

Public Document Pack



To all Members of the Shared Services
Committee

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DATE: 18 November 2011 OUR REF: CF :

Dear Councillor

SHARED SERVICES JOINT COMMITTEE - FRIDAY, 25TH NOVEMBER, 2011

I am now able to enclose, for consideration at next Friday, 25th November, 2011 meeting of the Shared Services Joint Committee, the following reports that were unavailable when the agenda was printed.

Mid Year Performance Report (Pages 1 - 44)

Report of
Report will be circulated 'To Follow'.

Yours sincerely

Cherry Foreman

Democratic Services Officer

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CHESHIRE EAST COUNCIL CHESHIRE WEST & CHESTER COUNCIL

REPORT TO: SHARED SERVICE JOINT COMMITTEE

Date of Meeting:	25 November 2011
Report of:	Cheshire East – Director of Finance and Business Services Cheshire West & Chester – Director of Resources
Subject/Title:	Shared Services Mid-Year Performance Review 2011-12

1 Report Summary

- 1.1 This report provides a summary of the mid-year performance for all long term shared services set against 2010-13 Business Plans as approved by the Joint Committee in October 2010. It focuses on delivery in the current year noting where targets are being achieved but highlighting areas of emerging challenge where service delivery against plan is being compromised.
- 1.2 In terms of overall performance only the Emergency Planning Service and the Rural Touring Network have been rated as “green” suggesting at the mid year point that target performance will be delivered to plan. The remaining shared services’ have been rated as “amber” owing to slippage in service delivery and / or budgets forecasts suggesting an overspend at year end. An overview of performance is contained in Appendix 1.
- 1.3 All long term shared services have recently been through a budget challenge to assess performance against 2011-12 efficiency targets and to revise those for 2012-13. As part of this process shared service managers have revisited their Service Plans to review the impact on service delivery for 2011-12. This is summarised in Appendix 2.

Decision Requested

- 1.4 That the Shared Services mid-year performance for 2011 -12 be noted.

2 Reasons for Recommendations

- 2.4 The Shared Services Administrative Agreement makes provision for the Joint Committee to receive regular performance reports based on the information and measures contained in Shared Service Business Plans and Service Delivery Statements which have since been amalgamated into three-year business plans as agreed by the Committee on 29 October 2010.

3 Wards Affected

- 3.4 This report relates to shared services that operate across both Cheshire East and Cheshire West and Chester so all wards are affected in both Councils.

4 Local Ward Members

- 4.4 Not applicable.

**5 Policy Implications including - Climate change
- Health**

- 5.4 None.

6 Financial Implications

- 6.1 As part of the mid year performance review Shared Service managers have reassessed the delivery of anticipated budget efficiencies. These were set to achieve £1.5m in the current year. It is suggested that the delivery of these efficiencies is below target and whilst some may slip into 2012-13 others may not now be achieved at all. This situation will put additional pressure on service budgets.

7 Legal Implications

- 7.4 None.

8 Risk Management

- 8.4 As part of the review of Business Plans, all long term shared service Risk Logs have been revisited to take account of emerging issues. Risks have been revised against the current financial position and reassessed accordingly. The overall outcomes of this review will be reported to the Joint Officer Board in December and where appropriate emerging or increasing risks will be elevated to the Shared Service strategic risk register. The outcome of this exercise will be reported to the Joint Committee in the new year.

9 Background and Options

- 9.4 Legal arrangements, business plans and service delivery statements were developed for all shared services and presented to the Joint Officer Board and the Joint Committee in 2009. In 2010 the Shared Service Joint Committee agreed that these be amalgamated into three year business plans for the longer term shared services.
- 9.5 The Business Plan provides details of the Shared Service operation, plans and investment for the next three years. However, the requirements are subject to

change as each Council further develops their needs and objectives. As such, the Business Plan is subject to annual review and amendment as appropriate. The Business Plans for 2010-13 also set out the measures by which the shared services' performance will be assessed, including performance indicators and benchmarks.

- 9.6 The performance management framework supporting the shared service arrangements is now sufficiently matured to enable in-year reporting. This report focuses on the 2011-12 mid-year position.

10 Shared Service Mid-Year Performance 2011-12

- 10.1 This performance report relates to the remaining long term shared services currently in place between Cheshire East and Cheshire West and Chester Councils. This includes:

- HR & Finance
- ICT
- Farms Estate
- Emergency Planning
- Occupational Health
- Archives
- Libraries Specialist Support
- Rural Touring network
- Youth Offending Service

- 10.2 Performance data relating to the remaining transitional services has not been included, as in many cases the shared arrangements ceased before the year end thereby making collection difficult and irrelevant to ongoing sharing arrangements. On balance it was considered that the benefits of reporting this data were outweighed by the effort required to collect it.

- 10.3 A summary of performance is contained in Appendix 1. This is based on performance against 2010-13 Business Plans but focusing on the current year. The summary also provides an indication of the emerging challenges presented by the current budget situation and the impact that this is having on service delivery. It is important to note that unless remedial action is taken to bring performance back on track this is likely to have an ongoing impact on the delivery of planned objectives. This position will be fully reviewed at outturn.

- 10.4 An assessment of overall delivery at this point has been made and a RAG rating (Red / Amber / Green) has been applied to provide a judgement of the likely performance at the year end. This suggests that:

- Two services are rated as Green (performing well)
- Seven services are rated as Amber (mixed performance)

Where possible each service has provided an indication of performance against targets at the mid year point where these can be calculated. Across the board these provide a mixed view of performance and where targets are not being achieved it will be necessary to revise longer term targets for consequent years.

- 10.5 Several services, including ICT and HR & Finance, are now actively undertaking consultation to assess user experience and customer satisfaction with service delivery. This will provide valuable baseline data against which performance indicators can be developed and monitored to drive improvement. Such measures will help to strengthen the overall approach to performance management.
- 10.6 The approach to benchmarking is also improving and this will assist the development of cost indicators which when put together with qualitative measures will help in assessing the value for money provided by the shared services. Benchmarking will also enable managers to regularly assess costs against similar organisations to ensure that service operations remain cost effective and competitive.
- 10.7 Risk management and business continuity is now starting to become embedded in the overall approach to performance management in the shared services. This is particularly evident in the ICT Shared Service. High scoring risks have been collated and will shortly be considered for inclusion in the Joint Officer Board's strategic risk register. Where appropriate risks will feed into the risk processes in CE and CWAC councils.
- 10.8 Shared Service Budget Challenge sessions were introduced in 2010 and the exercise has recently been repeated to assess the delivery of efficiency targets and review those set for 2012-13. The outcomes suggest that overall there will be a £300k shortfall on anticipated savings this year but it is expected that the position will improve next year with the target being increase by £600k. This situation will be closely monitored. Appendix 2 provides a summary of budget challenge targets.
- 10.9 The performance management framework surrounding shared services is maturing and is now capable of reporting in-year. However further development is needed to ensure that accurate and timely data is provided which reassures all stakeholders, particularly clients that the shared services are delivering to plan. Where this is not the case the reasons for this need to be articulated and understood to enable informed decisions to be made. Work with shared service Managers will continue to achieve this aim.

11 Moving Forward

- 11.1 The review of Shared Service Business Plans at the mid year point provides an opportunity to assess performance to date and to consider remedial action where this is found to be off track. At this stage the majority of Shared Service Managers are suggesting that the ambitions for the current year will not be fully realised although core service delivery is largely being maintained. Key issues are the deficit in anticipated efficiencies which will impact on the overall outturn position.

12 Access to Information

The background papers relating to this report can be inspected by contacting the report writers:

Officer: Lisa Quinn, Borough Treasurer & Head of Assets – Cheshire East Council / Julie Gill, Director of Resources – Cheshire West & Chester Council
Tel No: 01270 686628 / 01244 977830
Email: lisa.quinn@cheshireeast.gov.uk / Julie.gill@cheshirewestandchester.gov.uk

Background Documents:

Documents are available for inspection at:

Cheshire East Cabinet Report – Shared Services – 7th October 2008
Cheshire West and Chester Executive Report – Joint Liaison Committee
Recommendations: Caretaker and Nominated Councils; Shared Services: Service Delivery Option; Shared Back Office Services – 15th October 2009
Cheshire East Cabinet Report – Shared Services – 3rd March 2009
Cheshire West and Chester Executive Report – Shared Services – 18th March 2009
Cheshire East Cabinet Report – Shared Services – 23rd March 2009
Cheshire Shared Services Joint Committee Report – 10th June 2009
Cheshire Shared Services Joint Committee Report – 13th July 2009
Cheshire Shared Services Joint Committee Report – 3rd September 2009
Cheshire Shared Services Joint Committee Report – 30th September 2009
Cheshire Shared Services Joint Committee Report – 26th October 2009
Cheshire Shared Services Joint Committee Report – 26th November 2009
Cheshire Shared Services Joint Committee Report – 3rd February 2010
Cheshire Shared Services Joint Committee Report – 12th March 2010
Cheshire Shared Services Joint Committee Report – 31st March 2010
Cheshire Shared Services Joint Committee Report – 28th May 2010
Cheshire Shared Services Joint Committee Report – 16th July 2010
Cheshire Shared Services Joint Committee Report – 17th September 2010
Cheshire Shared Services Joint Committee Report – 29 October 2010
Cheshire Shared Services Joint Committee Report – 26 November 2010
Cheshire Shared Services Joint Committee Report – 25th February 2011
Cheshire Shared Services Joint Committee Report- 18th March 2011
Cheshire Shared Services Joint Committee Report- 29th July 2011
Cheshire Shared Services Joint Committee Report- 30th September 2011

Documents are available for inspection at:

Cheshire East Democratic Services
Westfields
Middlewich Road
Sandbach
CW11 1HZ
or:
Cheshire West & Chester Democratic Services

*HQ Building,
Nicholas Street,
Chester,
CH1 2NP*

SHARED SERVICE MID YEAR PERFORMANCE REPORT 2011-12: SUMMARY

Appendix 1

This summary of performance provides an overview of performance against Shared Services Business Plans 2011-12. The RAG rating (Red / Amber / Green) provides an indication of the likelihood of targets and budgets being delivered at year end based on performance at this point.

SERVICE			Overall rating
A01a	HR and Finance	Overall service delivery against objectives is on track despite some initial issues arising from the Oracle 12 upgrade which has since been resolved. Some key indicators suggest higher than anticipated performance against target, e.g CRB checks. Baseline data for other indicators is about to be refreshed through a repeat benchmarking exercise to assess transactional costs the outcomes of which will be available early in the new year. Customer satisfaction surveys are also being rolled out which will help to inform future service delivery and drive improvement. At mid year the service anticipates a significant short term overspend in the current financial year.	A
A01b	ICT Shared Service	Service delivery is improving in many areas as new systems are implemented. Service excellence processes have been introduced to provide a better view of service risk. ISO9001 Quality Assurance accreditation has been maintained and customer surveys suggest that satisfaction with services is higher than anticipated. Despite benchmarking suggesting that the service is cost effective the current position shows a significant overspend against budget.	A
A03	Farms Estate	Overall good performance with the majority of objectives being maintained to plan however disposals targets are at risk of not being achieved for both councils. The service currently anticipates a small underspend at outturn.	A
A04	Emergency Planning	Overall good performance with service delivery in line with the plan. Currently additional activity is being accommodated to prepare for anticipated industrial action. The service currently anticipates a small underspend at outturn.	G
A05	Occupational Health	This shared service has recently completed a staffing re-structure and anecdotal evidence suggests that service is improving. However there is little data to support this given the delayed implementation of the electronic system to support performance management. The service currently anticipates a small underspend at outturn.	A
A06	Archives	This service is currently being reviewed and it is expected that the outcomes will address some of the issues that have arisen in year e.g. revision of SLAs with Halton and Warrington. Whilst it is anticipated that the service will deliver a balanced budget concern has been raised about reduced income streams arising from delayed contacts and changes to common land searches.	A
A08	Libraries Specialist Support	Steady progress is being made against the service plan but the project to collocate the service has been delayed and will not now be achieved until 2012-13. Consequentially associated efficiencies will not be delivered but despite this, a small underspend against budget is anticipated.	A
A14	Rural Touring Network	The RTA is on target to deliver its service plan objectives for 2011-12	G
B29	Youth Offending Service	Delivery is progressing in line with the YOS Strategic Plan. Indications are that performance is improving although this is yet to be evidenced. Budget forecasts suggest an overspend at outturn	A

The following tables provide a more detailed view of performance in each of the featured shared services. These include an indication of the general direction of travel against targets as outlined below:

- ↑ Performance currently above 2011-12 target
- ↔ Performance currently on 2011-12 target
- ↓ Performance below 2011-12 target

A01a HR AND FINANCE

Overall Rating:



Service Manager: Vanessa Coates

The HR & Finance Shared Service provides transactional 'back office' services to Cheshire West and Chester ("CWAC") and Cheshire East ("CE") Councils (key clients) and also a range of external customers.

Progress against delivery of Business Plan 2011-12

- Continued to provide services within the SLA
- Following implementation of R12 upgrade in March have settled most outstanding issues and work arounds
- Supported the West new terms and conditions processes, we have issued new statement of written particulars to all staff;
- Supported the East new terms and conditions processes, system changes for East T&C's being developed and East issuing new statements of particulars;
- Initiated 3 major projects for electronic invoicing
- Revamping the helpdesk technology to include an informed queue system
- Programme of rollout of Quick Invoicing in schools nearly complete
- Developed Absence case work tracking on Oracle
- Implemented a series of salary sacrifice benefits and car lease schemes
- Continued to grow the external business – academies and town councils
- Developing Electronic filing system to replace paper personal files

Mid Year Budget Position: £222,713 overspend

Emerging Issues

- The age and instability of the infrastructure is causing concerns and will escalate a programme of work that might have a knock on effect on completing some developments this year but more likely next year
- Pensions regulation changes are resource hungry and may impact on the ability to make all savings next year
- HMRC introducing real time information which employers will have to respond to again requiring resources

Emerging Risks

- Continual addition of extra functions such as salary sacrifice schemes increases the central workload these need to be made more visible and the impact assessed

Performance against Key Indicators

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance to Mid-Year	2012-13 Target
HRF1	Benchmarking cost per payslip	ESC Manager	Overall	1.90		↔	Awaiting revised benchmarking outcomes	1.90
			CE	1.90				1.90
			CWAC	1.90				1.90
HRF2	Benchmarking cost per payments invoice	Exchequer Manager	Overall	1.35		↔	Awaiting revised benchmarking outcomes	1.25
			CE	1.35				1.25
			CWAC	1.35				1.25
HRF3	Benchmarking costs per receivables invoice	Income Manager	Overall	3.80		↔	Awaiting revised benchmarking outcomes	3.60
			CE	3.80				3.60
			CWAC	3.80				3.60
HRF4	Staff ratio of employees to Contracting staff	ESC Manager	Overall	500	504	↑	Slight improvement achieved	500
			CE	500				500
			CWAC	500				500
HRF5	% Invoices ready for processing in 10 working days*	Exchequer Manager	Overall	98%		↔	Some variation in CE and CWAC but overall performance maintained	98%
			CE	98%				98%
			CWAC	98%				98%
HRF6	% Invoices ready for processing in 5 working days	Exchequer Manager	Overall	92%	91%	↓	Slight decline in performance arising from implementation of R12	94%
			CE	92%				94%
			CWAC	92%				94%
HRF7	%CRB's being completed electronically	Sourcing Manager	Overall	80%	85%	↑	Improved position	85%
			CE	80%				85%
			CWAC	80%				85%
HRF8	Delivery of efficiency savings	Head of Service	Overall	-170	-170	↔	On target to achieve savings	-210
HRF9	Delivery of Staffing efficiencies	Head of Service	Overall	-9	-9	↔	On target to achieve	-10

**Service Manager:** John Callan

The main purpose of the ICT Shared Service is to develop, operate and progress towards delivering a cost-effective, quality and efficient ICT service, supporting cost reduction through the introduction of lower cost technology whilst enabling each authority to pursue their transformation agendas and introduce fundamental business change. This will be achieved by building a strong and stable ICT Shared Service which provides a flexible organisation by creating a professional, client focussed and efficient team.

Key achievements to date

- Essential Replacement investment now linked to service risk mitigation (see risk wheels below).
- Implementation of new Liquid Logic (Adults and Children's Social Care) for CWaC.
- New planning system for CEC – data migrations from legacy systems.
- Audit defence against four major vendor audits, Microsoft, Oracle, Adobe, Business Objects, saving approximately £1.5m cost-avoidance.
- Completed Benchmark and Satisfaction survey .
- Continued certification to ISO 9001 Quality Standard.
- CRM 2010 implementation for CEC.
- Harmonisation of telephony systems (both CWaC and CEC)
- Standardised Help Desk incorporating Oracle and PARIS.
- 99.3% core site availability across CWaC and CEC.
- Continuing buy-back of over 60% against Schools' SBSA in a commercial environment.
- Implementation of multi-use sites – partnership working.
- Implementation of Service Excellence across major service lines.
- New ICT service for Parish Council (both CWaC and CEC).
- Improved Major Incident and Problem Management processes.
- National Award for development of Lagan (CWA CRM).
- Continued low levels of service outage as a result of implemented changes.

Mid Year Budget Position: £2,445,752 overspend**Emerging Issues**

In recognition of the anticipated overspend that is currently forecast against the client budgets, the ICT Shared Service is actively working to reduce both its in year expenditure and baseline costs through a number of key reviews and identification of efficiencies. The following summarises actions identified to date, and work is on-going to reduce the cost of the service going forward:

- **Performance Management** – The service has undertaken a performance review of all employees. Those who are deemed to be under performing and do not take the opportunity to improve their performance will follow due HR process and be exited from the authority. It is expected that the benefits of this process will be increased efficiency and potentially a reduction in the number of posts. There are currently 21 employees that are undergoing performance management. To date 6 employees have exited under this process.

- Commodity Sourcing** – ICT Shared services will continue to review its sourcing strategies to potentially source ICT Commodity “Run” services. The aim is to reduce “Run” costs whilst at the same time controlling service risk. For example, the current Oracle service is being considered for external hosting based on certainty and service.
 Results of the Gartner benchmarking exercise have now been received and show that despite the challenges faced by the service, in the ICT functional areas measured, the ICT Shared Service are 21% less expensive than the average peer group. Therefore it appears very unlikely that additional savings could be made through changing source of supply. Gartner specifically commented that Cheshire Shared Services should not source based on cost only.
- Recruitment Review** – The Shared Service will employ a strict vacancy management process, only filling essential vacancies.
- Contract Spend Analysis** – All contract expenditure is currently being reviewed with a view to determining which items can be cancelled, consolidated or renegotiated. This review will focus on specific applications that are retiring or are to be retired. More radical proposals will include cancellation of the “SunGard” contract (disaster recovery), a single Microsoft Enterprise Agreement and negotiation of payment holidays with suppliers. The current level of third party spend known to the Shared Service is approximately £6m. This excludes any third party spend currently within the clients.
- Architecture Simplification** – ICT Shared Service currently supports over 550 applications, a legacy of LGR. The system landscape needs to be simpler, more flexible and more resilient. In partnership with clients, the ICT Shared Service will classify all the systems it supports as “Strategic”, “Contained” or “Retiring”. The Service will aim to reduce spend on Contained and Retiring systems. There are around 35 applications classified as Retired that are still being supported and a further 310 Contained. See **Appendix C** for more details.
 The Service has now implemented a new approach to how we invest, develop and support ICT systems. Work in 2011-12 will allow potential efficiencies to be identified and achieved in future years. The savings associated with this action will be recognised under the contract spend analysis area as they will all be contract related.
- Review of Target Operating Model** – The Shared Service operating model is currently under review. This will identify the number of employees for whom there will not be a role within the new operating model, which in turn will reduce operating costs. The impact of this saving will not be realised until 2012-13. There will also be extraordinary one-off costs associated with achieving this saving.

Emerging Risks

Contracts - Proposals to cancel contracts in order to make savings have not yet been agreed with the West or East councils, although some savings have been achievable in 2011/12 within the Shared Service itself. Going forwards, agreement will be necessary to achieve additional savings identified as a large number of contracts sit within client areas of decision and control given they are the legal entities. There will be an associated cost in relation to commissioning the work needed to close / end contracts. Unless the clients commission the activity from the Shared Services, the contracts will remain open. Although contract savings have been identified by the Shared Service, there is a risk that a significant proportion of the actual savings will likely be claimed by the clients, and not receive recognition as Shared Services savings. Accounting treatments of the savings will need to be agreed.

Operating Model changes - Once the consultation period commences and the scale of the staff reductions becomes public, the ICT Shared Service is likely to see a destabilising impact which will have a consequential effect on service delivery. This will be mitigated by considering contractor extensions and revised costings will be submitted. The current Run/Change split will be reassessed.

Terms and conditions - CWaC are implementing new terms and conditions without trade union agreement which may result in colleagues being dismissed and re-engaged. CEC with union support launch their revised terms and conditions in December which has a consequential impact on the sourcing of out of hours (overtime/standby) work.

Industrial action - Pension changes, harmonisation of terms and conditions and the outcome of consultations may result in industrial action.

Service Risk - The scale of reduction in employees and contracts will require service levels to be renegotiated against a background of existing high service risk on the current service lines. See **Appendix A** (Headline Service Excellence Risk Wheels) and **Appendix B** (Link between Infrastructure Replacement Programme and Service Excellence.)

Performance against key performance Indicators and Milestones

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance to Mid-Year	2012-13 Target (from 2010-2013 Business Plan)
ICTSS01	Service Desk Telephone Answer Service Level 80% in 20 seconds by the end of the 2010/11 year	Head of SOS	Overall*	80/20	89.8%	↑	Within SLA and consistently improving. (83% for the 2010-11 year). Accurate staff scheduling and tight control over time spent on answering calls (5 minutes) contributes to a consistent performance.	80/20 excl abandoned calls
ICTSS02	% of priority 1 service desk calls resolved with 4 hours (for all channels and assigned by 1 st line support). By Incidents and Service Requests	Head of SOS	Overall*	Inc: 95%/4 hours (excl allow except)	98% (47/48)	↑	Within SLA for incidents. 17 incidents were outside of SLA, however all but one are excluded due to being outside reasonable ICTSS control i.e. business issues, referral to third party suppliers for resolution or where significant in-house intervention is required (such as hardware builds) in order to resolve. Work is still being undertaken to define P1 applications/services which, when in place, will allow us to focus resources even more effectively. No P1 service requests reported.	Inc: 95%/4 hours excluding allowable exceptions S/R: 95%/1 wk day
				S/R: 95%/1 work day	N/A	↑		
ICTSS03	% of priority 2 service desk calls resolved with 8 hours (for all channels and assigned by 1 st line support). By Incidents and Service Requests	Head of SOS	Overall*	Inc: 95%/1 work day S/R: 95%/5 work days	83% (2374/2857) 97% (5432/5626)	↓ ↑	Outside of SLA for incidents. Closer monitoring of calls close to breach and proactive action to alert teams to those calls is now in progress. Also “stopping the clock” on those calls that are outside of ICTSS control e.g. where users are not available for details/clarification or where calls are referred to third party suppliers. Within SLA for service requests.	Inc: 95%/1 wk day excluding allowable exceptions S/R: 95%/5 wk days
ICTSS04	% of priority 3 service desk calls resolved with 5 days (for all channels and assigned by 1 st line support) By Incidents and	Head of SOS	Overall*	Inc: 95%/2 work day S/R: 95%/20 work days	89% (1713/1931) 98% (34307/	↓ ↑	Outside of SLA for incidents. Closer monitoring of calls close to breach and proactive action to alert teams to those calls is now in progress. Also “stopping the clock” on those calls that are outside of ICTSS control e.g. where users are not available for details/clarification or where calls are referred to third party suppliers. Within SLA for service requests and consistent.	Inc: 95%/2 wk days S/R: 95%/20 wk days

	Service Requests				35157)		Low priority calls are high-volume routine, standard and repeatable requests and are procedure-driven hence the high and consistent performance.	
ICTSS0 4a	% of priority 4 service desk calls resolved with 5 days (for all channels and assigned by 1 st line support) Incidents only	Head of SOS	Overall*	75%/5 work days	93% (15226/16458)	↑	Within SLA and consistent. Low priority calls are high-volume routine, standard and repeatable requests and are procedure-driven hence the high and consistent performance.	75%/5 wk days
ICTSS0 5	% availability average of core WAN	Head of SOS	Overall*	99.0%	99.3%	↑	Within SLA and consistent. (99.9% reported for the 2010-11 year but Overall Corporate Network Non-ADSL Edge Site availability is a more accurate measure, and excludes Corporate (ADSL) and Schools, as these sites can be manually switched off when not in use.) There is now a fully resilient network ring around Cheshire and active monitoring is done via SolarWinds software.	99.0%
ICTSS0 6	% availability of core business applications during working hours (Priority 1 apps)	Head of SOS	Overall*	99.0%	99.8%	↑	Within SLA and consistent. (99.7% reported for 2010-11.) Note: Definitions of “unavailability” are currently vague and a full service outage needs to occur before it is deemed unavailable, rather than an intermittent or partial problem. Agreement on P1 apps/services will allow this measure to become clear and meaningful in future. Also, aligning P1 apps/services with Service Excellence Risk Wheels will inevitably mean future targets will need to be downgraded as many of these applications carry significant service risk.	99.0%
ICTSS0 7	% projects completed within agreed timescales	Head of TCI	Overall*	95%	N/A		Not currently reporting on completed projects, only those in progress, and ICTSS is looking at process changes involving specifying project contingency and tolerance to allow project boards to approve final project KPIs as part of formal closure. This will be reported on at year end.	95%
ICTSS0 8	% projects completed within agreed budget	Head of TCI	Overall*	95%	N/A		Not currently reporting on completed projects, only those in progress, and ICTSS is looking at process changes involving specifying project contingency and tolerance to allow project boards to approve final project KPIs as part of formal closure. This will be reported on at year end.	95%

Those marked with * is where ICT Shared Services has not delivered differential service levels between CE and CWAC.

All SLAs will need to be reviewed and renegotiated should ICT Shared Services become part of the Operating Model implementation and cost reductions, as well as moving to a Single Legal Entity.

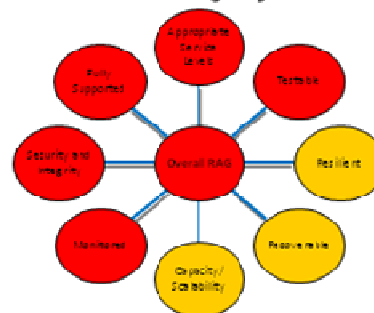
A number of measures above take into account issues that are not within ICTSS control and/or where ICTSS has no commercial leverage (i.e. where the contract is between client and supplier not ICTSS and supplier).

Cheshire Shared Services

**Service Line Approach to Service Excellence
Oracle**



**Service Line Approach to Service Excellence
CWAC Highways**



**Service Line Approach to Service Excellence
CWAC Development Management**



**Service Line Approach to Service Excellence
CWAC Libraries**



**Service Line Approach to Service Excellence
CWAC Elections Management**



**Service Line Approach to Service Excellence
CWAC CRM**



**Service Line Approach to Service Excellence
CWAC Health & Social Care**



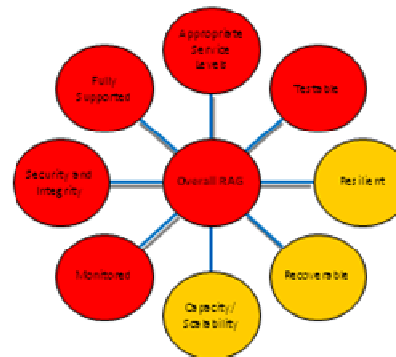
**Service Line Approach to Service Excellence
CWAC Revenues & Benefits**



ServiceLine Approach to Service Excellence
Oracle



ServiceLine Approach to Service Excellence
CEC Highways



ServiceLine Approach to Service Excellence
CEC Development Management



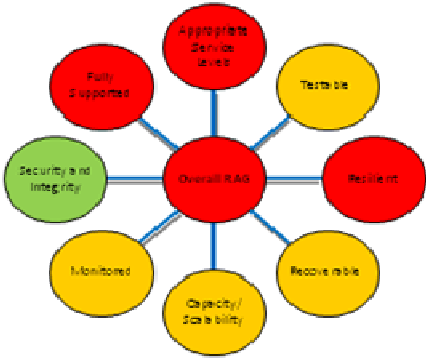
ServiceLine Approach to Service Excellence
CEC Libraries



Service Line Approach to Service Excellence
CEC Elections Management



Service Line Approach to Service Excellence
CEC CRM



Service Line Approach to Service Excellence
CEC Health & Social Care



Service Line Approach to Service Excellence
CEC Revenues & Benefits



APPENDIX B - Link between Infrastructure Replacement Programme and Service Excellence

During the summer ICTSS presented a risk-based assessment of the Infrastructure estate which identified a number of critical and high-priority elements which required urgent funding by the clients.

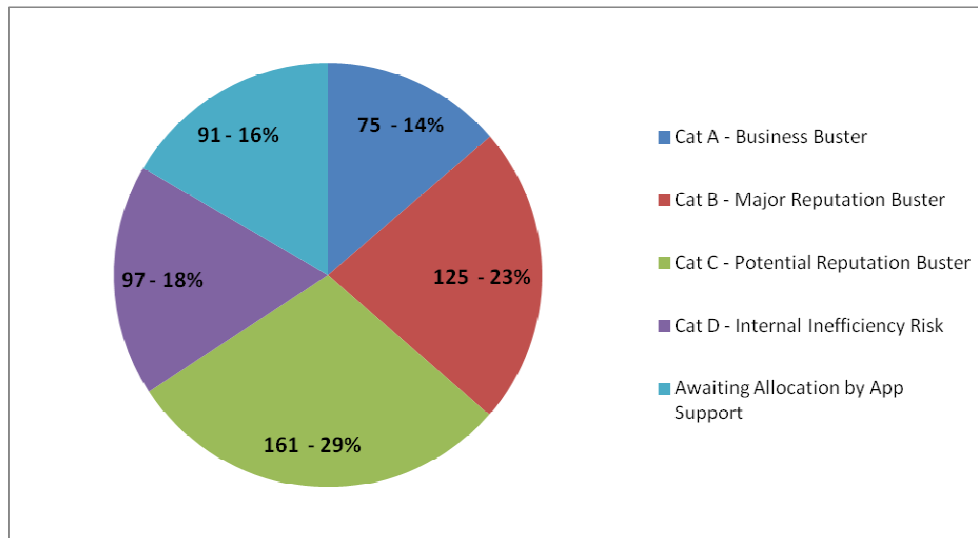
This table shows the current status of the critical elements. Note that many are in progress already and most of the others are under consideration by clients.

Element ID	Description	Current Status
H1	Replace the end of life Bull Escala platform for eBusiness/PARIS	ICTSS preparing tender
H2	Wide Area Network Continuity (Priority 1) - Proactive investment to the core network backbone to protect service	Work commissioned
H3	Replacement of end of life Disk Storage & additional storage for growth/harmonisation initiatives	Work commissioned
H4	Replace end of life servers to protect service & add capacity within existing licensing	ICTSS submitted proposal to clients October
H5	Replacement/Consolidation of the end of life Citrix farms	Work commissioned
H6	Upgrade remaining Windows 2000 servers to Windows 2003/2008 to protect service.	ICTSS submitted proposal to clients October
H7	Cluster remaining Exchange servers to protect service	Work commissioned
H8	Provide additional Shared SQL hosting capacity for growth & harmonisation initiatives	ICTSS submitted proposal to clients October
H9	Migrate remaining SQL Server 2000 systems to SQL 2008 (supported platform) to protect service	ICTSS submitted proposal to clients October
H10	Harmonisation of EX-BC WANS to improve/protect service & migrate users at satellite offices to Avaya IPT.	Needs ICTSS proposal

APPENDIX C – Contract Costs by Application Landscape

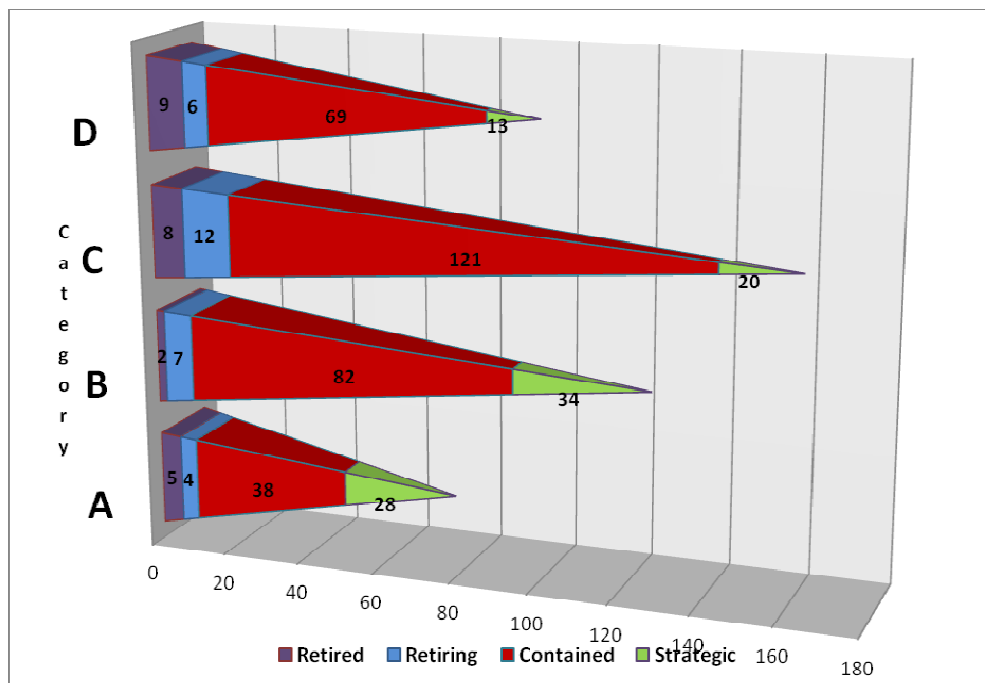
1. Business Impact

The ICT Shared Service has been working to classify supported applications by business impact. The following diagram illustrates the categorisation spread.



2. Current Status of Categorised Applications

The ICT Shared Service is still supporting 35 “Retired” applications with a further 310 applications within the “Contained” category.



Category A – Business Busters

Category B – Major Reputation Buster

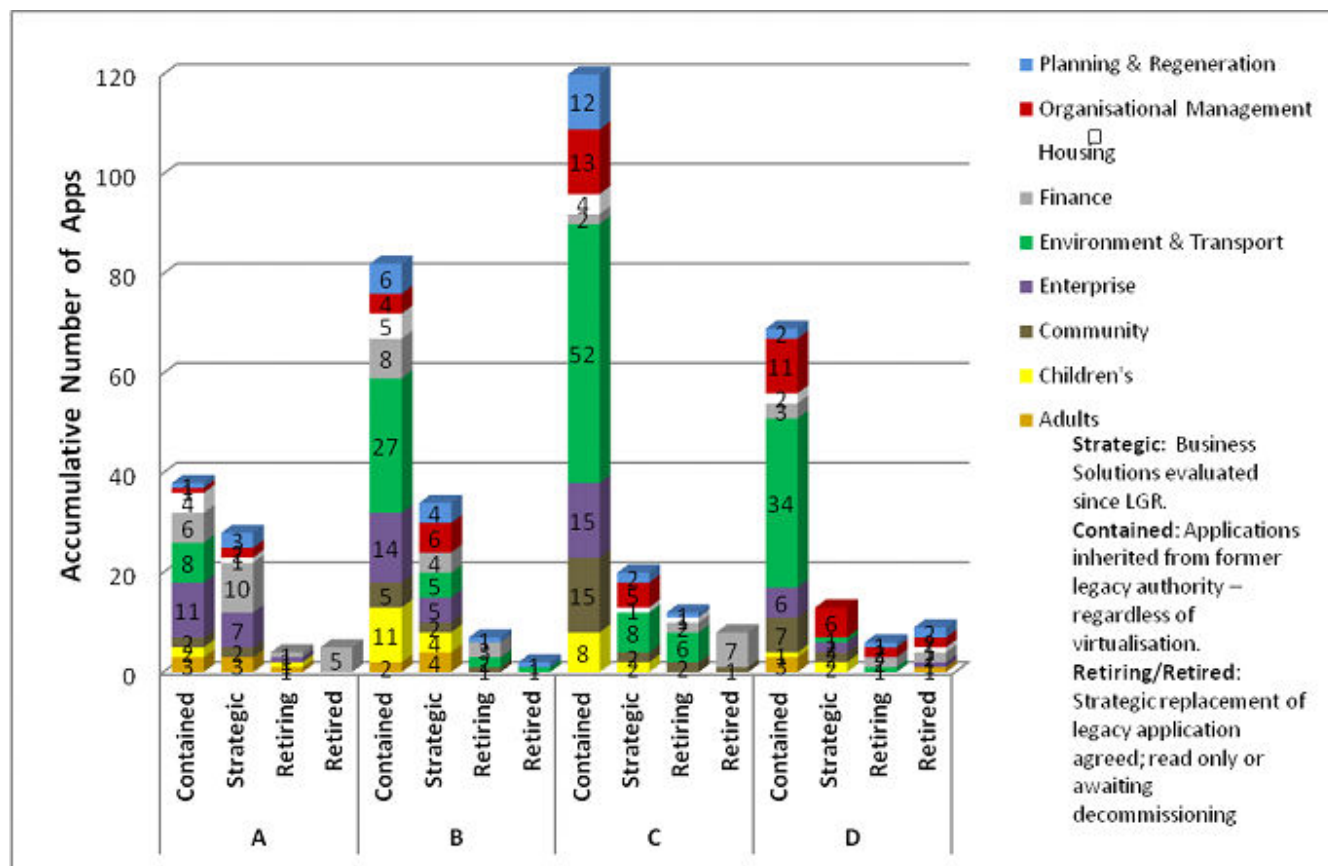
Category C – Potential Reputation Buster

Category D – Internal Inefficiency Risk

By targeting the removal of legacy applications, a significant amount of savings can be made, typically in the following areas: Application support costs; Data centre costs; Disaster recovery; Support calls; Infrastructure and hosting costs.

3. Application Category, Type & Status by Domain (458 of 549 Apps)

By classifying applications by “domain”, service areas can be targeted for simplification exercises to make substantial cost savings. ICT Shared Services is keen to work with both Cheshire Councils to target the removal of legacy applications and systems.



**Service Manager:** David Job

Cheshire Farms Shared Service manages the farms estate portfolio of each authority with the express aim of providing opportunities for those wishing to take up farming on their own account. With the need for a vibrant agricultural industry to meet a range of the community's priorities including food security, stewardship of the environment and landscape, this remains its core purpose today and the brief continues to expand broadening its benefit across the wider community.

Progress against Business Plan Delivery

Disposals – Sale completed in respect of 1 property for CEBC producing £552,500 gross receipts.
1 property marketed from the CW&CBC portfolio with an estimated value of £275,000.

Tenancies – CW&CBC - 11 Short term tenancies and contract farming agreements completed accounting for approx 246 acres land.
- 16 Short term tenancies and contract farming agreements for other non farms estate completed accounting for approx 455 acres land.

CEBC - 8 Short term tenancies and contract farming agreements completed accounting for 172 acres land.
- 11 Short term tenancies and contract farming agreements for other non farms estate completed accounting for approx 837 acres land.

Policy Review – Reviews have continued with reports with conclusions submitted to the relevant review groups to enable completion in year.

Mid Year Budget Position: £15,000 underspend

Emerging Issues

Disposals targets for both authorities at risk of not being achieved.

Emerging Risks

No new risks

Performance against key performance Indicators and Milestones

REF	INDICATOR	2011 -12 TARGET	Mid Year Performance	Direction of Travel	Comments on Performance to Mid-Year	2012 -13 TARGET
FE/01	Revenue Income Generation					
	CEBC	£ 675,490	£ 373,023	↔	On track for required net budget performance at outturn	
	CW&CBC	£ 394,629	£ 386,697	↔	On track for required net budget performance at outturn	
FE/02a	In Year Debt Recovery					
	Total income	£ 1,070,119	£ 769,590	↑	On track for required net budget performance at outturn	
	In Year Debtors	<£ 16,052	£ 11,400	↑	To 30.9.11	
FE/02b	% in year debt to total income	< 1.50%	0.95%	↑	To 30.9.11	1.50%
FE/02c	Total Debtors outstanding	£ 110,000	£ 100,961	↑	To 30.9.11	£ 110,000
FE/03	Capital Receipts					
	CEBC	£ 2.00m	0.55	↓	Targets at risk	£ 2.00m
	CW&CBC	£ 500,000	0	↓		TBC
FE/04	Capital Expenditure					
	CEBC	£ 304,000	£ 12,993	↓	Continuing deferred activity pending policy review completion	£ 303,000
	CW&CBC	£0	0			0
FE/05	Vacancy Rate					
	CEBC	< 10	4	↑	No further vacancies expected in year	< 10
	CW&CBC	< 10	5	↑	No further vacancies expected in year	< 10
	Total	<20	9	↑		<20
FE/06	Net return on investment					
	Asset Value					
	CEBC					
	CW&CBC					
	Total					
	Net Income					
	CEBC					
	CW&CBC					
	Total					
	Net Return					
	CEBC					
	CW&CBC					
	Total	4.68%				4.68%
FE/07	Customer satisfaction	Deferred pending agreement of policy reviews				
FE/08a	Delivery of 2011-12 Budget Challenge Efficiency Savings - CE	- £122k		↔	On track for required net budget performance at outturn	

FE/08b	Delivery of 2011-12 Budget Challenge Efficiency Savings - CWAC	-£47k	↔	On track for required net budget performance at outturn
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**Service Manager** Chris Samuel

The overarching aim of the Shared Emergency Planning Service is to ensure that both Cheshire West and Chester Council, and Cheshire East Council, have the capability to respond effectively and efficiently to any major emergency in support of their communities, and the multi-agency response.

Progress against Business Plan Delivery

Objective (3) - Training & Exercise Programme – the service continues to deliver emergency management training to managers, staff and Members across both authorities. The Emergency Rest Centre Management Workshops have been continuously over-subscribed with over 100 officers attending. Both CMTs have undertaken specially-tailored exercises (CE – April 2011, and CWaC – November 2011) and Members will receive training & exercise packages this winter (CE – December, 2011, CWaC – tbc). A future area of development will explore on-line training through Centranet and i-West.

Objective (4) - Statutory Off-site Planning – the service is currently on target to meet both authorities' statutory requirements this year with 8 fully revised COMAH Off-site Plans being issued and 7 multi-agency COMAH exercises taking place. The service has also successfully co-ordinated the planning and implementation of the multi-agency REPPiR Level 2 Exercise 'Beech' at Urenco Capenhurst on 14th April with over 200 people participating. A revised Major Accident Hazards Pipelines Plan is also due to be issued in Q4.

Objective (5) – Community resilience and emergency preparedness projects – the Cheshire East Community Resilience initiative was launched publically in May 2011. Using the Local Area Partnership network and press as the launch platforms, the initiative includes Community Resilience Plan templates and advice to Parish and Town Councils, as well as an overarching CEC Community Assistance Plan. Twenty-one town/ parish councils have signed up thus far, with more councils coming on board following a recent press release. Our intention is to learn any lessons from the CE project in 2011-12, with the aim of rolling out a similar initiative in the CWaC area in 2012-13. Work continues in regards to (a) Vulnerable Persons Identification Strategies and (b) raising public levels of emergency preparedness. The latter will be tested in Q3 & Q4 as relevant questions have been included in CE's Citizen Panel Survey and CWaC's Our Community Survey.

Objective (6) – Authority emergency preparedness levels in CE and CWaC – emergency preparedness levels in both authorities are good with all generic systems (response plans, emergency centres, etc.) tested during Q1 & 2. Since April 2011, the service has responded to 22 incidents (CWaC: 10, CE: 12) and numerous severe weather and flood warnings. Incidents have included Operation Expand (Civil Unrest, August 2011), the Peckforton Castle Fire (June 2011) and a residential evacuation in Winsford (July 2011). An internal audit is currently underway within CE, which will also look at this area for the authority.

Objective (7) – Cheshire Local Resilience Forum (LRF) - the team continues to fully participate in, and contribute to, the LRF Business Plan 2011-12. This involves chairing 6 multi-agency Task Groups including: Warning & Informing, Cross-Border Air Incidents, Industrial Issues and the National Resilience Extranet. The service is also leading the co-ordination of a major Cabinet Office sponsored civil alerting trial in Q 3 & 4, which will hopefully (a) raise public awareness about what actions to take in the event of an emergency, and (b) provide suitable evidence for the potential future introduction of a National Civil Alert System in the UK.

Objective (8) – Reservoir Off-Site Planning - Reservoir off-site planning has commenced in earnest with the team leading on the implementation and testing of an LRF Generic Reservoir Of-Site Plan, and a Site-Specific Off-Site Plan for the Trentabank/ Ridgeway Complex at Langley. The former is due to be exercised on the 1st November 2011 and the latter will be exercised on the 15th March 2012.

Objective (9) – Resilience Planning Collaboration Project – this multi-agency project, which looked at the potential for establishing both multi-agency and multi-authority resilience teams, has now closed down. The key outcomes were: (a) the establishment of an Emergency Services & Health Responders Group, (b) local authorities to explore alternative enhanced collaborative working models, and (c) the LRF to investigate the suitability of Suffolk LRF's 'Working on Wednesdays' model for use in Cheshire.

Objective (10) – Changes to public health & impact – service is currently investigating the potential impact of public health changes from an emergency planning perspective. Will report in to Client Managers and Joint Emergency planning Liaison Board as picture becomes clearer.

Mid Year Budget Position: £5,971 underspend

Emerging Issues

Industrial Action – it is hoped that this will not cause the service too many issues but one event that has already been postponed as a consequence is the COMAH Major –Live Exercise for EDF Warrington, originally due to take place on 30th November. If industrial action continues across Q3 & 4, it may have an impact on other exercises scheduled in the business plan.

Emerging Risks

No new risks to be included at this stage.

Performance against key performance Indicators and Milestones

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance to Mid-Year	2012-13 Target
(EP01)	Awareness of civil protection arrangements in the local area (to be measured as part of CWaC and CE Community Surveys)	Chris Samuel	Overall	29%	N/a	↔	On target.	31.5%
			CE	20%	N/a	↔	On target – CE Citizens Panel due to take place in Q3/4.	25%
			CWAC	38%	N/a	↔	On target – Our Community Survey due to take place in Q3/4.	38%
EP02	Statutory plans delivered within agreed timescales	Chris Samuel	Overall	100%	100%	↔	All plans are currently within agreed HSE and ONR timescales.	100%
EP03	Statutory exercises delivered within agreed timescales	Chris Samuel	Overall	100%	100%	↔	All exercises have taken place within agreed HSE and ONR timescales.	100%
EP04	Ensure council representation at required multi-agency meetings/ events/ projects	Chris Samuel	Overall	100%	100%	↔	On target.	100%
EP05	Serious/ Major Incidents responded to by Duty Emergency Planning Officer within appropriate timescales	Chris Samuel	Overall	100%	100%	↔	On target – all incidents have been responded to within appropriate timescales.	100%
EP06	Seek views from partner agencies on councils' support of Local Resilience Forum (LRF) activities and projects	Chris Samuel	Overall	75% return	N/a	↔	Due to take place in Q3/4.	Repeat exercise

A05 OCCUPATIONAL HEALTH

Overall Rating:



Service Manager Eric Burt

The Occupational Health Unit (OHU) was established by Cheshire County Council to provide an occupational health service to the County Council. The Unit subsequently provided an occupational health service to external customers which generated an income for the County Council. Since Local Government Review the unit has continued to supply occupational health services to Cheshire East (CE) and Cheshire West and Chester (CWaC) Councils under a shared service agreement.

Progress against Business Plan Delivery

- OHU management restructure complete
- New Occupational Health Physician engaged to help reduce clinic waiting times in Cheshire East
- All contracts except Fire and Rescue Service re-signed

Mid Year Budget Position: £11,114 overspend

Emerging Issues

- Decision made to host E-OPAS internally to reduce costs
- Costs re-visited / up-dated and within OHU budget
- Partnership working with PCTs in Western Cheshire / Central and Eastern PCT to deliver flu vaccination programme
- Liaison groups established with HR in CE and CWaC
- Customer liaison group established
- New procedures for pre-employment medicals introduced

Emerging Risks

Delays in implementing E-OPAS may lead to inefficiencies and difficulties in competing for new contracts

Performance against key performance Indicators and Milestones

Measure		Responsibility	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance to Mid-Year	2012-13 Target
OHU1	Pre employment questionnaires will be returned within 2 working days. (Where a follow up is needed, 3 attempts at contacting the applicant will be made within 1 week. If no contact is made the recruiting manager is informed).	Eric Burt	100%	Not measured but estimated at 80%	Improving	The Occupational Health Unit has introduced a new system for pre-employment medicals as a result of changes brought about by the Equality Act 2010. This will mean that there will be less pre-employments in the future.	100%
OHU2	Upon receipt of a management referral the employee will be advised within 5 days of an appointment and have an appointment within 10 working days	Eric Burt	100%	Not measured at present	Improving	Employees in Cheshire West have an appointment within 10 days, but a longer wait in Cheshire East due to the increasing number of patients. More clinics are being run in Cheshire East to cope with demand.	100% for both Cheshire West and Cheshire East
OHU3	All appointments for employees will be confirmed with the manager within a 5 days	Eric Burt	100%	100%	Improving	Target met. More use of e-mail rather than traditional postal system.	
OHU4	Written reports to management will normally be issued within 3 working days following the consultation, subject to the need for further medical information.	Eric Burt	100%	Not measured	Static but improvements being implemented	Since moving to the TNT postal system the postal service has deteriorated. Therefore more use is being made of (secure) e-mail for medical reports	Target to be amended to 5 days
OHU5	All information in medical reports will be specific in order for managers to make decisions about employees, particularly in cases of sickness absence	Eric Burt	95%	95%	Improving	Regular consultation with customers (CE, CWaC and external customers) has resulted in improved medical reports. Also new medical staff have been recruited.	100%
OHU6	Helpline enquiries responded to by the end of the next working day	Eric Burt	100%	100%	Improving		
OHU7	Delivery of Efficiency Savings	Eric Burt	£7,206	100%	Target met	Staffing saving of £49447 due to not recruiting OHA and not replacing 0.25 Admin Assistant	2013-14 target £36,010
OHU8	Staffing Levels	Eric Burt	10.6	11.6	Improvements to be implemented	OHU Admin Team to be restructured to increase ratio of admin to medical staff i.e. increase medical and reduce admin plus make budget saving	Temporary increase in overall staffing levels to meet demand from CE clinics

A06 ARCHIVES

Overall Rating:



Service Manager Jonathan Pepler

The service exists to promote the preservation and use of, and interest in the archives and local studies of Cheshire, as a safeguard of democratic accountability, a resource for lifelong learning for individuals and a means of reinforcing community identity. It fulfils the statutory requirement of Cheshire East and Cheshire West and Chester under the Local Government Act 1972, s224, to make “proper arrangements with respect to any documents that belong to, or are in the custody of the council.”

Progress against Business Plan Delivery

Licence with FindMyPast for online publication of genealogical resources signed April 2011, service to be launched November
Member/Officer Working Group established and ToR agreed for review of Archives and Local Studies service
Review of paper records management function in CW&C underway

Mid Year Budget Position: Balanced budget anticipated

Emerging Issues

Delay in completion of contract with online publisher make it unlikely that income target for 2011-12 will be achieved
Abandonment of alternative governance proposals by CW&C cast doubt on proposed savings of £20,000 in 2012-13

Emerging Risks

Potential changes to provision of land searches by CWA&C and CE may reduce/remove income from Common land searches (currently c£23,000 pa)
Inequitable current SLA with Halton and Warrington which offers no mechanism for sharing efficiencies; existing basis for agreement needs review

Performance against key performance Indicators and Milestones

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance to Mid Year	2012-13 Target
ALS-001	Retention of Customer Service Excellence (Charter Mark) standard	Lisa Greenhalgh	Overall	Retained	N/A	↔	Award made in March 2009 valid for 3 years subject to annual check-up by inspector, last carried out in March 2011. No areas of non-compliance	N/A
ALS-002	Rating achieved in the National Archives' self assessment exercise (ratings 1 to 4 stars)	Jonathan Pepler	Overall	3 star	N/A	↔	3 star rating maintained in 2010 assessment. Future of scheme now in doubt as proposals for an accreditation scheme to replace it are developed	3 star
ALS-003	Level of customer satisfaction as measured in PSQG survey rated as good or very good	Paul Newman	Overall	100%	96%	↓	100% figure achieved in 2010 was exceptional. 2011 survey conducted in March. 96% rating good or very good for archive overall; 97% good or very good for quality of advice and 98% for friendliness of staff	100%
ALS-004	Net expenditure per '000 population in CIPFA Archive service statistics (b)	Jonathan Pepler	Overall	lowest quartile	N/A	↔	In 2009-10, cost per '000 was £628 compared with national average of £1236. 2010-11 actuals not yet released	lowest quartile
ALS-005	SLA with Halton and Warrington Borough Councils	Jonathan Pepler	Overall	As is		↔	Negotiations over financial contributions begun with both authorities. Future governance arrangements and basis of agreement one of the areas to be considered by Member/Officer Working Party. There will be budget pressure in current year	As is
ALS-006	Increase in use of online resources as measured in website visits	Paul Newman	Overall	Baseline		↑	Website visits 47,058 Apr-Jun, 62,847 Jul-Sep, cumulative total 109,905	
ALS-M07	Delivery of Efficiency Savings			£84,000		↓	Target will not be achieved owing to delays in completing negotiations with online publisher. £50,000 paid up-front, to be set against future royalties	£36,500



Service Manager Sue Eddison

Libraries Shared Services (LSS) comprises specialist and business support functions to support libraries and customers in Cheshire East and Cheshire West & Chester Councils. Its aim is to provide cost-effective and efficient services for our clients and to drive and support innovations in the service.

Progress against Business Plan Delivery

Co-location has been delayed but the project is going ahead with the Design & Build Contractor appointed, the premises to be refurbished between December and March and a move scheduled for April 2012.

The appointment of the Interlending librarian in June has started the process of streamlining the systems.

Review of ELS is in progress to modernise the service and reduce expenditure, making the service more efficient. Project underway to replace the current library management system with a system that will improve the processes in ELS and give greater online access for clients.

Mid Year Budget Position: £15,250 underspend

Emerging Issues

- Falling income at ELS and increased income targets in 2011-12 have put pressure on delivering the policy options and required substantial reductions in book purchasing. If income targets remain at current levels they will compromise the future of ELS
- Redeployment candidate from CE has been employed to fill the vacancy in Library Admin. The pay protection costs of £2,773 per annum for two years will fall to Libraries Shared Services with no mitigation from the previous service budget that deleted the post.

Emerging Risks

- Cheshire East withdrew from the Business Information Service Sept 2011. This puts additional pressure on the budget and, with reducing the service to one FTE, could limit the service's capacity to increase income for premium services.
- Bookstart. CE Children and Families have reduced their contribution in 2011-12. Book pack delivery has been guaranteed to all babies and pre-school children but much of the outreach work has had to be curtailed. This reduction puts further budget pressure on this area of Libraries Shared Services.

Performance against key performance Indicators and Milestones

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance to Mid-Year	2013-14 Target
N19	Use of public libraries	Sue Eddison	Overall					
			CE	2% increase			No data yet as visitor count in CE takes place in November	
			CWAC	2% increase	-3%	↓	Problems with methodology in previous years for recording stats. Improvements made in the past year to increase accuracy.	
LPI	Increase issues per 1000 population	Sue Eddison	Overall					
			CE	+ 1%	+2%	↑		
			CWAC	+ 1%	-2%	↓	Ellesmere Port Library was closed for three months in summer which would have a major impact on issues. There should be a compensatory increase in second half of year.	
NI72 & 92	Linked to delivery of Early Years Foundation Stage	Sandra Evans	Overall	100% reached				
			CE	100% reached		↔		
			CWAC	100% reached		↔		
CPA 11c	Time taken to replenish stock	Lexa Farthing	Overall	0% change	0% change	↔		
NI 139	Support for older people – Books on Wheels	Sue Eddison	Overall	5% increase in clients				
			CE	288	274	↓	Changes within WRVS could affect the long term future of this service	
			CWAC	235	219	↓	As above	

**Service Manager**

Cheshire's Rural Touring Arts provides a programme of high quality professional arts activities and events for rural areas in Cheshire in partnership with the communities of the villages involved.

Progress against Business Plan Delivery

Objective 1: To maintain and deliver the services and quality of the cultural events and activities delivered by the CRTA during 2010/11 (including the main network and development projects) and developing proposals in response to potential investment changes from 2011/12 onwards.

Spring season delivered - 30 events, 25 rural venues

- Average audience for RTA events was 78
- Average number of volunteers helping out at RTA events was 5
- 98% of audience members had attended RTA events before
- 87% of audience members felt RTA events had a positive impact on the community

Objective 2: Support and develop the network of promoters and partners and engage them with programming and network development

- Maintained network of 25 venues (with equitable spread across East and West)
- On target - 1 programming meeting be held with promoters and officers
- On target - 1 advisory group meetings held to give strategic support
- On target - 2 promoter menu events held

Objective 5: National Portfolio status achieved with Arts Council England.

Achieved - Funding secured for 2012-2015 and new partnership in place with Spot on Rural Touring in Lancashire. Draft business plan 2012-2015 being developed (as required by our new National Portfolio status with Arts Council England).

Mid Year Budget Position: Balanced budget anticipated

Emerging Issues - Business Plan is on target for delivery.

Emerging Risks - None.

Performance against key performance Indicators and Milestones

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Performance at Mid-Year	2013-14 Target
CRTA1	% of audience rating performances as good or excellent	Katherine West	Overall	94%	93%	↓		94%
CRTA 2	% of audience attending due to networks good reputation	Katherine West	Overall	65%	64%	↓		65%
CRTA 3	% of audience attending due to performances happening locally	Katherine West	Overall	75%	73%	↓		75%

**Service Manager** Penny Kay

The Youth Offending Service (YOS) is a multi agency partnership organisation with the aim of preventing offending and reoffending by young people aged 10 – 17. Its remit is to prevent young people from becoming offenders and to manage the Court Orders of all convicted young people either delivered in the community or in custody, on behalf of the Local Authority.

Progress against Business Plan Delivery

- Good progress on all measures, with excellent improvements in ETE rates both pre 16 and post 16, East and West.
- Recidivism continues to remain constant, but the decreasing levels of FTE mean that the remaining convicted cohort are more likely to reoffend. Value has been added to the approach to preventing reoffending with the additional input of speech and language support, embedding the education worker in the East Virtual School Team and the new approach to enforcement. This last measure is significantly reducing breach rates and improving compliance.

Mid-year Budget Position: £62, 163 Overspend

Emerging Issues

- Recent challenge budget session showed reductions in funding are on track to be met and standards maintained.

Emerging Risks

- Continuing lack of progress on premises means that the YOS continues to run more venues than is required.
- Significant work is continuing through the one YOT Board to examine the feasibility of merging with Halton and Warrington. This is concerning for the future standards and quality of work across the current footprint.

Performance against key performance Indicators and Milestones

Measure		Responsibility	Split	2011-12 Target	Mid Year Performance	Direction of Travel	Comments on Mid Year Performance	2012-13 Target
NI 43	Young people within the youth justice system receiving a conviction in court who are sentenced to custody	Penny Kay	Overall	3%			Custody rates continue to decline with excellent response from staff to new measures to go 'Beyond Enforcement' and ensure that all is being done to avoid breach and recall	Down to 5%
			CE	3%				
			CWAC	4%				
NI 111	First-time entrants (FTEs) to the youth justice system aged 10-17	Penny Kay	Overall	None set			Verified data from YJB not yet verified for quarters 1 and 2	- 6%
NI 45	Engagement in education, training and employment by young people who offend	Penny Kay	Overall	None set			Verified data from YJB not yet verified for quarters 1 and 2 but early signs indicate that the two year target set in April 2010 will be fully met with current rates at 70% with the split as West 72% and East 67%	5% improvement
			CE					
			CWAC					
NI 46	Accommodation – Young offenders' access to suitable accommodation	Penny Kay	Overall	100%			This continues to be highly problematic and solutions are not yet forthcoming from the residential sector and providers, including Supporting People	100%
			CE	100%				100%
			CWAC	100%				100%
NI 19	Rate of proven reoffending by young offenders	Penny Kay	Overall	8% reduction			<p>Verified data from YJB not yet verified for quarters 1 and 2</p> <p>It is unlikely that the 1.0 frequency rate will be met by April 2012, as the chorot type is directly affected by improved rates of FTE</p>	1.0 frequency rate

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Service	2011-12			Performance against KPI targets	2012-13 savings		Comments
	Mid Year Budget Position	Efficiency Target Planned	Delivery		Planned	Revised	
A01a - HR and Finance	-£223k	£170	£170	↔	£150k	£150k	Overspend situation emerging although savings targets likely to be achieved. Additional growth arising from pension changes which will also impact on savings targets for 2012-13. Issues around infrastructure may delay developments which will have a knock on effect on target savings. KPIs to subject to benchmarking.
A01b - ICT	- £2.4m	£539k	£280k	↑	£715k	£1.6m	Significant overspend situation but comprehensive remedial action being undertaken to address this situation in readiness for the SLE. KPI performance broadly on target.
A03 - Farms Estate CWaC CE	£15k						The split of the Farms Estate portfolio between CWaC and CE means that only the management remains shared. Budget issues are now dealt with by respective councils .
		£47k	£47k	↔	Nil	Nil	
		£190k	£122k	↔	£90k	£22K	
A04 - Emergency Planning	£6k	£20k	Nil	↔	£29k	Under discussion with clients	The expansion of this sharing arrangement to include Warrington BC was not realised and therefore the associated efficiencies will not be realised. However £36k savings will be achieved via vacancy management. Planning talks are currently underway with client managers to agree 2012-13 budget. It is understood that these might impact on the ratio of the sharing arrangement.
A05 - Occupational Health	-£11k	£22k	£44k	↑	£21k	£27k	The 2011-12 efficiency target has over-achieved due to vacancy management. Further savings are anticipated when the service is restructure in April 2012 and by securing contracts. The implementation of the EOPUS system has been delayed and therefore improvement on performance remains anecdotal.

Service	2011-12				2012-13 savings		Comments
	Mid Year Budget Position	Efficiency Target		Performance against KPI targets	Planned	Revised	
		Planned	Delivery				
A06 - Archives and LS	Net Nil	£84k	70k	↔	£35k	£16.5k	Whilst it is anticipated that this service will come in on budget the 2011-12 target will not be achieved due to delays in completion of contracts although this has been partially mitigated by increase efficiencies in staffing. The reduction in target efficiencies for 2012-13 is attributed to the abandonment of new governance proposals by CWAC. Further budget pressures are likely to arise as a result of SLA discussions with Halton and Warrington. This issue is currently being addressed via a review of the service due to report in the new year.
A08 - Libraries Support	£15k	£89k	£37.5k	↓	£157K	£60k	Co-location of this service has been delayed resulting in planned efficiency targets not being achieved. Budget pressures are also arising in the Education Library Service and as a result of CEC withdrawal from the Business Information Unit. The reduction in target efficiencies for 2012-13 is partially attributed to the abandonment of new governance proposals by CWAC. Mid year performance suggests targets may not be met. The Service is currently subject to a review which is due to report in the new year.
A14 - Rural Touring Network	Net Nil	£2k	£2k	↓	£2k	£2k	Mid year performance slightly down against target but likely to achieve by outturn.
B29 - Youth Offending Service	-£62k	£246.5k	£394k	N/A	£155k	£60k	Overachievement on 2011-12 target savings due to increased budget reductions from CEC and CWAC. Staff reductions have been achieved and are above target by 1 FTE. Reductions in premises costs and travel are unlikely to be achieved due to accommodation issues remaining unresolved. Targets for 2012-13 have been reduced due to uncertainties around YJB funding. This service is currently under review
TOTALS	-£2.66m	£1.4m	£1.1m		£1.3m	£1.9m	

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