

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision maker:	Cabinet
Date:	27 February 2012
Title:	<i>Open for Business: Quarter Three Update</i>
Reference:	3651
Report from:	<i>Chief Executive</i>

Contact name: Deborah Harkin, Head of Performance and Partnerships

Tel: 01962 846699

Email: deborah.harkin@hants.gov.uk

1 Executive summary

- 1.1 This report provides a summary of performance against the *Open for Business Plan*, as at quarter three (end of December 2011).
- 1.2 Performance has been strong during the third quarter of 2011/12. Key transformational and efficiency work streams are progressing well, with £49.8 million savings secured by the end of December 2011. The Corporate Services Review (CSR) has moved into the first phase of implementation, in accordance with the structure approved by Cabinet in October 2011. In addition, good progress continues to be made in exploring opportunities for joint working between Hampshire Fire & Rescue Service, Hampshire Constabulary and the County Council and an Interim Update is being considered by the governing bodies of each organisation in February (later item on this agenda), ahead of the strategic business case, which is due to be presented in April 2012.
- 1.3 Only two measures within the *Open for Business Plan* have been highlighted as being in need of improvement at quarter three; and these reflect ongoing areas of challenge. Improvement plans are in place for each of these measures and are subject to close monitoring.

Quarter three performance

2 Background

- 2.1 In order to report progress against the *Open for Business Plan*, departments are asked to rate performance against success measures on a quarterly basis. For each measure, they apply a simple risk based 'red/amber/green' rating, informed by the most recent data and management information. In addition to submitting the latest performance data, departments also provide an overview of key achievements and risks/issues against priorities.
- 2.2 This report is supported by the performance 'scorecard', providing a visual representation of performance on a quarterly basis (appendix 1). The performance 'headlines' arising from the scorecard and departmental returns are detailed in the section below.

3 Performance headlines

- 3.1 Performance at quarter three is positive, with the vast majority of proposed targets on track to be achieved. The direction of travel from quarter two indicates improved performance against most measures (where quarter two and three data is available).
- 3.2 Key achievements this quarter evidence significant progress against the *Open for Business* priorities. Efficiencies targets for 2011/12 have been achieved, with £49.8 million of savings secured by the end of December 2011. Furthermore, strong progress is being made against transformational work streams. The CSR has moved into the first phase of implementation (1 January to 31 March), involving finalising senior management arrangements and re-alignment of organisational functions in accordance with the new structure. The second phase of implementation will take place between April and July 2012, enabling the new corporate services functions to be in place by 1 August, as planned. Approval for small changes in opening hours for a number of libraries will save almost half a million pounds.
- 3.3 Current proposals for shared services are identifying innovative opportunities for *Joint Working in Hampshire* (as described in 1.2 above), supporting the developing strategic business case, due for a decision by the respective governing bodies, in April 2012. It is expected that the integrated strategic business case will evaluate an operating model for five service areas, including exploration of a number of additional opportunities across seven other blueprint service areas. If there is support for the business case, a more detailed design and implementation phase would commence post-April. In addition, partnership opportunities with other local authorities continue to be explored. A new IT partnership between Hampshire and Oxfordshire County Councils was recently approved, which will generate shared capacity for Hampshire.
- 3.4 The County Council continues to demonstrate strong performance across a range of service areas. Highlights include the Adoption Service being rated as *good* in a recent Ofsted inspection; an increase in the proportion of young people in education, employment and training; and an allocation of £5 million of Government funding for faster broadband in the county. Road safety remains a priority for the Authority, with 48 sections of A- and B-roads being approved for reductions of speed limits.
- 3.5 **Key achievements** this quarter are as follows:

<p>Priority 1: Improve quality of life for all, particularly those who are vulnerable or disadvantaged</p>	<ul style="list-style-type: none"> Launch of the 400th No Cold Calling Zone, which aims to discourage rogue traders from approaching homes in search of business. The latest zone brings the total number of households covered to 25,000.
	<ul style="list-style-type: none"> The Older People’s Well-being Team won a Community Award from Hampshire Fire and Rescue Service for partnership working between the two teams, in providing information and support to vulnerable older people and carers.
	<ul style="list-style-type: none"> Hampshire’s Music Service received a Diploma of Merit for its comprehensive range of programmes and new activities focusing on the wider community. It is the

	<p>seventh time the National Music Council has awarded a Merit to the Service for quality of teaching.</p>
	<ul style="list-style-type: none"> Achievement of an overall rating of <i>good</i> in the recent Ofsted inspection of the Adoption Service, endorsing the quality of services for Hampshire’s children and young people.
<p>Priority 2: Enhance community engagement and partnership working – strengthening and empowering communities</p>	<ul style="list-style-type: none"> Approval for a new grant application process for community and cultural groups, aimed at promoting greater financial independence and ensuring that organisations meet the needs of local communities. The new system will be introduced in 2012/13.
	<ul style="list-style-type: none"> Achievement of excellent results in a national poll on local authority archive services. 97% of visitors to the Archives and Local Studies at Hampshire Record Office rated the service as either <i>good</i> or <i>very good</i>.
	<ul style="list-style-type: none"> Launch of Hampshire’s <i>Heroes Welcome</i> scheme, whereby businesses pledge to give an extra warm welcome to members of the Armed Forces.
	<ul style="list-style-type: none"> Introduction of the Public Notice Portal, making notices more accessible by publishing them online. This follows research and consultation showing that Hampshire residents are more likely to see notices on the internet, rather than in newspapers.
<p>Priority 3: Support and enable sustainable economic growth – ‘place shaping’</p>	<ul style="list-style-type: none"> Over 110 representatives from local firms and voluntary groups attended the latest <i>Doing Business with Hampshire</i> event. The programme, which offers advice and guidance on the procurement process for local government, won an award from the Federation of Small Businesses in 2011.
	<ul style="list-style-type: none"> Allocation of £5 million of Government funding for faster broadband in Hampshire. The County Council now needs to secure a commercial partner to support and develop detailed implementation plans. The project is estimated to start in January 2013, completing in 2015.
<p>Priority 4: Enhance Hampshire’s environment and support sustainability</p>	<ul style="list-style-type: none"> Approval of reduced speed limits on 48 sections of the county’s road, following a review of accident rates on all A and B roads maintained by the County Council.
	<ul style="list-style-type: none"> Launch of the consultation on a new school places plan for Hampshire, which anticipates population growth, the need generated from current and planned housing development and the impact of parental preference.
	<ul style="list-style-type: none"> Processing of over 60% of major planning applications within 13 weeks (the good practice threshold) between April and September 2011.

<p>Priority 5: Develop new models of service provision</p>	<ul style="list-style-type: none"> Approval of plans to make small reductions to opening hours in 26 of Hampshire's 53 libraries and Discovery Centres, to be implemented from April 2012. Over 5,500 consultation responses shaped the final proposals. The changes will save £446,000 from the library budget. Consultation on the proposed closure of North Baddesley and Stanmore libraries is ongoing.
	<ul style="list-style-type: none"> A significant level of interest in the contracts to run clusters of Children's Centres, with tenders submitted by a range of national and local voluntary organisations and schools. Bids are currently being evaluated and new providers will take over the running of the centres from the end of April 2012.
	<ul style="list-style-type: none"> Approval of the future direction for the Arts and Museums Service, which includes volunteers helping to keep community centred museums open; and promotion of five flagship venues, which will attract visitors to Hampshire. In the longer term, there are plans for the County Council's service to join with Southampton City Council and Winchester City Council to form a charitable company, working together to promote arts and museums in the area.
	<ul style="list-style-type: none"> Development of initial proposals for a Health and Well-being Campus in Havant, to include nursing and intermediate care/reablement beds and Extra Care Housing. The project will begin with marketing County Council and NHS Hampshire land through a joint competitive tender process, due to start late 2012.
<p>Priority 7: Deliver efficiencies and expenditure reduction</p>	<ul style="list-style-type: none"> The CSR has moved into the first phase of implementation (1 January to 31 March), involving finalising senior management arrangements and re-alignment of organisational functions in accordance with the new structure.
	<ul style="list-style-type: none"> Progress in developing joint working between the County Council; Hampshire Constabulary; and Hampshire Fire and Rescue. Emerging proposals for each work stream have been presented to the respective governing bodies for consideration. These proposals inform the developing strategic business case, due for a decision in April 2012.
	<ul style="list-style-type: none"> Achievement of savings targets for 2011/12 and start of the budget setting process for 2012/13. The County Council needs to reduce costs by a further £45 million and departments are being asked to find further savings of 8%. Positively, the impact on budgets is considerably less than in 2011/12, as just over half the budget gap has already been met through the full year impact of the savings secured this year.

	<ul style="list-style-type: none"> Endorsement of the value for money provided by the County Council. The District Auditor's Annual Audit Letter reported that during a time of unprecedented financial challenge, Hampshire continues to provide top quality services, at a lower cost than other county councils in England.
	<ul style="list-style-type: none"> National recognition of Hampshire's property management practice in a Government report (<i>Leaner and Greener II: Putting Buildings to Work</i>). Examples of significant savings achievable when taking a 'place based' approach to asset management include: the Workstyle programme; the Havant Public Service Plaza; and the Ringwood Gateway project. The Hampshire area is one of the Department for Communities and Local Government's Capital and Asset Pathfinders.
	<ul style="list-style-type: none"> Approval for a new IT partnership between Hampshire and Oxfordshire County Councils, with Hampshire providing support to Oxfordshire's SAP system (the IT system for finance and Human Resources). The move will generate shared capacity for Hampshire.
	<ul style="list-style-type: none"> The Hampshire and Isle of Wight Procurement Partnership received the Outstanding Achievement Award from the Society of Procurement Officers, for securing £2 million of savings in two years, by collaborating on the procurement of a number of goods and services.
<p>Priority 8: Rebuild training, leadership and competence frameworks</p>	<ul style="list-style-type: none"> Launch of <i>Working Well in Hampshire</i>, a programme promoting staff well-being and reducing sickness absence.

3.6 Two measures have been rated as 'red' at quarter three, which are among the most challenging areas for improvement. A range of co-ordinated work is taking place to improve outcomes for these vulnerable children and young people. Action plans for 'red' measures are in place and managers are confident of improvement in the next quarter.

3.7 **Key areas for further improvement** during the next period are as follows:

<p>Priority 1: Improve quality of life for all, particularly those who are vulnerable or disadvantaged</p>	<ul style="list-style-type: none"> The percentage of children in care achieving five or more GCSEs, including English and maths, which fell from 15.3% in 2009/10 to 6.6% in 2010/11. Provisional results indicated that the percentage achieving was 12.3%, however this has since been revised downwards as final results became available. The 'Virtual School' has an improvement plan in place, with activities including a new three tier approach to pupil tracking and 1:1 tuition for most children in care in Year 11.
	<ul style="list-style-type: none"> The proportion of children in care experiencing three or more placement moves in one year, which increased from

	<p>13.9% in 2010/11 to 16.9% for the 12 months to the end of December 2011 (against a target of 13.0%). These statistics include short term placements. Of the 185 children who had experienced three or more moves, 50.3% moved three times; 22.7% moved four times; and 27.0% moved five or more times. Robust systems are in place for scrutinising all second and subsequent placements. In addition, a range of work is taking place to ensure that available placements meet needs, including recruiting additional foster carers for teenagers, sibling groups and children with disabilities.</p>
--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

3.8 One of the areas for improvement last quarter has experienced significant improvement over the last three months. The percentage of young people **not in** education, employment or training reduced from 9.3% in September 2011 to 5.1% in December 2011. The proportion of care leavers **in** education, employment or training increased from 36.7% for the 12 months to the end of September 2011, to 43.1% for the 12 months to the end of December 2011. However, further improvement is still needed, against a target of 60.0%.

3.9 **Key reported risks/issues** are as follows:

<p>Priority 1: Improve quality of life for all, particularly those who are vulnerable or disadvantaged</p>	<ul style="list-style-type: none"> ● A 74% increase in the number of reports of suspected abuse of vulnerable adults (an increase from 1,513 in 2009/10 to 2,029 in 2010/11), as reported in Hampshire Safeguarding Adults Board Annual Accountability Statement. Additional resources have been made available to review out of county placements and investigate allegations of abuse within Hampshire.
<p>Priority 5: Develop new models of service provision</p>	<ul style="list-style-type: none"> ● Challenges associated with delivering high quality Arts and Museums services during the period of change. Implementation of agreed plans present the following risks/opportunities: <ul style="list-style-type: none"> ○ Service delivery for some museums dependent on community engagement. ○ Potential reduction in visitor numbers. ○ Impact of loss of grant funding on museums and arts facilities run by joint management committees.

3.10 Risks and issues continue to be closely linked to major areas of transformation, efficiencies or national policy change. In all areas, activities are underway to mitigate risks or address issues.

3.11 Progress against the *Open for Business Plan* will continue to be monitored on a quarterly basis.

4 Conclusion

4.1 This report provides an overview of performance against the *Open for Business Plan* at the end of quarter three. The implementation of major transformational and efficiency work streams is advancing well, with 90% of savings for the year already secured (£49.8 million at the end of December 2011). Good progress has

been made in the first phase implementation of the CSR; and in developing *Joint Working in Hampshire* proposals. Despite the challenges associated with this period of change, the County Council continues to perform strongly and to demonstrate success in priority areas. Improvement themes are consistent with on-going areas of challenge and are being closely monitored.

- 4.2 The focus for the next period will be on progressing key transformational programmes, securing further efficiency savings; and improving performance in identified key areas. In addition, departments will be completing annual self-assessments, evaluating their own performance in 2011/12 against six key standards. Key findings from the self-assessment process will inform the annual performance report to Cabinet in June.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Open for Business Plan priority number (if appropriate):	
Maximising well-being:	Yes
Open for Business Plan priority number (if appropriate):	
Enhancing our quality of place:	Yes
Open for Business Plan priority number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
<i>Open for Business: Quarter Two Update</i>	3534	19 December 2011
<i>Open for Business: Quarter One Update</i>	3373	24 October 2011
<i>Open for Business: Building on Success</i>	3147	25 July 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

Equalities Impact Assessment:

- 1.1 Delivery of the *Open for Business* Plan supports improved outcomes for vulnerable and disadvantaged groups, specifically under priority 1.

Impact on Crime and Disorder:

- 2.1 Delivery of the *Open for Business* Plan supports reduced crime and disorder, through priorities 1 and 2.

Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

Delivery of the *Open for Business* Plan supports enhancement of Hampshire's environment and promotion of sustainability, specifically priority 4.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

As above.

Appendix 1

Open for Business Plan 2011-13

Performance Scorecard

2011/12 Quarter Three (December 2011)

Performance against priorities

1	Improve outcomes for vulnerable and disadvantaged groups	42% of measures meeting targets	
2	Enhance community engagement and partnership working - strengthening/ empowering communities	67% of measures meeting targets	
3	Support and enable sustainable economic development - 'place shaping'	27% of measures meeting targets	
4	Enhance Hampshire's environment and promote sustainability	100% of measures meeting targets	
5	Develop new models of service provision, meeting the challenges of reduced resource and evolving national policies, whilst improving the quality of services for users	89% of measures meeting targets	
6	Improve customer service	67% of measures meeting targets	
7	Deliver efficiencies and expenditure reduction programme, supported by effective management of resources	67% of measures meeting targets	
8	Rebuild training, leadership and competence frameworks to enhance the effectiveness, capacity and flexibility of staff and managers	33% of measures meeting targets	

Key performance measures

	Priority ref	Actual this quarter	Target (2011/12)	Previous data	RAG rating	Trend
Adult social care users receiving self-directed support or direct payments	OfB1	55.5% (Dec 2011)	30.0%	48.0% (Sep 2011)	●	↑
Rate of teenage conceptions (per 1,000 15-17 year olds)	OfB1	27.4 (Q3 2011/12)	19.8	28.1 (Q2 2011/12)	◆	↑
Children in care achieving five or more GCSEs including English and maths	OfB1	6.6% (2010/11)	16.0%	15.3% (2009/10)	*	↓
Children in care experiencing three or more placements in a year	OfB1	16.9% (Q3 2011/12)	13.0%	15.8% (Q2 2011/12)	*	↓
Pupils achieving five or more GCSEs including English and maths	OfB1	60.2% (2010/11)	65.4%	58.9% (2009/10)	●	↑
Care leavers in education, employment or training	OfB1	43.1% (Q3 2011/12)	60.0%	36.7% (Q2 2011/12)	◆	↑
Young people not in education, employment or training	OfB3	5.1% (Dec 2011)	5.0%	9.3% (Q2 2011/12)	●	↑
Public satisfaction with the condition of highways	OfB4	40.3% (2011/12)	42.0%	39.2% (2010/11)	◆	↑
Percentage of municipal waste land filled	OfB4	4.64% (Q3 2011/12)	12.0%	9.85% (Q2 2011/12)	●	↑

Resources

		County Council total
Net budget projected outturn, excluding schools (£'000)	Actual	695,074
	Variance	-4,763
	RAG rating	●
	Trend on variance	↑
Staff absence - number of days per FTE per year	Actual	9.36
	Target	9.04
	RAG rating	◆
	Trend	↑
Efficiency savings secured	Total secured (end Dec)	£49.8m
	RAG rating	●

Key:

* (red) = performance is not currently in line with target and remedial plans are not yet in place

◆ (amber) = performance is not currently in line with target, remedial plans are in place, but there are moderate risks as a result

● (green) = on track

○ (grey) = measures which have only recently been finalised for inclusion in the Open for Business Plan, or are being developed and, as such, do not have performance information available this quarter