

Appendix 4: Deputy Chief Executive's Service – performance overview

1. Overview

1.1 Summary rating for this service

Revenue budget actual variance £000 ^[1]	Capital actual variance £000	Corporate Plan performance rating	HR rating	Key project rating
-	(341)	2	-4	1

1.2 Top achievements, issues and actions

Top 3 achievements	Top 3 issues	Top 3 actions needed
Progress on Redundancy Consultation and Process to date	Traded Services – launch of NSO having negative impact of traded services; schools concerned about potential impacts of outsourcing and actively looking at alternative service providers	Traded Services – HR and Payroll service provision to schools currently under review; new service to be launched from April 2011. Separate comms issued to Schools Heads to confirm HR & Payroll services to continue to be delivered
<p>Better joined up working evidenced within the Finance department and with the performance team and across the Council. The outputs of which included:</p> <ul style="list-style-type: none"> a more integrated performance and financial management reporting working together as one Finance function during the time that staff are moving into new roles and delivering service 	Pensions - Number of issues identified with LGPS Admitted Body organisations; failure to implement or review bond agreements, potentially causing losses to pension fund	Pensions – Pensions Operations Groups set up with Finance, Treasury and Legal to review and manage on-going pensions issues and prevent future pension fund losses due to failure to manage admitted body organisations

<ul style="list-style-type: none"> • Delivery of budget headlines report in December putting budget planning in Barnet more progressed than many other boroughs 		
Continued high performance in Revenues and Benefits	The transparency agenda requires rigorous review and additional attention to ensure the over £500 lists stand up to public scrutiny.	Progress on transparency agenda and outlining key areas for inclusion on the website for public scrutiny making the lines of enquiry for public clear to ensure resources are not tied up. Consideration of how information can be better presented so that members of the public can make their own integration of the data.

1.3 Key correlations & interdependencies

The budget is being well contained with no adverse budget impact expected at the end of quarter 4. Projects continue to be a risk for the Revenues and Benefits section and the resultant impact for the finance service. There has been significant work completed to cleanse the establishment list through joint working between HR and Finance. All services continue to be at capacity, in particular within Revenue and Benefits section who committed their time over the Christmas period to ensure day to day work continued and the benefits of their major project are realised.

Our focus within the Senior Management Team is ensuring current performance continues but also to devote enough time to strategic issues, such as our support to the One Barnet programme and overseeing the implications of future budget pressures.

2. Budget

2.1 Revenue

Deputy Chief Executive

Description	Variations				Comments	% Variation of Revised Budget
	Original Budget	Budget V1	Forecast Outturn 2010/11	Variation		
	£000	£000	£000	£000		
Finance	3,746	4,425	4,427	2	New service structure is being embedded and should come within budget	0.0%
Human Resources	2,174	2,276	2,270	(6)	Work ongoing to bring down forecast overspend therefore year end projection is now more in line with budget	-0.3%
Revenues and Benefits	5,674	5,297	5,301	4	Ongoing income pressures in Local Taxation are being contained	0.1%
Total	11,595	11,998	11,998	-		0.0%

2.1 Capital

	2010/11 Latest Approved Budget	Additions/ Deletions recommended to March CRC	Slippage / Accelerated Spend recommended to March CRC	2010/11 Budget (including March CRC)	Spend to date (as per SAP)	Forecast to year-end	Variance from Approved Budget	% slippage of 2010/11 Approved Budget
	£000	£000	£000	£000	£000	£000	£000	%
Commercial Services	4,902	(104)	(983)	3,815	1,636	3,815	(1,087)	-20%
Commercial Services	4,902	(59)	(1,183)	3,815	1,636	3,815	(1,087)	-20%

3. Key projects

Programme* / Project name	Total allocated Budget	Capital funded?	Projected end date	Stage project is in	Spend to date	Planned stage progression next period	Current status	Direction of travel in Quarter 3	Forecast Quarter 4 Status	Comments / Risks / Finance
*One Barnet E-Recruitment & Advertising	£146,951	No, Revenue	28-Mar-11	Delivery	£19,250	Implementation	Red	-	Green	<p>Development of external website was delayed due to slippage on evaluation / procurement / Legal processes.</p> <p>Project has since progressed over this quarter with procurement process now completed and contract awarded.</p> <p>Project launch meeting held with the supplier and implementation go-live of 12th January 11 was agreed. Implementation will take 10-12 weeks with a go-live date for the new system of 28th March 2011.</p>
Pericles	£911,000	Yes	27-Jan-11	Delivery	£242,210	Implementation	Red	-	Red	<p>Project end date will not be achieved (27th January) as the system will not go live until the week beginning 7th February. The spend to date also is not on target due to the additional work required to cleanse the data with Civica. Pericles has been closed in the meantime and until the go live date some data can not be processed. There will be a significant back log once go live is achieved.</p>

4. Performance

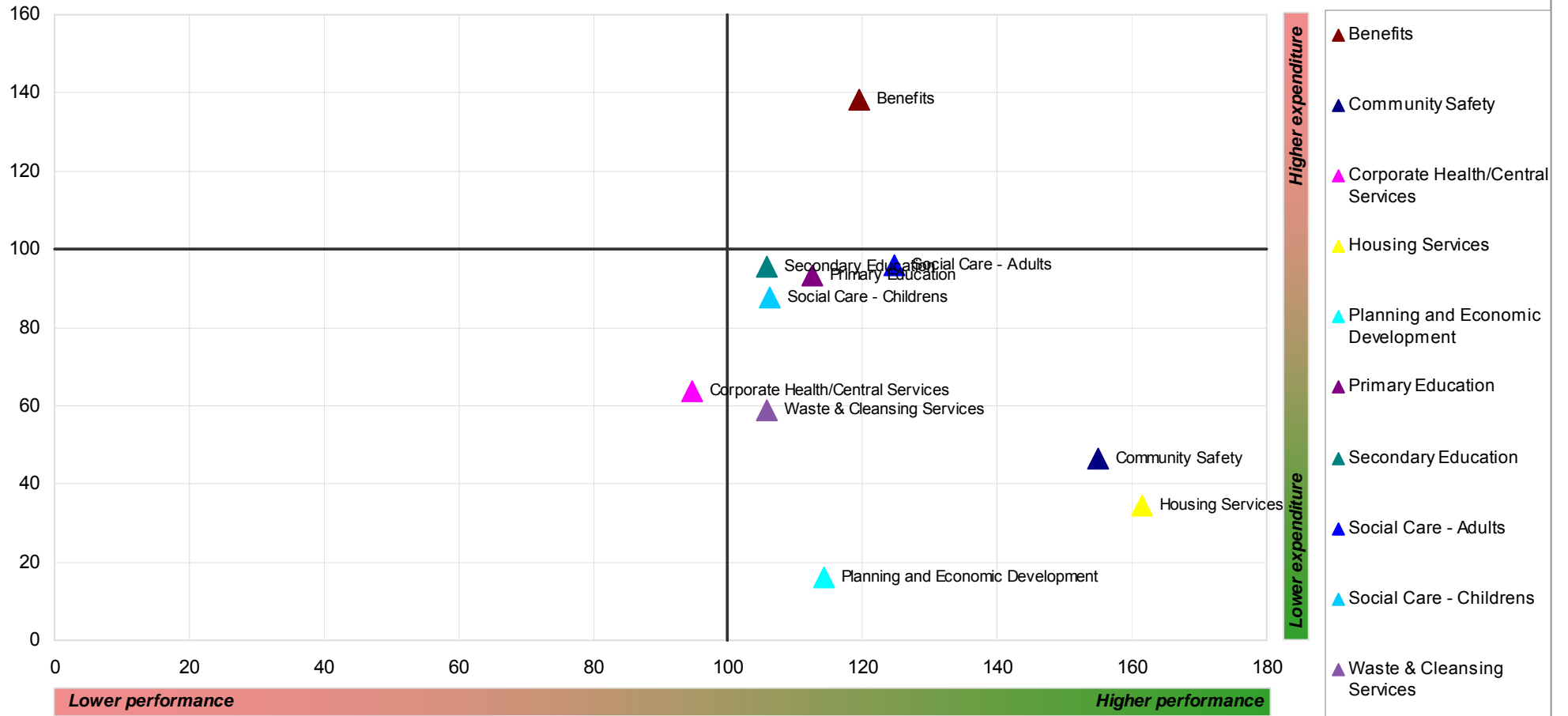
CPI no	Performance Indicator	Period Covered	Numerator/denominator	Relevant previous outturn	Target	Outturn	Target Variance	DoT	Benchmark data
17	Value for money basket								
17a	<i>% of services that are in the high performance/low spend quadrant of the Capital Ambition analysis</i>	July 10-Sept 10	8/10	57% (4 out of 7 services)	80%	80%	0%	▲	Indicator is based on London benchmark data for Q2 – see Graph 1 below
17b	<i>Cost per head of back office support</i>	Oct 10 – Dec 10	20,368,606 / 345,800	£59.40	£59.21	£58.90	0.5%	▲	Unavailable - unique to Barnet

Cost of back office services – whilst this indicator is green and therefore should not require additional commentary we are aware that this outturn figure does not represent the true back office cost due to some back office functions not currently centralised. There is work underway to identify all back office staff.

% of services that are high performance/low spend - this is a new indicator for VFM and is compiled across all London Councils comparing performance indicators to costs of services per resident. The bottom right of the graph represents good value for money (low cost, high performance), and our aim is for all our services to be in this quadrant


Direction of travel for both indicators is positive. 8 out of 10 services evidence good value for money, those that didn't demonstrate VFM were Revenue and Benefits (high expenditure but high performance) and corporate health/central services (lower cost but lower performance). The response to this is debateable; if we lower expenditure within Benefits it could lead to a reduction in income (as there is a direct relationship) and investing in corporate health/central services would not be directly linked to our corporate priorities. As such the Council would be content with the outcome of this indicator in this context. The following graph highlights the various services plot for value for money.

VfM performance for Barnet



5. Human Resources

Performance Indicator	Period covered	Target	Amber criteria	Q2 outturn (No.)	Q2 outturn %	Q3 (numerator/denominator)	Q3 outturn%	Q3 outturn (No.) ²	Target Variance	DoT	Council average	Benchmarking
Number of posts established (FTE)	As at 31st Dec 2010	No target	-	379.9	10.5%	369.5/3463.4	10.7%	369.5	No Target	N/A	N/A	N/A
% managers submitting a monthly absence return	Oct 10 - Dec 10	100%	>94%	Not reported	93.0%	30/77	39.0%	30.0	-61.0%	▼	51.6%	N/A : measure applicable to LBB only
Average number of absence days per employee (Rolling year)	Jan 09 - Dec 10	6	6- 6.5	6.4	N/A	N/A	N/A	6.5	7.8%	▼	7.8	8.8 (Capital Ambition, 2009)
Quarterly average number of absence days per employee	Oct 10 - Dec 10	1.5	1.5-1.65	1.6	N/A	787/328.4	N/A	2.4	60.0%	▼	2.0	2.2 (Capital Ambition, 2009)
Overall employee relations case risk	As at 31st Dec 2010	0	-1	-10.5	N/A	N/A	N/A	-6.5	-650.0%	▲	N/A	N/A : measure applicable to LBB only
% appraisals undertaken for staff meant to have an appraisal	Apr 09 - Mar 10	100%	>94%	309	97.8%	331/335	98.8%	331	-1.2%	▲	96.30%	84% (CIPFA, 2010)
Number of people in permanent posts as % of total establishment (FTE)	As at 31st Dec 2010	80%	N/A	292.9	77.1%	309.0/369.5	83.6%	309.0	-	-	77.9%	86.4% (Capital Ambition, 2009)
Number of consultants, agency staff or secondees as % of total establishment ¹	As at 31st Dec 2010	20%	N/A	25.0	6.6%	27/369.5	7.3%	27.0	-	-	8.4%	13.6% (Capital Ambition, 2009)
Actual cost of days lost to sickness as % of total salary budget	Oct 10 - Dec 10	No target	N/A	£86,972	Not reported	61941/4247137	1.5%	£61,941	No Target	▲	£502,633	No relevant information available
Cost of agency staff as % of total salary budget ¹	Oct 10 - Dec 10	No target	N/A	£176,977	4.5%	261281/4247137	6.2%	£261,281	No Target	▼	7.7%	No relevant information available

Cost of non-contractual overtime as % of total salary budget	Oct 10 - Dec 10	No target	N/A	£15,969 (£39,633) ⁴	0.4%	18070/4247137	0.4%	£18,070	No Target		0.3%	No relevant information available
Number of new employee relations cases opened in the quarter³	Oct 10 - Dec 10	No target	N/A	16	N/A	N/A	N/A	8	No Target	N/A	N/A	No relevant information available

1. Counts only those employed through the Hays contract.
2. Where no target is available RAG status is based on direction of travel.
3. Each employee relations case is scored and the scores are then added up to produce an overall score which is traffic lighted. HR Business Partners can share the criteria used in this process.
4. Original outturn figures for cost of sickness and non-contractual overtime were those as at the end of the quarter. Subsequent reporting one and two months following that quarter reflect more accurate figures due to retrospective submission of sickness data and overtime claims.

- No of established posts decreased due to data cleanse
- Increase in % in post due to decrease in established posts despite a decrease in the number of staff in posts expect the number of people in permanent posts to decrease in quarter 3 this is to protect existing staff members that are at risk
- There have been changes to the establishment during the end of Q3 resulting in some managers having difficulty accessing their structure via SAP
- Absence in DCE has remained static average having reduced from a high figure included initially.
- Agency staff spend as a % of total salary was predicted to increase in Q3 and Q4 as we try to protect existing staff jobs in light of job reductions in April 2011
- Introduction of the new OPENRevenues system and IT hosting account for the % increase in agency staff
- Showing improvements some mangers don't have access to SAP or have difficulties uploading appraisals.

5. Risk Overview and Top three risks

Risk	Initial Assessment			Control Actions	Target Date (Priority)	Current Assessment		
	Impact	Prob.	rating			Impact	Prob.	rating
<p>FD0005 - Financial The Finance Directorate continues to work at capacity to deliver support to the directorates. Risk: Due to the lack of flexibility within the current capacity there is less resource to commit to supporting the implementation of the current and future year budgets and the One Barnet transformation programme.</p>	Medium 2	High 3	High 6	Ensure staff are delegating appropriately to their teams to deliver regular commitments to free up management time in strategic issues. Reviewed through regular 1-2-1's (75% complete).	31/3/2010	Medium 2	Medium 2	Medium 4
<p>ORG0014 - Financial RISK: new revenues and benefits systems will not be in place with effect April 2011 to collect taxes and administer benefits. CAUSE: Current supplier of Revs & Bens IT taken over by third party. Third party are de-supporting the existing system with effect from January 2011 forcing all current users to source new systems. CONSEQUENCE: Go-live has been delayed on 2 occasions due to IT hosting and the required quality criteria for data conversions. Current go-live mid January 2011. Level of debt and benefit administered within the affected databases totals c£600m per annum.</p>	High 3	High 3	High 9	<p>Investigating the support of the current product beyond its proposed termination date as a contingency plan as a result of delay</p> <p>Legal advice to be sought- ongoing In Progress (80% complete)</p> <p>Constant monitoring and reporting of risks, issues and progress through the various departments and companies involved. ongoing In Progress (80% complete)</p> <p>Go Live of new system once reconciled In Progress (0% complete)</p> <p>Existing system shut down whilst the data converts to the new system.</p>	07/02/2011 (Normal) 28/02/2011 (Normal) 07/02/2011 (Normal)	High 3	High 3	High 9
<p>HR0027 - Financial 1. The employee establishment list in SAP HR does not match with the budgeted posts in SAP Finance and, could result in the organisation not knowing or being able to forecast budgets and actual cost of the paybill 2. The employee establishment list in SAP HR does not reflect all contract types, and therefore could result in the paybill being over or understated</p>	High 3	Medium 2	High 6	<p>Ensure accurate establishment list</p> <p>1. A manual exercise is near completion on mapping all posts on SAP HR to budgeted posts on SAP Finance and any anomalies resolved</p> <p>2. A new employee establishment list will exist from the beginning of November 2010 which the Directors have signed off. This will be loaded</p>	31/03/2011 (Low)	Low 1	Low 1	Low 1

Risk	Initial Assessment			Control Actions	Target Date (Priority)	Current Assessment		
	Impact	Prob.	rating			Impact	Prob.	rating
				<p>onto SAP HR and cross referenced to SAP Finance</p> <p>3. Monthly reports to Directors and Assistant Directors to monitor any changes</p> <p>4. New approval process to make post changes: Short term to run along side the DPR process, longer term potentially instead of</p> <p>5. SAP Optimisation completes the work required to connect the two systems and eliminate any</p>				

6. Corporate Plan improvement initiatives

There are no Corporate Plan improvement initiatives reporting for this quarter.