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## **CUSTOMERS AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL**

### **SUPPLEMENT**

**Date:** Monday 21 November 2011

**Time:** 5pm

**Venue:** Council House, Next to the Civic Centre

**Members:**

Councillor Thompson, Chair

Councillor Peter Smith, Vice Chair

Councillors Mrs Bowyer, Churchill, Davey, Delbridge, Mrs Beer, Martin Leaves, Penberthy, Reynolds, John Smith and Vincent.

**Co-opted Representative:**

Dr A Jellings.

**Please find attached additional information for consideration under agenda item 7.**

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Chief Executive

# **CUSTOMERS AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL**

## **AGENDA**

### **PART I – PUBLIC MEETING**

#### **7. JOINT FINANCE AND PERFORMANCE MONITORING (Pages 1 - 8) REPORT SCORE CARDS**

The panel will receive the joint finance and performance report scorecards.

## 8. Community Services

### 8.1 Scorecard - General Fund Revenue Forecast is an overspend of £0.754m



**Responsible Officers: Pam Marsden, James Coulton, Jayne Donovan and Pete Aley**

#### Adult Social Care

There is a forecast £0.750m overspend in Adult Social Care, assuming all delivery plans are achieved by year end. There have however been increases in supported living packages across the service with some continuing healthcare funded cases becoming the Council responsibility in the Learning Disability Service. The service continues to focus on scrutinising all spend and managing down expensive packages of care, in particular targeting the Learning Disability Service. Progress is scrutinised and challenged through the ASC Programme Board.

We are slightly below target in September for Self Directed Support/Direct Payments. However the implementation of Phase 3 of the Carefirst upgrade necessitated considerable 'time out' from front line duties for Proof of Concept staff during August which will have impacted on performance. Performance in this area will be kept under close review to minimise further slippage.

On a more positive note Delayed Transfers of Care continues to perform strongly. Adults with Mental Health problems, Supported to Live Independently is above target. Both our Learning Disability and Mental Health additional targets are improving and this is expected to continue as it is dependent on review activity which will increase in the latter part of the year.

#### Culture Sport & Leisure

There is a forecast overspend of £0.032m as a result of an operating deficit on the Mayflower Centre, which PCC have longstanding agreements to underwrite. The centre is experiencing a reduction in income due to the proximity of building works for the Plymouth Life Centre and the awareness of its impending closure.

Museum visits were down this August due to the closure of the galleries in preparation for the British Art Show and has impacted on visitor numbers for the quarter. Increased numbers of enquiries at the Tourist Information Centre was largely due to the Americas Cup event. Library attendances continue to be above target.

## Page 2

The transfer of leisure staff to Everyone Active has proved successful with reported increases in attendances at Plympton Pool and Brickfields Sports Centre.

### **Environmental Services**

The £0.234m forecasted overspend at June 2011 has reduced to nil mainly due to forecasted reductions in tonnages going to landfill from 79,000 Tonnes to a projected 77,500 Tonnes. There are however continuing revenue pressures particularly in Waste Collection that are offset by an assumption of a Landfill Tax rebate of £0.398m.

The amount of residual waste at the end of quarter 2 (NI 191) is 320.6kg per household, a reduction of 4.1% when compared to the same period last year, and, although residual waste will increase during the winter months, it is currently on course to meet the annual target. The percentage of waste diverted from landfill (NI 192) is 34.15%, currently 1.15% above target. Performance will fall as composting reduces through the winter, offset to some extent by an extended garden waste collection, and should be very close to the annual target of 33%.

Waste minimisation and recycling education has continued to raise awareness during the quarter with road-shows, doorstepping events and talks to community groups as well as working closely with our collection service to target specific areas where problems have been highlighted.

### **Safer Communities**

There is a projected £0.027m underspend as a result of additional commissioning savings and efficiencies in business support.

Levels of overall crime in Plymouth remain low when compared to other similar cities (4<sup>th</sup> lowest in our family group of 15).

Serious acquisitive crime remains a concern, at the end of September 2011 we have recorded an increase of 19% (237 more crimes) compared to the same period the year before, this means we are currently missing the target to reduce crime levels. The biggest increases are in levels of domestic burglary (+107) and theft from motor vehicle (+113). Despite this we continue to perform well when compared to similar cities in our family group. Council crime reduction staff and partners have undertaken several initiatives recently, targeting identified key areas. The increase in serious acquisitive crime has also impacted on our target to reduce crime in the neighbourhoods which have the highest crime rates (compared to the city average). Levels of violence and criminal damage continue to reduce across the city, and we are on target to achieve our target to reduce violence with injury.

### **People Management**

Agency spend is measured as a percentage of our overall monthly spend on wages (salary including on-costs plus agency costs). Agency spend stands at 10.79% of the overall wage bill for Community Services against the corporate target of 5%, which is a increase of 1.84% from the previous month. The department is working hard to reduce this position.

The Council has set a target of 6 working days per FTE. Sickness levels at the end of September are 13.44 working days per FTE for the last rolling 12 months. The council wide sickness statistics are 10.18 days per FTE for the last rolling 12 months. The department is working hard with HR to address this position.

Community Services has Budget Delivery Plans of £4.686m for 2011/12. The table below shows the summary position by Red Amber and Green rating (RAG). The detailed Delivery Plan is shown as **Appendix C**

<b>Service</b>	<b>Red £000</b>	<b>Amber £000</b>	<b>Green £000</b>	<b>Total £000</b>
Adult Health & Social Care	0	520	2,001	2,521
Culture, Sport & Leisure	250	140	540	930
Environmental Services	480	0	435	915
Safer Communities	0	0	70	70
Other Delivery Groups	100	150	0	250
<b>Total</b>	<b>830</b>	<b>810</b>	<b>3,046</b>	<b>4,686</b>

There are a number of significant risks emerging in the Community Services Delivery plan where savings and efficiencies are possible but will not materialise until the end of the current or the next financial year.

- The Leisure Management contract has been signed and there are some savings in the current year. Full year savings will occur from 2012/13.
- The programme of Community Asset transfers is also unlikely to delivery savings in the current financial year although alternative options may in part produce some savings
- Business and Administrative Reviews are currently in the early stages of determining the full scope for savings in 2011/12.

### 8.3 Risks and Issues

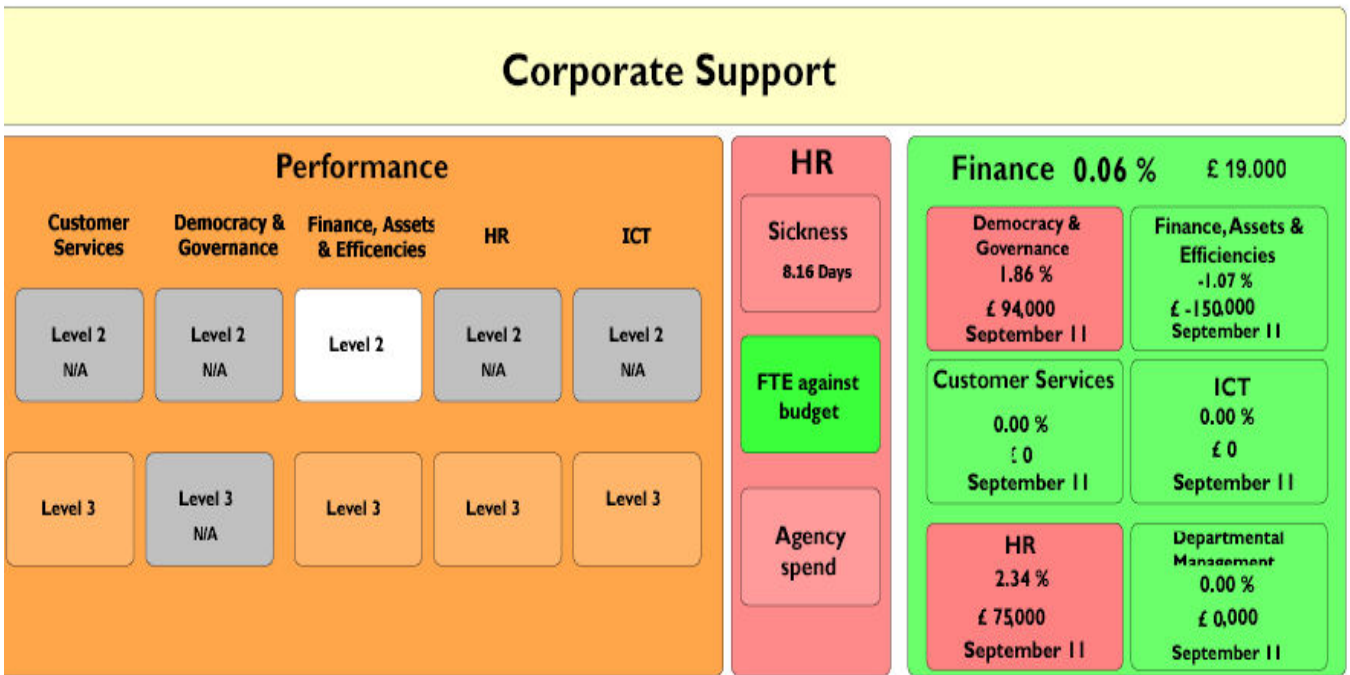
- Maintaining front line services whilst implementing a number of Delivery plans will be challenging.
- Managing expectations of enhanced level of service against the current budget, particular in the service area of Waste Collection ,Street Scene and Parks
- Achieving Adult Social Care Delivery Plans and associated budget reductions without compromising safeguarding issues and ensuring sufficient scope to develop the market successfully to meet the requirements of the personalisation agenda.
- Growth in demography and increasing levels of long term care needs for high dependency within Adult Social Care

- Impact on social care of the Primary Care Trust QIPP (Quality, Innovation, Productivity & Prevention) efficiencies and the Health Service Transformation.
- Reductions in ad hoc and SLA income from Plymouth Community Homes
- Repairs to foreshore at Mount Edgcumbe estate where sea wall collapse is undermining the highway
- There is an assumption that Environmental Services will receive a landfill tax rebate of £0.398m, the full value of the claim, lodged in March 2011

## 8.5 Medium Term Issues

- The Council has issued an OJEU notice inviting expressions of interest for the provision of Ice and Arena facilities. This will enable the Council to explore options over the coming 6 months. Consequently, there will be an associated £0.800m revenue implication to extend existing services at Plymouth Pavilions to September 2012, subject to review depending on progress once competitive dialogue commences.
- Municipal Waste Management Strategy (MVMS) identified that waste management costs would increase significantly due to the need to procure a waste disposal facility. This needs to be compared against the current Waste Management provision of £2.4m
- Gypsy & Travellers permanent site provision
- Downturn in Economy leading to less opportunity to maximise discretionary fees
- The effect of demographic increases on demand led services with stand still budgets  
Outstanding Government Election pledge - Increase of £250 per person for the low paid (1,400 staff in Community Services - £0.420m)

10.1 Scorecard - General Fund Revenue Forecast is an over spend of £0.019m



**Responsible Officers: JP Sanders / Tim Howes / Malcolm Coe / Mark Grimley / Neville Cannon**

**Customer Services**

Social Care complaints performance has improved significantly due to increased focus and assistance from colleagues in Legal services helping with the very heavy court case burden. However a review of the resources for this service are required, and will be presented to CMT, as there has been a steady increase in workloads. The non social care complaints performance was consistent through the month - however this will take careful handling over the next few months as responsibilities for this are handed over following restructure. Work in both areas is subject to new guidelines and policies coming from central government and the Information Commissioner. In addition the structure of the various Ombudsman is also subject to change as well, which we are monitoring.

**Finance Assets and Efficiencies**

The cumulative average time to process new Housing and Council Tax Benefit claims is currently 28.9 days against an annual target of 20 days. Performance has slightly improved since the first quarter when it stood at 29.7 days. The on-going restructure and an increasing workload which is now nearly 31,000 representing a 10% increase over the last year has had an impact on performance. The restructure will go live from 1<sup>st</sup> November and it is anticipated that performance will improve in the 3<sup>rd</sup> and 4<sup>th</sup> quarters once the team has bedded down.

National Non Domestic Rate collection (NNDR) is above target at the end of September standing at 65.85% against the in year target of 60.65%. Council Tax collection narrowly missed the in year target during this period recording 54.04% against a target of 54.28%.

The forecasted financial savings of £0.150m relates to an over-achievement of 2011/12 budget delivery plans, primarily regarding reducing staff costs.

### **HR and Organisational Development**

Sickness absence continues to have a downward trend towards the Council's target of 6 days per FTE. New policies and procedures, as well as a focus on employee health is having the desired impact. Further management interventions and targeted programmes at key staff will continue. Staff are being encouraged to take up the winter vaccine against influenza.

Agency spend is marginally above tolerances, this is predominantly temporary capacity during restructures and time-limited project work that is more cost-effective for short-term engagements.

The Council is on target for the number of apprenticeships created to support work-based learning and skills.

### **ICT**

Following last month's dip in availability of core systems, performance has resumed and is now above target.

Performance across the year in terms of numbers of Freedom of Information requests processed has improved. However, we are still below target and therefore further work along with process reviews are required to enable us to meet all expectations.

In respect of numbers of Subject Access Requests processed, quarterly performance had increased in July and August. However, a dip in September's performance was due to staff absence.

### **Democracy and Governance**

Through ongoing efficiency savings and reductions in general running expenses in legal services, Officers have reduced the deficit figures. Officers are continuing to review options to cover the now reducing forecast adverse variation of £0.094m.

### **People Management**

Agency spend is measured as a percentage of our overall monthly spend on wages (salary including on-costs plus agency costs). Agency spend stands at 5.42% of the overall wage bill for Corporate Support which is an increase of 1.11% from the previous month.

The Council has set a target of 6 working days per FTE. Sickness levels at the end of September are 8.16 working days per FTE for the last rolling 12 months, which is a decrease of 0.02 days per FTE from the previous month.

The council wide sickness statistics are 10.18 days per FTE for the last rolling 12 months.

## **10.2 Delivery Plan Update**

Corporate Support Services has direct Delivery Plans totalling 2.360m for 2011/12. The table below shows the summary position by Red Amber and Green rating (RAG). The detailed Delivery plan is attached as Appendix C



Service	Red £000	Amber £000	Green £000	Total £000
FAE/Customer Services	0	0	1,100	1,100
HR	0	0	400	400
Democracy & Gov.	0	380	130	510
ICT	0	50	250	300
Senior Management	0	0	0	50
<b>Total</b>	<b>0</b>	<b>430</b>	<b>1,830</b>	<b>2,360</b>

There has been slippage in some delivery plans. That said, this is a marked improvement on the position reported at the end of the 1<sup>st</sup> quarter. Overall, progress is encouraging with either some plans being bought forward or alternative actions put in place.

### Cross Cutting Delivery Plans

In addition to the above there are indirect (cross-cutting) Delivery Plans within Corporate Support totalling £3.016m to be achieved through savings across the Council. The plans are being driven by Theme groups comprising of cross departmental representatives. Examples include:

- Delivering the accommodation strategy
- Driving savings from strategic procurement and
- Negotiating revised terms and conditions across the council

Service Lead	Red £000	Amber £000	Green £000	Total £000
FAE	0	1,246	850	2,096
Customer Services	0	100	0	100
HR	70	700	0	770
Democracy & Gov.	50	0	0	50
<b>Total</b>	<b>120</b>	<b>2,096</b>	<b>850</b>	<b>3,016</b>

Again, there has been a lot of improvement within this area; in particular we are starting to see tangible savings from the Procure 2 Pay (P2P) project.

### 10.3 Risks and Issues

- Challenge of improving support services whilst managing down spend and meeting delivery plan savings targets;
- Capacity within the department to support the Council's change agenda and challenging financial targets

- Ensuring that expertise is retained throughout the service and redundancy costs are minimised
- Accommodation Strategy – risk of not achieving required revenue long term savings through delays in obtaining a long term solution for the future of the Civic Centre.
- Any delay in the implementation of the new Customer Relationship Management system will delay the move of services into the Customer Service team and subsequent cross cutting delivery plan.

#### **10.4 Medium Term Issues**

Significant investment in ICT is still needed in order to facilitate much of the transformational change required across the council. Progress has been made through the accommodation strategy, and further efficiencies will be realised from next year following Full Council approval to invest in the SAP replacement payroll system.

The continued trend in Schools converting to academy status will have a significant impact on corporate support. The department will need flexibility in order to scale down services and overheads should less schools commission our services.

On-going economic issues could lead to a sustained increase in Benefits claimants, increasing workloads for a team that has reduced in size. In addition uncertainties about Universal Credit and the future delivery of benefits and the shape of NNDR reforms will hamper future planning.

Customer Services transformational change to provide cost effective service and to facilitate cross cutting efficiencies is dependent on the adoption and implementation of our single Customer Relationship Management system - Microsoft Dynamics.

#### **10.5 Invest to Save**

**Accommodation Strategy** - The project is progressing well with several vacated premises generating £400k savings to date. On-going delays around the future of the Civic remain a challenge.

**Procurement Category Management** – we are now engaged with our advisors Agilysis and workshops and meetings with key personnel and DMTs are well progressed. A budget benefit realisation mechanism has now been approved by CMT and to date we have realised savings in excess of £350k. A monthly report is now being produced and savings signed off by each Directorate.