Reporting1>.

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 outcome of the fair funding review has been delayed until the 2020/21 financial year.
13. In [January 2020 Cabinet](#) agreed to the pursuit of an Integrated Care Partnership by approving the transformation of the Local Care Board to an Isle of Wight Care Partnership by April 2020

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

14. The Living Well service can be funded in 2020/21 as a result of Government extending the Improved Better Care Fund (IBCF) for another year. We are, however, working with Finance partners in Health to develop long term funding proposals for this highly successful service, including investment from the local NHS.
15. Achievement of an improvement in the ratings of ASC provision from 62 per cent rated good or outstanding in December 2016 to 81 per cent in December 2019 (national average is 82 per cent).
16. The number of outstanding Deprivation of Liberty Safeguarding (DoLS) assessments has started to decrease in December as additional resources have been assigned to this area. Numbers should continue to fall over the next few months.
17. The success of the Care Close to Home programme continues to be represented by the low numbers of people being admitted to permanent residential or nursing care.
18. A permanent Director of Public Health for the IOW was appointed in November 2019 in partnership with Hampshire County Council. An [Annual Public Health Report](#) was reviewed by Cabinet on 14 November 2019 and published whilst a public health strategy is being developed.
19. Joint Strategic Needs Assessment (JSNA) –
 - Community Safety Partnership Strategic Assessment (including domestic abuse data) completed in September 2019.
 - Fuel Poverty, and 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 factsheet published using Microsoft Power BI (data visualisation tool)– early 2020.
- Domestic abuse profile for review January 2020.

20. Substance Misuse Service tender has been completed
 - 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.
21. The [Homelessness and Rough Sleeping Strategy](#) was presented to Cabinet on 14 November 2019.
22. During Quarter 3, the number of households in temporary accommodation has decreased and is now 163 (at the end of December 2019) noticeably lower than at the same point in 2018 (175) and at its lowest level in over 3 years.
23. Significantly, no households with children were in bed & breakfast accommodation at the end of December 2019
24. The number of people on the housing register has risen to 2,701 at the end of December 2019. These levels have risen consistently and are considerably higher than at the same point last year (2,205). However, the number on band 1 of the register (those in the most urgent need) has only risen slightly from 20 to 24 over the quarter and is still below the peak level of 30 from the end of March 2019.

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

25. At primary school, pupils Key Stage 2 (KS2) results in all three of reading, writing and mathematics have improved at a faster rate than the national average including an 8% improvement in the number of children achieving age related expectations in maths. The improvement in maths was the second greatest across all Local Authorities.
26. Currently 75 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.
27. Confirmed Key Stage 4 results 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.
28. The 'attainment 8' outcome at GCSE which measures the results across the wider curriculum is also significantly better.
29. In Q3 2019/20 there were 260 children in care (an increase from 256 in Q2) 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.
30. Island higher education prospectus was published in Autumn 2019.

31. The number of children subject to a repeat child protection plan within two years remains well below the levels seen in 2018/19 at 15.8 per cent (compared with 23 per cent 12 months ago).
32. The number of children on child protection plans continues to fall from the high level of 170 at the end of 2018 to 123 at the end of December 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)

33. Newport Harbour final masterplan was completed September 2019 and presented to members in December 2019.
34. Planning permission has been granted for six homes in Medina Avenue, Newport. After delays, demolition work has now commenced on site.
35. Sandham Middle School site tenders were received in December 2019.
 - Next milestone – consideration of bids for financial viability and quality with decision likely in March 2020.
36. Nicholson Road, Ryde – Further consultation taking place with statutory consultees with further public consultation on plans to take place in Quarter 4.
 - Next milestone – determination by planning committee Quarter 1 2020/21.
37. At the end of December 2019 there were 2,385 people (3.0 per cent) claiming out of work benefits on the Isle of Wight compared with 2.9 per cent nationally and 2.0% across the SE region. Significantly IOW levels are now higher than the national average for the first time since March 2018.

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

38. Works continues on processing requests for Resident Parking schemes across the Island; to date, 101 roads have been subject to requests. Of these, 38 have now been surveyed for parking stress; 30 met the criteria and moved to resident consultation and voting. Of these, five have been subject to favourable residents' consultation and will be implemented.
39. St Mary's roundabout works proceeding on schedule - due for completion December 2020.
40. Discussions with Island Roads are underway to develop a joint audit and assurance programme of all aspects included in Milestone 14. An independent certifier will also be used to assess delivery against the milestone.
41. The consultancy firm (WYG) has been engaged to review the primary and supporting recommendations of the parking strategy. The final report from WYG is due April 2020 containing recommendations for on and off-street parking and new potential car parking sites.
42. Continuing partnerships 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. A joint bid has been submitted and funding allocation is expected to be released in March 2020.

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

43. The number of major planning applications received is increasing at a steady rate in excess of the rate of the previous year. In fact, by the end of October the number of major applications received was already in excess of that for the full 2018/19 financial year.
44. The local authority has launched its [Empty Property Strategy 2019-2022](#) to focus on those homes which have stood empty for more than two years by working with owners to bring them back into use to increase the supply of affordable homes for Islanders. The strategy will be reviewed annually with the first annual review being due in July 2020.
45. Draft Island Planning Strategy (IPS) work is ongoing with 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 detailed work on the housing issue on the Island.
46. A draft Island Housing Strategy has been published for public consultation (Jan 2020). The development of a [Housing Strategy](#) has formed a strong case to be submitted to Homes England requesting funding for social housing. The strategy includes needs-based evidence showing the shortage of affordable accommodation on the IOW.

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

47. The Local Cycling and Walking infrastructure plan (LCWIP) has been drafted and is scheduled for approval by the end of March 2020.
48. Works have been commissioned to the existing records office at Hillside to maintain/improve the building fabric to enable its continued use as a records office.

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

49. The towards the new Combined Fire and Rescue Authority (CFA) for the councils of Hampshire, Isle of Wight, Portsmouth and Southampton has progressed, with a “shadow authority” to be in place from 2020 until the CFA comes into being in April 2021.
50. The Community Safety Partnership report was discussed at Corporate Scrutiny Committee in November 2019.
51. The Fire and Rescue Service attended 66 out of 91 (72.5 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 3. Out of 201, 166 (82.6 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)

52. In the first three quarters of 2019/20, 1,030 FOI requests have been received. This compares favourably with the corresponding period in 2018/19 when 1,163 were received. Reductions in FOI requests reflects well on the amount of information that is provided online via iow.gov.uk or through social media.
53. The contact centre resolved more than 90 per cent of calls at first point of contact during Quarter 3 and maintained the average speed of answer at below the target of 60 seconds.
54. The current position at the end of Quarter 3 is that the council is forecasting a balanced position for the revenue budget of £150.3m. The capital programme indicates a forecast outturn of £23.6m against a total budget of £28.7m with slippage in spending of £4.8m now due to take place in future years. See separate appendices for a more detailed revenue and capital budget monitor.
55. The council's recruitment policy and practice guidelines have been refreshed to make sure that they are easily accessible and to navigate. On-line training resources are also being developed to support recruiting managers that can be accessed as and when it is required. This is work scheduled to be completed by 30 April 2020.

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

56. Mechanical Waste Treatment plant has achieved acceptance certification and the majority of snags have been removed.
57. In December 2019, 50.3 per cent of contract waste was recycled, reused or composted, slightly lower than the target of 55 per cent but this rate typically dips over the Christmas period. 71.5 per cent of waste at household waste recovery centres (HWRC) was recycled, reused or composted, down from 89.2 per cent in September 2019. This is in line with previous seasonal trends.
58. The new Procurement Strategy was approved by Cabinet in November 2019.

SUMMARY POSITION OF QUARTER 3 FINANCE

Revenue – 2019/20

62. The net revenue budget for 2019/20 is £150.3m. The original budget was approved at Full Council on 27 February 2019 with on-going savings totalling £5.5m.
63. At the end of the Quarter 3, the council is forecasting an overall balanced budget. The Administration and Directors continue to exercise rigorous financial restraint over all of its activities, managing the forecast overspend down from £1.2m at Quarter 1, to £1.0m at Quarter 2, to nil at Quarter 3 and will endeavour to maintain this forecast until the year end.
64. 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.	-2.859
Main Pressure Areas:		
Children's Services	Additional costs of looked after children and SEN transport	1.352
Adult Social Care	Additional care costs & delay in achieving savings	0.882
Infrastructure & Transport	Highways PFI savings delivery & additional costs	0.560
Infrastructure & Transport	Delivery of the concessionary fares savings	0.101
Community Safety & Public Protection	Bereavement Services income & Coroners costs	0.656
Miscellaneous Items		-0.692
Net Total Forecast Variance		0.000

See Appendix B for a more detailed Revenue Budget Monitor

Capital

65. The total capital budget for 2019/20 is £28.7m with a forecast outturn position of actual expenditure of £23.6m. There is forecast slippage in spending of £4.8m from 2019/20 into future years (i.e. 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 £0.2m.

See Appendix C for a more detailed Capital Budget Monitor

General Reserves

66. General Reserves at the end of Quarter 3 indicates a forecast balance of £12.2m. This is after taking account of the approved transfer to General Reserves of £1.1m 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 revenue budget will remain in balance at year end. Any improvement/deterioration will add/reduce the Council's general reserve.

Recommendations

That Cabinet approves the Quarter 3 (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

Appendix A: Corporate Plan priority reports for:

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

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

[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.](#)

[Appendix B:](#) Capital budget monitor – Quarter 3.

[Appendix C:](#) Revenue budget monitor – Quarter 3.

BACKGROUND PAPERS

[Medium Term Financial Strategy 2016/17 to 2020/21 and Efficiency Plan](#)

[Corporate Plan 2019-2022](#)

Contact Point: David Martin,
Transformation and Business Improvement Manager (Strategy)
☎: 821000. e-mail: david.martin@iow.gov.uk

WENDY PERERA
*Assistant Chief Executive and
Chief Strategy Officer*

CLLR STUART HUTCHINSON
*Deputy Leader and
Cabinet Member for Resources*