

## CABINET

<b>Date of Meeting</b>	Tuesday 14 <sup>th</sup> March 2017
<b>Report Subject</b>	Quarter 3 Improvement Plan 2016/17 Monitoring Report
<b>Cabinet Member</b>	Cabinet Member for Corporate Resources
<b>Report Author</b>	Chief Executive
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

The Improvement Plan 2016/17 was adopted by the Council in June 2016. This report presents the monitoring of progress for the third quarter of 2016/17 from October to December 2016.

Flintshire is a high performing Council as evidenced in previous Improvement Plan monitoring reports and the Council's Annual Performance reports of preceding years.

This third quarter monitoring report for 2016/17 is another positive report with 95% of agreed actions being assessed as making good progress and 58% likely to achieve the desired outcome. In addition, 72% of the performance indicators met or exceeded target for the quarter. Risks are also being successfully managed with the majority being assessed as moderate (55%) or minor / insignificant (34%).

This report is an exception based report. Therefore the report concentrates on the areas of under-performance and risk.

### RECOMMENDATIONS

1	<p>To agree to:</p> <ul style="list-style-type: none"> <li>• the levels of progress and confidence in the achievement of high level activities which seek to deliver the impacts of the Improvement Plan;</li> <li>• the performance against Improvement Plan performance indicators;</li> <li>and</li> </ul>
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	<ul style="list-style-type: none"> <li>the current risk levels for the risks identified in the Improvement Plan.</li> </ul>
2	Members to be assured by plans and actions to manage the delivery of the 2016/17 Improvement plan subject to the comments of the Overview and Scrutiny Committee reviews.

## **REPORT DETAILS**

<b>1.00</b>	<b>REPORT DETAIL</b>
1.01	The Improvement Plan monitoring reports give an explanation of the progress being made toward the delivery of the impacts set out in the 2016/17 Improvement Plan. The narrative is supported by performance indicators and / or milestones which evidence achievement. In addition, there is an assessment of the strategic risks and the level to which they are being controlled.
1.02	Individual sub-priority reports have been brought together into a single report for Cabinet. Each Overview and Scrutiny Committee will receive extracts of the reports for their respective portfolios.
1.03	This is an exception based report. Therefore the report concentrates on the areas of under-performance and risk.
1.04	<p><b>Monitoring our Actions</b></p> <p>Each of the sub-priorities have high level actions which are monitored over time. 'Progress' monitors progress against scheduled actions and has been categorised as follows: -</p> <ul style="list-style-type: none"> <li>RED: Limited Progress – delay in scheduled action; not on track</li> <li>AMBER: Satisfactory Progress – some delay in scheduled action, but broadly on track</li> <li>GREEN: Good Progress – actions completed on schedule, on track</li> </ul> <p>A Red/Amber/Green (RAG) status is also given as an assessment of our level of confidence at this point in time in achieving the 'outcome(s)' for each sub-priority. Each outcome has been categorised as: -</p> <ul style="list-style-type: none"> <li>RED: Low – lower level of confidence in the achievement of the outcome(s)</li> <li>AMBER: Medium – uncertain level of confidence in the achievement of the outcome(s)</li> <li>GREEN: High – full confidence in the achievement of the outcome(s).</li> </ul>
1.05	<p>In summary our overall progress against the high level activities is: -</p> <p><b>ACTIONS PROGRESS</b></p>

	<ul style="list-style-type: none"> <li>• We are making good (green) progress in 54 (95%) actions.</li> <li>• We are making satisfactory (amber) progress in 3 (5%) actions.</li> </ul> <p>ACTIONS OUTCOME</p> <ul style="list-style-type: none"> <li>• We have a high (green) level of confidence in the achievement of 33 (58%) action outcomes.</li> <li>• We have a medium (amber) level of confidence in the achievement of 24 action outcomes (42%).</li> <li>• None of our actions have a low (red) level of confidence in achievement of outcomes.</li> </ul>
1.06	<p><b>Monitoring our Performance</b></p> <p>Analysis of performance against the Improvement Plan performance indicators is undertaken using the RAG status. This is defined as follows: -</p> <ul style="list-style-type: none"> <li>• RED equates to a position of under-performance against target</li> <li>• AMBER equates to a mid-position where improvement may have been made but performance has missed the target</li> <li>• GREEN equates to a position of positive performance against target.</li> </ul>
1.07	<p>Analysis of current levels of quarterly performance shows the following: -</p> <ul style="list-style-type: none"> <li>• 36 (75%) had achieved a green RAG status</li> <li>• 10 (21%) have an amber RAG status</li> <li>• 2 (4%) have a red RAG status</li> </ul>
1.08	<p>The two quarterly performance indicators (PI's) which showed a red RAG status for current performance are: -</p> <p><b>Priority: Housing</b>  PI: Repair / improve 40 private sector dwellings through the Council's capital programme and Welsh Government's National Home Scheme.</p> <p>The number of loans completed during this quarter have again not met target. The Council has now allocated additional resources (building surveyors) to process the loan applications. There was also a month during quarter 2 where the Council's Mortgage Trained Assessor was absent and therefore some loans were not approved as quickly as they are usually. Quarter 3 has been spent catching up with this backlog. These two factors resulted in a failure to meet the target. It will now be difficult to meet the full year target; processes are being reviewed during quarter 4 to ensure as much resource as possible is allocated.</p> <p><b>Priority: Housing</b>  PI: Capital Works Target – Roofs and Associated Components.</p> <p>The replacement of roof coverings forms part of the whole house envelope programme. As part of the programme all three of the individual components are completed as one exercise by the same principal contractor. This was the only programme to not be fully completed last year due to logistical issues with the relocation of a mains electrical supply thus allowing the scaffolding to be erected for other scheduled works to proceed. Work is in progress to catch</p>

	up on the backlog during which 130 were completed during quarter 1 and 2, and 65 were completed during quarter 3.
1.09	<p><b>Monitoring our Risks</b></p> <p>Analysis of the current strategic risks identified in the Improvement Plan are as follows: -</p> <ul style="list-style-type: none"> <li>• 8 (16%) are insignificant (green)</li> <li>• 9 (18%) are minor (yellow)</li> <li>• 28 (55%) are moderate (amber)</li> <li>• 6 (12%) are major (red)</li> <li>• There are no severe (black) risks.</li> </ul>
1.10	<p>The six major (red) risks are: -</p> <p><b>Priority: Living Well</b> Risk: Fragility and sustainability of the care home sector.</p> <p>A five day summit with Betsi Cadwaladr University Health Board and the six North Wales Authorities was held to discuss fragility and the impact on admissions into acute hospitals and early discharge. Follow up sessions are taking place in North East Wales during February to take forward the agreed actions, and providers have been involved in these discussions. Fee setting conversations with providers were completed before the end of January. The project manager has undertaken initial research and identified both 'quick wins' and medium to long term opportunities to support the sector. The pressure on Welsh Government to increase the cap on day care has resulted in an increase from £60 to £70 per week with incremental progression to £100 per week over time to support the sector. Although progress is being made the level of risk remains red due to the ongoing fragility of the sector.</p> <p><b>Priority: Economy and Enterprise</b> Risk: Devolved powers in Wales do not match those in England.</p> <p>The risk assessment remains unchanged in this quarter as a Growth Bid is not yet complete. However, there has been extensive work to make the case for increased devolution of powers as part of the developing Bid with a positive reception from both the UK and Welsh Governments.</p> <p><b>Priority: Skills and Learning</b> Risk: Numbers of school places not matching the changing demographics.</p> <p>Reducing unfilled school places via school organisation change is an ongoing process. School change projects can take between three and five years from inception to delivery before reductions of unfilled places can be realised. This continues to be an ongoing process linked to the school modernisation programme. To supplement this the Council will continue to work closely with schools to consider innovative ways for reduction in capacity on a school by school basis (i.e. alternative use of school facilities by other groups) with the objective of meeting national targets of circa 10% unfilled places in all school sectors. The recent school organisation change determinations will result in a reduction in unfilled places across both primary and secondary schools. As a snapshot, the Holywell Learning Campus project has reduced unfilled places</p>

in this area by around 450 places. There has been no change in risk since the previous quarter.

**Priority: Skills and Learning**

Risk: Limited funding to address the backlog of known repair and maintenance works in Education and Youth assets.

Continuation of the School Modernisation programme is one of the strategic options available to address the repair and maintenance backlog. The programme continuation will also:

- Support a reduction of unfilled places
- Provide a more efficient school estate and concentrate resources on teaching by removal of unwanted fixed costs in infrastructure and leadership
- Ensure that the condition and suitability of the school estate is improved.

Additionally, capital business cases for improvement and repairs, and maintenance projects in schools will be submitted via the Council’s business case process for consideration. There has been no change in risk since the previous quarter.

**Priority: Environment**

Risk: Funding will not be secured for priority flood alleviation schemes.

During quarter 3 the grant and availability continued to be monitored. A capital bid to potentially address flood risk schemes is also being developed. The Mold scheme will be raised as a potential National Development Framework project which will provide greater strength when seeking capital. A review of the permitted Mold scheme is also in progress.

**Priority: Modern and Efficient Council**

Risk: The scale of the financial challenge.

The Final Local Government Settlement for 2017/18 has since been received and is more favourable than the figure projected within the forecast. The annual budget for 2017/18 has now been set. The risks remain high for future budget years.

1.11

**Risk Trend**

The 51 strategic risks within the Improvement Plan have been successfully managed with the majority being assessed at the quarter 3 position as remaining the same as the initial assessment 31 (61%) or having reduced 19 (37%). There is one risk which has increased from yellow to an amber rating; but overall the trends show successful management of risks during the year.

**Increased Risk**

**Priority: Modern and Efficient Council**

Risk: The pace of procurement collaborations and our limited control over

	<p>their development.</p> <p>The National Procurement Service (NPS) has increased the pace of procurement collaboration delivery with 30+ framework agreements in place and further projects identified.</p> <p>Actual benefits to the Council from the NPS framework agreement is varied, therefore further monitoring of benefits is required going forward. Meetings have been held with the National Procurement Service to develop an action plan to determine if tangible efficiencies can be obtained from collaborative framework agreements already delivered.</p>
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<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	There are no specific resource implications for this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	The Improvement Priorities are monitored by the appropriate Overview and Scrutiny Committees according to the priority area of interest.
3.02	Chief Officers have contributed towards reporting of relevant information.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	Progress against the risks identified in the Improvement Plan is included in the report at Appendix 1. Summary information for the risks assessed as major (red) is covered in paragraphs 1.09 and 1.11 above.

<b>5.00</b>	<b>APPENDICES</b>
5.01	<b>Appendix 1:</b> Quarter 3 Improvement Plan Progress Report.

<b>6.00</b>	<b>SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972 List of Accessible Background Documents</b>
6.01	<p><b><u>Improvement Plan 2016/17:</u></b>  <a href="http://www.flintshire.gov.uk/en/Resident/Council-and-Democracy/Improvement-Plan.aspx">http://www.flintshire.gov.uk/en/Resident/Council-and-Democracy/Improvement-Plan.aspx</a></p> <p>Contact Officer: Chris Phillips, Strategic Performance Lead  Telephone: 01352 701457  E-mail: <a href="mailto:Christopher.x.Phillips@flintshire.gov.uk">Christopher.x.Phillips@flintshire.gov.uk</a></p>

**7.00 GLOSSARY OF TERMS**

- 7.01 **Improvement Plan:** the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.
- 7.02 **School Modernisation:** the process by which the Local Authority ensures there are a sufficient number of high quality school places, of the right type in the right locations.
- 7.03 **Risks:** These are assessed using the improved approach to risk management endorsed by Audit Committee in June 2015. The new approach, includes the use of a new and more sophisticated risk assessment matrix which provides greater opportunities to show changes over time.

**Risk Likelihood and Impact Matrix**

<b>Impact Severity</b>	<b>Catastrophic</b>	<b>Y</b>	<b>A</b>	<b>R</b>	<b>R</b>	<b>B</b>	<b>B</b>
	<b>Critical</b>	<b>Y</b>	<b>A</b>	<b>A</b>	<b>R</b>	<b>R</b>	<b>R</b>
	<b>Marginal</b>	<b>G</b>	<b>Y</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>R</b>
	<b>Negligible</b>	<b>G</b>	<b>G</b>	<b>Y</b>	<b>Y</b>	<b>A</b>	<b>A</b>
		<b>Unlikely (5%)</b>	<b>Very Low (15%)</b>	<b>Low (30%)</b>	<b>Significant (50%)</b>	<b>Very High (65%)</b>	<b>Extremely High (80%)</b>
<b>Likelihood &amp; Percentage of risk happening</b>							

- 7.04 The new approach to risk assessment was created in response to recommendations in the Corporate Assessment report from the Wales Audit Office and Internal Audit.

**8.00 CAMMS – An explanation of the report headings**

**Actions**

Action – Each sub-priority have high level activities attached to them to help achieve the outcomes of the sub-priority.

Lead Officer – The person responsible for updating the data on the action.

Status – This will either be ‘In progress’ if the action has a start and finish date or ‘Ongoing’ if it is an action that is longer term than the reporting year.

Start date – When the action started (usually the start of the financial year).

End date – When the action is expected to be completed.

% complete - The % that the action is complete at the time of the report. This only applies to actions that are 'in progress'. An action that is 'ongoing' will not produce a % complete due to the longer-term nature of the action.

Progress RAG – Shows if the action at this point in time is making limited progress (Red), satisfactory progress (Amber) or good progress (Green).

Outcome RAG–Shows the level of confidence in achieving the outcomes for each action.

### **Measures (Key Performance Indicators - KPIs)**

Pre. Year Period Actual – The period actual at the same point in the previous year. If the KPI is a new KPI for the year then this will show as 'no data'.

Period Actual – The data for this quarter.

Period Target – The target for this quarter as set at the beginning of the year.

Perf. RAG – This measures performance for the period against the target. It is automatically generated according to the data. Red = a position of under performance against target, Amber = a mid-position where improvement may have been made but performance has missed the target and Green = a position of positive performance against the target.

Perf. Indicator Trend – Trend arrows give an impression of the direction the performance is heading compared to the period of the previous year:

- A 'downward arrow' always indicates poorer performance regardless of whether a KPI figure means that less is better (e.g. the amount of days to deliver a grant or undertake a review) or if a KPI figure means that more is better (e.g. number of new jobs in Flintshire).
- Similarly an 'upward arrow' always indicates improved performance.

YTD Actual – The data for the year so far including previous quarters.

YTD Target – The target for the year so far including the targets of previous quarters.

Outcome RAG–The level of confidence of meeting the target by the end of the year. Low – lower level of confidence in the achievement of the target (Red), medium – uncertain level of confidence in the achievement of the target (Amber) and high-full confidence in the achievement of the target (Green).

### **Risks**

Risk Title – Gives a description of the risk.

Lead Officer – The person responsible for managing the risk.



Supporting Officer – The person responsible for updating the risk.

Initial Risk Rating – The level of the risk at the start of the financial year (quarter 1). The risks are identified as follows; insignificant (green), minor (yellow), moderate (amber), major (red) and severe (black).

Current Risk Rating – The level of the risk at this quarter.

Trend Arrow – This shows if the risk has increased (upward arrow), decreased (downward arrow) or remained the same between the initial risk rating and the current risk rating (stable arrow).

Risk Status–This will either show as ‘open’ or ‘closed’. If a risk is open then it is still a relevant risk, if the risk is closed then it is no longer a relevant risk; a new risk may be generated where a plan or strategy moves into a new phase.