

# Commercial Services – Quarter 4 2012-13

## 1.1 SERVICE DASHBOARD

Revenue budget actual variance £000 <sup>[1]</sup>	Capital actual variance £000	Corporate Plan Performance	Managing the Business	People Performance management	Key projects
171	(4,712)	3.5	-0.5	0.5	n/a

## 1.2 TOP ACHIEVEMENTS AND ACTIONS

Top 3 Achievements	Top three challenges	Actions required
CPR and COP approved by Council	Expand Master Contracts Register to £10000 base and Publish.	Business Partners to gather new Data from delivery units.
Management of Assets, property and land rules approved by Council	Maintain Service during NSCSO handover and delay.	Maintain effective control over systems.
£750K Savings achieved by Corporate Procurement	Introduce Category Management and deliver savings.	Recruit and maintain category managers. Assign and prioritise savings plan.

## 1.3 SUMMARY OF THE SERVICES PERFORMANCE

NSCSO has been delivered and awaits judicial review. Forward plan and savings programme now in place. Central Procurement continues to support delivery units against council approved new Contract Procedure Rules and best practice Code of Practice.

## 2. DELIVERING

### 2. DELIVERING THE CORPORATE PLAN

#### 2.1 How the service is performing against its Corporate Plan indicators

MTB No.	Indicator description	Period Covered	Previous outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance	Benchmarking
MTB14a	Percentage of compliant contracts in line with CPRs by volume	Jan 13 – Mar 13	98.9%	80%	750/758	98.9%	23.7%	↔ 0%	CIPFA 10/11: London Average 61.7%
MTB14b	Percentage of compliant contracts in line with CPRs by value	Jan 13 – Mar 13	99.9%	80%	578276153/ 579752552	99.7%	24.7%	▼ 0.2%	
MTB15	Savings achieved through renegotiation of contracts and new business	Jan 13 – Mar 13	6.1%	10%	750938/ 8582596	8.7%	12.5%	▲ 44.4%	Local Indicator- No benchmarking available
MTB17	Maintain core council systems to be available	Jan 13 – Mar 13	99.9%	95%	3099.7/3100	100%	5.3%	▲ 0.1%	Barnet comfortably in upper quartile (<.30% unavailability) for critical ICT services availability compared to CIPFA VfM benchmarking group”

\*The relevant previous outturn used will either be the previous quarter, or the same quarter of the previous year. The same quarter of the previous year will be used for annual indicators, cumulative indicators (where the numbers add up during the year and are reported as ‘year to date’) and if the indicator is affected by seasonal fluctuations.

A small number of non – compliant contracts continue to be unresolved and are awaiting legal review and approval.

### 3. RESOURCES AND VALUE FOR MONEY

#### 3.1 Revenue

Description	Variations				Comments	% Variation of revised budget
	Original Budget	Budget V1	Provisional Forecast 2012/13	Variation		
	£000	£000	£000	£000		
Corporate Programmes & Consultancy	692	832	813	(19)	Underspend due to staff vacancies.	-2.3%
Property Services & Asset Management	7,503	7,874	8,002	128	Overspend due to shortfall in income projections.	1.6%
Corporate Procurement	(257)	(103)	87	190	The overspend results from a shortfall in savings.	184.5%
Information Systems	6,310	6,133	6,005	(128)	Underspend on supplies & services due to some processes no longer being required.	-2.1%
One Barnet Programme	-	-	-	-	-	0.0%
<b>Total</b>	<b>14,248</b>	<b>14,736</b>	<b>14,907</b>	<b>171</b>		<b>1.2%</b>

The variation (£128K) on property Services & Asset Management is due to the decision not to charge for staff car parking (£118K).

The procurement savings target of £857K was short by £105K. The remainder variance was due to overspend on LASER management fees, agency fees and one off SAP changes to the procurement processes.

Information System - This under spend of £128k also includes pressure of £250K paid for open revenue account that was not within the Information System budget and should have been paid by the end user.

Total - Taken in to account the pressure of the £250k as described in the IS budget, the overall position should be (£80K)

### 3.2 Capital

	2012/13 Latest Approved Budget	Additions/ Deletions for Final Outturn	Slippage / Accelerated Spend for Final Outturn	2012/13 Budget (including Final Outturn changes)	Final Outturn	Variance from Approved Budget	% slippage of 2012/13 Approved Budget
	£000	£000	£000	£000	£000	£000	%
Commercial Services	5,605	(34)	(4,678)	893	893	(4,712)	-83%
<b>Commercial Services</b>	<b>5,605</b>	<b>(34)</b>	<b>(4,678)</b>	<b>893</b>	<b>893</b>	<b>(4,712)</b>	<b>-83%</b>

## 4. MANAGING THE BUSINESS

### 4.1 How the service is managing its business

	Indicator description	Period Covered	Previous relevant outturn	Target	Numerator and Denominator	Outturn	Target Variance	DoT Variance
Finance indicators	Percentage of savings achieved	Jan 13 – Mar 13	52.7%	100%	1681/1991	84.4%	15.6%	▲ 60.1%
	Percentage of the capital programme slipped	Jan 13 – Mar 13	73%	20%	18202/18523	98.3%	391.3%	▼ 34.6%
	Variation between revised budget and final outturn	Jan 13 – Mar 13	4%	0%	171/14736	1.2%	n/a	▲ 71.3%
HR indicators	Reducing sickness absences to 6 days per employee (rolling 12 months)	Apr 12 – Mar 13	3.4	6	454/118	3.8	35.9%	▼ 13.1%
	Qualitative assessment of Workforce stability	Jan 13 – Mar 13	Red	n/a	n/a	Red	n/a	↔
Complaints	Percentage of complaints responded to within policy guidelines (Policy)	Jan 13 – Mar 13	50%	80%	2/3	66.7%	16.7%	▲ 33.3%
FOI	Percentage of FOI requests responded to within 20 working days	Jan 13 – Mar 13	100%	90%	34/34	100%	11.1%	↔ 0%

Good performance around sickness absence despite the context of organisational change.

## 4.2 Managing the business: People Performance management

Performance Indicator	Period covered	Target	Amber criteria	Q4 Actual (No.)	Q4 Actual % of total	Q4 (numerator/denominator)	Target Variance	Q4 DoT	Council Average	Benchmarking
<b>Attendance</b>										
Average number of sickness absence days per employee (Rolling year)	Apr 12 - Mar 13	6	6 - 6.5	3.8	N/A	454/118	37%	▼ 13.1%	7.7	10.1 days (CIPFA, All Members & other Unitary Authorities 2011)
Average number of absence days per employee this quarter (target is seasonally adjusted)	Jan 13 - Mar 13	1.51	1.52 - 1.64	1.5	N/A	164/106	1%	▼ 47.1%	1.9	2.25 days (CIPFA, All Members & other Unitary Authorities 2011)
% managers submitting a monthly absence return	Jan 13 - Mar 13	100%	>90%	18	94.7%	18/19	5%	▼ 5.3%	90.4%	N/A : measure applicable to LBB only
<b>Performance Review</b>										
% performance reviews completed and agreed for eligible staff only	Apr 12 - Mar 13	100%	>90%	Next reported in Quarter 1 2013/2014						
% mid year reviews completed for eligible staff only*	Apr 12 - Mar 13	100%	>90%	97	88.2%	97/110	11.8%	Not Previously reported	95.3%	N/A : measure applicable to LBB only
<b>Cost</b>										
Variance of total paybill to budget	Jan 13 - Mar 13	£1,567,190	+/-5%	£1,147,371	-26.8%	1147371/1567190	27%	▼ 80.1%	-12.1%	N/A : measure applicable to LBB only
Management Indicator	Period covered			Q4 Actual (No.)	Q4 Actual % of total	Q4 (numerator/denominator)	DoT Q4 %		Council average	Benchmarking
<b>Diversity Data</b>										
Percentage of top 5% earners that are female	As at 31 Mar 2013			3	50.0%	3/6	— 0.0%		48.9%	Women in leadership posts 49.9% (CIPFA, All Members & other Unitary Authorities 2011)

<b>Number of BME employees as % of total employees</b>	As at 31 Mar 2013	<b>25</b>	<b>26.6%</b>	25/94	▼ 5.9%	32.3%	Black and Minority Ethnic local population 33.1% (State of the Borough June 2011)
<b>Number of declared disabled staff as % of total employees</b>	As at 31 Mar 2013	<b>2</b>	<b>1.9%</b>	2/104	▲ 4.9%	3.0%	2.33% (CIPFA, All Members & other Unitary Authorities 2011)

### Employee Relations

<b>High Risk - Employee Relations cases as % of total cases</b>	As at 31 Mar 2013	<b>0</b>	<b>0.0%</b>	0/2	— 0.0%	1.5%	N/A : measure applicable to LBB only
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<b>As at 31 March 2013</b>	<b>ESTABLISHED POSITIONS AS FTE:</b> <i>Total number of Barnet Council Posts; these posts may be unoccupied, due to be deleted or held to be filled at a later date</i>		<b>EMPLOYEES COVERING ESTABLISHED POSITIONS AS FTE:</b> <i>Total Number of employees, permanent, temporary and fixed working for Barnet and occupying an established post</i>			<b>MSP RESOURCE AS HEADCOUNT:</b> <i>Total number of agency staff, interims or consultants provided by our Managed Service Provider (non Council employees)</i>	<b>NON MSP RESOURCE AS Headcount:</b> <i>Total number of agency staff, interims or consultants provided through agencies outside or Managed Service Provider(non Council employees)</i>			<b>AVAILABLE CASUAL RESOURCE AS FTE:</b> <i>Number of workers who undertake work on an ad hoc basis (Council employees)</i>
	<b>Total Established Positions (FTE)</b>	<b>Occupied (FTE)</b>	<b>Permanent</b>	<b>Fixed Term, Temporary, Seasonal</b>	<b>TOTAL</b>	<b>TOTAL</b>	<b>Resource paid in the quarter</b>	<b>Consultants paid in the quarter</b>	<b>TOTAL</b>	<b>Total</b>
<b>Commercial Services</b>	154.19	104.77	94.77	9.00	103.77	34	2	3	5	0.00

\*Data last reported in quarter 3.

Absenteeism continues to be lower than the Council average.

### 4.3 Key projects

There are no key projects in Commercial Services

### 4.4. Risk Overview

The following is the 5 X 5 matrix 'heat map' highlighting the number of risks at a Directorate Level and where they are currently rated:

SCORE		IMPACT				
		1	2	3	4	5
		Negligible	Minor	Moderate	Major	Catastrophic
PROBABILITY	5 Almost Certain	0	0	1	0	0
	4 Likely	0	0	1	0	0
	3 Possible	0	3	3	0	0
	2 Unlikely	0	3	6	3	1
	1 Rare	0	0	0	1	0

**Risk Commentary for Commercial Services:**  
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 All commercial risks rated 12 and above are monitored fortnightly by the commercial senior management team where assurances are received regarding their progress. A lot of work has been done through risk workshops with commercial managers over the last quarter to review all service risks, which has resulted in some improvement in our overall risk log. The new interim head of Estates has been reviewing controls over the service and is developing the Asset management Plan, thereby reducing the risk of MP0004. The Corporate Procurement Team has supported the introduction of simplified CPRs which will aid and extend procurement controls throughout the Council. The contract non-compliance register is reviewed on a fortnightly basis with Service Areas to mitigate compliance risk.

The following risk register lists those risks rated as 12 and above:



Risk	Current Assessment			Control Actions	Risk Status	Target Date (Priority)	Target Assessment		
	Impact	Probability	Rating				Impact	Probability	Rating
MP0033 - Compliance GIS External. Risk that PCI/PSN secure network will fail compliance	Moderate 3	Almost Certain 5	High 15		Treat				
MP0007 - Financial RISK: Failure to adequately support the organisation to procure and commission services which are high quality and at the right cost and which are flexible enough to meet both current and future needs. This risk relates to the Corporate Procurement team and their role to support effective procurement practices across the organisation.	Major 4	Possible 3	Medium high 12		Treat		Major 4	Unlikely 2	Medium high 8