

Reporting period: Quarter 3, 2012-13

Corporate priority: Delivery of budget savings through changed service provision

Background: Changes to the environment in which the council operates, has forced it to review and revise the range and level of services it will provide in the future and the way in which these are to be delivered. Over the next two years the size and shape of the organisation will need to be modified to meet its future obligations, while enabling delivery of the required savings plan and Medium Term Financial Strategy. Delivery of the budget savings will be achieved with the implementation of a transformation programme focusing on five key areas:

- Accommodation rationalisation
- Shared Services
- Improved ICT infrastructure
- New ways of working
- Delivery of benefits

Fire & Rescue Service

In addition to transformation activity, it has been agreed to report on the progress of the Fire and Rescue service within this corporate priority as 'changes to service provision' form a part of the Fire and Rescue service modernisation programme, which remains of significant strategic importance.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to the delivery of budget savings through changed service provision.

Actions carried forward

There are no actions to carry forward.

Summary

Status: GREEN

Risk: The five strategic risks associated with this corporate priority were reviewed and presented to the Audit Committee on 13 December 2012, having already been fully reviewed by the director and heads of service. The risks and the work being undertaken to mitigate them are:

- *'Insufficient financial resources'*
 This risk is currently assessed as high having been escalated from medium because of the continuing reduction in Government Grants outlined in the Autumn Statement and the Provisional Local Government Finance Settlement for 2013/14 and 2014/15 announced on 19 December 2012. There are already a number of frameworks, processes and governance arrangements in place to manage this risk, and detailed modelling of future scenarios has been done. The budget outlook was presented to Overview & Scrutiny Committee, Cabinet and Full Council in September and in January 2013. Savings for this current financial year are on target, but the real risk is around the high level of budget gaps that the Council faces over the next four years particularly 2014/15. There will be a need to deliver further significant savings and restrict any additional initiatives or growth and match these with on-going revenue savings. The Council is currently in a strong financial position with healthy reserves and balances. The use of reserves and balances needs to be considered in the context of financial risk the Council faces and that they can only be used once and cannot be used to bridge a recurring budget gap.
- *'Ineffective decision making and control processes'*
 Although now considered a low risk, the processes and frameworks outlined in the control measures are frequently reviewed for improvements also taking into consideration changing personnel within the council. The council's governance arrangements are robust with a comprehensive number of checks and balances in place (Call over, Procurement Board, Authorisation Panel) as confirmed by the Annual Governance Statement. In addition preparations are being made for training of new members following the elections in 2013.
- *'Insufficient staffing capacity and skills'*
 Assessed as medium because the council is experiencing significant organisational change which is challenging both the capacity of the workforce and the differing skills set that the emerging organisation needs.

Summary

The level of risk may be difficult to reduce given on going budget pressures and restructures and the comprehensive spending review due in 2014. The impact of the job evaluation process and the review of support services (whereby support services will be reviewed to reflect the changing shape and size of the organisation) will also impact on the risk.

Preparations are being made for the changing shape of the organisation and there have been some successful measures taken to mitigate the impact, a programme of training for commissioning is underway, with the first cohort successfully completing the course. This will support staff in understanding the different skills required to play a commissioning rather than a provider role. The council is also actively encouraging apprenticeships through vacancy management and as part of the authorisation process.

- *'Failure to commission and secure services which are relevant to the Isle of Wight community's needs'*

Now assessed at low having previously been medium. The council continues to make progress in changing its size and shape in line with the corporate priority of 'Delivery of budget savings through changed service provision'. The council has successfully transferred services outside of its direct council control (examples being Ventnor Botanical Garden and some libraries) without noticeable detriment to service quality. Indeed, other examples – Shanklin Theatre and Community Bus services have been recognised through national awards. Other successes include the Children's Centres which have been recognised by inspectors as 'good' and 'outstanding'. The Solent Local Enterprise Partnership has now adopted its constitution for the next three years and the Health & Well Being Board's constitution has been adopted by the council.

- *'Ineffective response to major emergency'*

Currently assessed as medium because the council has a comprehensive strategy and robust plans for dealing with major emergencies, which still have the potential for a high impact. In order that emergency plans remain up-to-date and effective they are subject to a regular testing regime through scheduled reviews and exercises. Additionally, debriefing procedures are in place in order to identify and implement learning points gained following plan activation.

The council's position regarding responding to a major health emergency will be further strengthened when responsibility for Public Health is transferred to the council in April 2013.

In addition, there continues to be a related Fire & Rescue service risk which is "failure to prevent, protect and respond effectively" which although currently considered unlikely, would have a major impact should it occur.

Finance: Continued successful implementation of the budget savings strategy is again evident this quarter and achievement of net savings of £6.791m have been made against a profiled target of £6.339m. There is a potential minor shortfall of £0.233m against the full savings target currently forecast at the year end due to the delayed implementation of certain savings measures, but this shortfall will be more than offset by savings in other parts of the budget. Spend on transformation projects in the current financial year is behind profile but it is anticipated that the main projects, County Hall Refurbishment and Desktop Experience will be on track by the year end.

Fire & Rescue service: The Fire & Rescue Service revenue budgets are forecast to overspend by £28,376 by the end of the financial year, for which a remedial plan is being developed. It is worth noting that the predicted overspend has reduced considerably since Quarter 2.

The capital programme which includes purchasing two rescue pumps this year and relocating Fire Service HQ to Newport Fire Station is on track as planned.

Performance: The overall performance has once again generally shown an improving trend. Robust financial management has underpinned the Council's activity to adapt to the ever changing economic climate. This is best reflected in the continued achievement of budget savings as well as excellent capital expenditure against previous years performance

The previous area of under-performance was the development of online contact and transactions, where the interdependency on project and staff resources has made the achievement of targets extremely difficult. However, the gap between actual performance and target performance is now negligible

[<Link to Quarter 3 data report>](#)

Performance commentary

Performance commentary

Budget savings and financial performance

The third quarter performance for the '*value of capital expenditure compared to profiled budget*' has slowed in the last quarter partially owing to delays in the Cowes One School Pathfinder project. It is forecast that the IW Council will deliver £52m of its capital programme against a target of £63m with remainder of the programme being slipped into 2013/14 subject to the appropriate challenge.

It is also worth noting that spend of £38m in the first three quarters of the financial year is still significant compared to performance in previous financial years when spend of £25m to £30m was the norm in a full financial year.

The '*percentage forecast revenue income (fees and charges) compared to budget*' is presently forecast to achieve 96.2% of its target. The shortfall is currently forecast to be £530k in 2012/13. The main budget areas that make up this under recovery of income include Wightcare, The Heights (although this is partially offset by increases in income at other sites and a reduction in expenditure), the Schools Music service and car parking which is experiencing a general reduction in income.

The '*percentage of predicted revenue outturn (net cost of services) compared to budget*' is below target and performing well at a rate of 98% at the end of quarter three with an end of year forecast also predicted to achieve 98%. The third quarter position has improved and is now projected at some £2.6m underspend by year end. This is due to the continued tight financial controls that have been applied to spending and requiring justification for expenditure and for service areas to minimise the amount which is spent in order to deliver the service to the necessary standard.

The '*value of identified savings*' is ahead of target for this quarter, with £6.8m achieved against a target of £6.3m. This includes the full year effect of the savings targets in 2011-12 and the new savings strategy for 2012-13. This demonstrates a continuation of the thorough budget management and control processes employed throughout the previous year and progress in achieving the budget savings strategy continues to be closely managed by the Budget Review Board. It is anticipated that the savings achieved in 2012-13 will be close to the target of £7.2m, with a forecast shortfall of £0.2m. However, the Council will continue to look at other options for in-year savings such as vacancy management, contract reviews and supplies & service reviews, and it is anticipated that any shortfall in achieving the savings target of £7.2m will be more than offset by savings identified in other areas.

Online transactions

The performance in terms of '*% of transactions completed on-line compared to telephone / face to face*' decreased from 41.4% to 31% during the last quarter. This is well below the target that was set (44%) and is mainly due to a large increase in calls about changes in Waste Management arrangements. There is now confidence that the end of year target of 46% will be reached.

'*The number of transactions that the customer can complete online*' has remained above target in this quarter with 407 transactions possible, which is not only in excess of the target of 400 but very close to the end of year target of 410.

The '*Percentage (%) increase in completed online transactions compared to same quarter in last year*' has improved dramatically and is well in excess of the target for the quarter of 20%. It is proposed that in light of this excellent performance the end of year target be doubled to 30%

Shared Services

In this quarter the '*Percentage of all enquiries resolved at first point of contact by Contact Centre*' has been consistently above its target of 80% showing an increasing trend. In December almost 30,000 calls were received with 85% being resolved at the first point of contact. Maintaining this level of performance will result in the end of year target being comfortably exceeded and lead to an even more ambitious target being set for 2013/14.

The '*Average time taken to answer a call (in seconds)*' by the Contact Centre currently has a target of 90 seconds which is based on 90 calls being received every half hour and with an average call length of 240 seconds, although this will continue to be reviewed throughout the year. Almost 30,000 calls were received in December, with an average speed of answer of 66 seconds. In October the performance was even better with the average speed of answer being just 62 seconds despite there being over 47,000 calls received during that

Performance commentary

month.

County Hall Remodelling

The County Hall remodelling project is now 98% complete. The main build is complete and has been handed back to the Council within the scheduled timeframe and the majority of staff in the Community Well Being and Social Care Directorate will be relocated to County Hall before the end of March 2013. The last few months will also be used to complete any other unfinished building tasks.

Property Services

In addition to the two school sales currently completed (totalling £900,000), we have sale agreed a further two school sites (totalling an additional £978,000.) However because of new Department for Education (DFE) consent regulations (as of 31 October 2012) any consents in place before that date have become invalid.

In addition the DFE has frozen the disposal of IWC's surplus school sites, potentially until June 2013 as a free school has recently expressed an interest to operate from one of the council's surplus school sites. Until this is decided upon the IW Council is prevented from disposing of any school sites.

Sickness Levels

Whole council sickness levels (including maintained schools) were lower than the anticipated target of 5.5 days at the end of quarter three, with an average of 5.28 days lost due to sickness per permanent employee. It is also an improvement on the figure from the same reporting period in the previous financial year of 6.04. The end of year target is expected to be met. For sickness levels excluding schools, the outturn figure at the end of the second quarter in 2012/13 came in just above the target of 5.625 at 5.85 working days lost per employment and at a similar level to that of the same reporting period of the previous financial year of 5.82.

The top four causes of absence over this period have been stress/depression/mental health, other musculo-skeletal, operation/recovery/treatment, and infections. This is a continuing trend from last year and because of this absences due to these reasons come under extra scrutiny by the Sickness Case and Monitoring meeting.

It is important to note that not all sickness has been accounted for which could cause the rate to increase in a number of areas particularly schools. This is largely due to the operational needs of some service areas to have their data recorded manually.

Measures are continuing to be rolled out to reduce sickness levels which include all new cases of long term absence (greater than 20 working days) and absences due to the top four causes (as mentioned above) being monitored by the Sickness Case and Monitoring meeting as well as the on-going monitoring of the absence patterns of employees. Wellbeing surveys are being carried out by HR with the schools. Stress audits have taken place within some council departments and will continue throughout the financial year. It is hoped that the resulting actions from these audits will help to continue the reduction in sickness absence.

Personal Development Reviews

There has been some improvement in the completion rate for personal development reviews (PDRs) at the end of quarter three; however the percentage of staff PDRs completed for 2012/13 remains disappointingly low at 40% against a target of 98%. It is believed that PDR discussions between managers and staff have already taken place but are yet to be recorded electronically on the council's business system. This continues to be investigated and reports have been provided to Directors and Heads of Services for them to review and ensure that electronic records are duly completed. It is anticipated that 50% will be achieved by the end of the year against a target of 98%.

Fire & Rescue Service

Accidental dwelling fires

The number of accidental dwelling fires in domestic dwellings is in line with the target set for the quarter and is forecast to be below the end of year target. Fire safety in the home is still a key focus and will be raised as an important issue through the media. A domestic fire awareness campaign was featured in One Island magazine during the last quarter. This is in line with the national Fire Kills campaign.

Primary fires

Performance commentary

Fifty six primary fires were attended during the quarter compared to a target of 53. The forecast is now 203 compared to a target of 215. Several vehicle fires have been attended during quarter three.

Road traffic collisions (RTCs)

The number of people killed or seriously injured in RTCs is reported on a three month lag, the data reported is for July, August and September. The total number of casualties for the quarter is 41 which brings the lagged number for the year to 69 which is above the cumulative target of 60 and the forecast is now 92 compared to target of 80. The triangulation approach between the three emergency services remains the best approach to reducing these figures. Hampshire Police are continuing their enforcement work and undertook a drink drive campaign in December. A Head On education programme was held at Medina College on 22 November.

Number of children killed or seriously injured in RTCs (Under 18s) (cumulative)

The number of children killed or seriously injured in RTCs is reported on a three month lag, the data reported is for July, August and September. The total number of casualties for the quarter is 6 which brings the lagged number for the year to 10 which is below the cumulative target of 12 and the forecast is now 12 compared to target of 16. The Service continues with current education programmes and will be delivering Head On and Safe Drive presentations during 2013.

Response Times

During quarter three there were 19 failures to meet the response time for fire cover from a total of 156 critical incidents, giving a success rate of 88% for the quarter which is above the target of 80%.

Home Fire Safety Checks

The total number of home fire safety checks carried out during the quarter was 94, and of those 51 were in respect of vulnerable households. This data is being reported on a one month lag, the data is therefore for September, October and November. The target was exceeded in November but fell short in September and October. The end of year forecast is now 53.6% against an end of year target of 60%. Discussions have been held with Wightcare who can assist in identifying vulnerable households. Work continues with Age UK.

Wider context

National Review of Fire and Rescue authorities

A review of Fire and Rescue authorities is set to be undertaken in 2013 by the out-going Chief Fire and Rescue Adviser to government. The review will seek to identify ways fire and rescue authorities may deliver further efficiencies and operational improvements without reducing the quality of front-line services to the public.

The review is intended to examine options for savings both within and beyond the current government Spending Review period and will include visits to up to ten fire and rescue authorities, seeking to capture those covering urban and rural areas and those established as metropolitan, county and combined authorities, between January and March 2013. The subsequent report is due to be presented to DCLG ministers in the spring of 2013.

(Source: Department for Communities and Local Government via Gov.UK, 14 December 2012)

Corporate priority: Raising educational standards

Background: The council is committed to achieving a sustained improvement in the standards of educational attainment by Island students, in order to offer them an improved range of opportunities in later life. Building on the improvements seen in GCSE results attained in the 2009/10 academic year, an ambition remains to achieve the national average by the end of the 2013/14 academic year. To support this ambition, the Isle of Wight schools system was returned to a two tier system, fully effective from September 2011. As part of the return to a two tier system there has been an extensive building programme that has produced several newly built state of the art schools.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to raising educational standards.

Actions carried forward

1. That the Council works with schools and colleges to better understand the causes of high levels of persistent absence and agree ways forward to improve the situation.
2. That a joint forum for improving educational attainment be set up to work together to achieve this objective. Membership will consist of the relevant Head teachers and Chair of Governors (or their representatives), the Lead Cabinet member and Director (or their representatives) and the members of the Children and Young People's Scrutiny Panel.

Summary

Status: AMBER

Risk: The status of the risks has remained unchanged from the previous quarter with all risks associated with levels of educational attainment remaining high. While the school results from 2012 indicated that control measures to mitigate the risks were not working as effectively as they should the on-going monitoring by through the challenge and review process shows that this is improving.

The categorisation process and review meetings are ensuring that primary schools, who were over optimistic in the previous year's estimates are more grounded in their predictions for 2013. However, the introduction of new tests in grammar will add a degree of uncertainty for all schools in terms of this year's outcomes.

In the case of the secondary providers not achieving the predicted results in 2012 more robust processes have been evidenced in the majority of the schools and two schools have now engaged external challenge and support to test their processes.

The target risk scores indicate that levels of educational standards remain an important priority of the council and will continue to receive high levels of focus.

Finance: An underspend of £99k is currently predicted for these budgets, due to a combination of vacancy savings and funding carried forward from last year which is now no longer required.

Performance: Educational attainment measures were included in the previous quarters report and will be reported in their validated state at the end of Quarter 4. The overall status of this priority is now amber as the council's monitoring show an improved approach by schools to their predictions based on a more robust internal system.

[<Link to Quarter 3 data report>](#)

Performance commentary

Performance commentary

Exclusions and Attendance

In December 2012 there were 39 fixed term exclusions involving 32 pupils. 76 days of schooling were lost as a result. For the whole of quarter 3 this means that there were 187 fixed term exclusions involving 103 pupils. During December 4 pupils were permanently excluded from 3 secondary schools bringing the total for the quarter to 9.

The predominant reason for permanent exclusions remains persistent disruptive behaviour. We are continuing to challenge schools on how children are supported to access the curriculum as well as to acquire appropriate behaviours for learning. This means considering how gaps in literacy in particular can be addressed.

Attendance in primary schools at 94.7% was average. Across the secondary schools the attendance rate remains below average at 88.7%. The Education Welfare Service has carried out a number of truancy sweeps and is monitoring pupils with persistent absence closely.

The impact of exclusion on attendance rates is also significant and must be addressed if overall attendance rates are to be raised.

Not in Education, Employment or Training (NEET)

The December 2012 data shows that there are 171 young people aged 16-19 who are NEET (5.1%) this compares to December 2011 of 217 young people who were NEET (5.3%).

This has been achieved despite a climate where jobs for this age group are scarce. The number of not known destinations in December 2012 is 939 (19.8%) which is lower than last month 1399 (29.5%). However the figures are higher than that in December 2011 9.38% (437). The Education Participation Team are continuing their efforts to contact the full cohort of young people and thus reduce this number daily.

- The Education Participation Team are running monthly “Real Opportunities Now” (RON) programmes to engage those disengaged young people who are NEET by giving them challenge & adventure coupled with tasters on what opportunities are available to them in the world of employment & training. An employment pathway “Get Ready2Work” was run for the second time in partnership with Jobcentre plus, IW College and UKSA. Five young people took part and are either obtaining employment or are going back into training. There is another event planned in February 2013 linked with Young Enterprise.
- HTP are offering flexible tailored programmes for NEET young people, through the European Social Fund, which will allow young people to look at employment and training opportunities in a supported programme. Their offer can include work experience, literacy & numeracy and personal development sessions as required by the young person to help them progress into a positive destination. The Education Participation Team is able to refer young people to this programme but young people are also able to refer themselves directly to HTP. The programme is “roll on roll off” so young people are able to start immediately with as little as 3 hours training to help them engage.
- The Foundation Learning programmes offered by three post 16 providers are now more flexible which allows programmes to be tailored for the individual’s needs as well as more flexible start dates. This gives young people a better opportunity to progress into a positive destination in education, training or employment.
- The Council has launched its pre apprentice programme and we are now offering support to SME’s through the Work Based Learning Providers for just over ninety 16-18 year old who are registered as NEET. This programme has had a lot of interest from our young people and employers. We have more than two thirds of the places which are now filled and it is expected that at the end of the summer that all places will be taken. The council has also offered additional funding for another 20 places. This will bring the total up to just over 120.

July saw the launch of the local apprentice scheme to support over 120 young people. This scheme supports local SME’s and mirrors the national scheme to provide additional funds to support to local employers, so far there are over 40 local employers that have taken up the offer with more applications being processed.

Schools Capital Programme

The new build at St Francis Ventnor was completed on-time and was occupied as of early January. This building, along with the recently completed Haylands building provides an inspiring educational facility for learning in the 21st century. Good progress is being made on the new Gatten & Lake and Bay Primary new build schools. The new building for Cowes Enterprise College has been subject to significant delays. The Council is working with the contractor and the college to achieve completion and handover in Autumn 2013.

Wider context

School Inspection Framework

Ofsted are now using a new and more robust inspection framework. Thirteen primary schools, one secondary college and one special school have been inspected under this framework. Of these inspections there have been seven schools judged as 'good'; five as "requiring improvement" (previous 'satisfactory') and three as "requiring special measures".

As part of the Government's education changes there are opportunities for alternative providers to bring forward proposals for Free and Studio schools. A bid for a Free School (11-16) has been submitted by a group of teachers as well as a Studio School bid by Southampton City College.

Corporate priority: Keeping children safe

Background: The council remains committed to both improving the educational outcomes for children and young people while ensuring they remain safe and enjoy healthy lives. Safeguarding children and increasing public awareness of taking early, preventative action is a key priority of the local authority.

An unannounced OFSTED inspection of child protection arrangements in December 2012 found that “early help is available and accessible for all ages and most direct services are good quality”, the report also details “Common Assessment Framework [CAF] services are well coordinated with good strategies to improve the consistency of CAF practice... In the majority of CAF cases seen, the help offered has stopped or prevented family breakdown and has improved children’s well-being, learning and development”.

However the overall OFSTED judgement of the effectiveness of help and protection, quality of practice and leadership and governance was found to be inadequate. The introduction of the ‘Reclaiming Social Work’ model of practice was found to have raised staff morale but to have had little evidence of sustained impact on the quality of core child protection work.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council’s commitment to keeping children safe.

Actions carried forward

No actions carried forward.

Summary

Status: RED

Risk: The risk ‘*Failure to identify and effectively manage situations where vulnerable children and adults are subject to abuse*’ (SR0038) continues to be assessed as medium (its controlled score) as the council believes that it is doing all that is possible to safeguard its vulnerable clients. However, the risk will never be lower than its controlled score because of the high potential impact should it occur.

Specifically relating to children, recent findings reveal that there is insufficient recognition of risk which has led to an increase in the overall score for the risk ‘*Fatality or serious injury resulting from failure to safeguard*’ (CSF0005). The appointment of a social work qualified interim at middle management level will provide additional scrutiny and challenge to social work practice. Additional quality assurance measures have been introduced such as double signatures on all decisions not to allocate cases; middle management sign-off of all supervision records; the introduction of children’s feedback questionnaires, which will be a mandatory expectation on all assessments; an audit of 700 ‘no further action’ (NFA’s) from First Response and improved management oversight of assessments. A scrutiny tool has been introduced by the child protection conferencing unit which will record the quality of reports and risk assessments, as well as compliance with statutory timescales. An audit is planned of all child protection plans and all child protection investigations.

Finance: Against the £13.5m budget attributable to this area there is an underspend of £310k forecast for 2012-13 (2.31% variance). By far the majority of this underspend is outside of children’s social care and attributed across business support, the youth offending team and targeted youth support service.

There are increasing pressures within Children’s placement budget due to two secure order placements.

The main budget allocation for this priority is to Longer Term Interventions £10.3m, which represents 80% of the total budget, this area includes all looked after children associated team budgets, Beaulieu House, agency placements, fostering & adoption, short breaks, homecare and children’s disability budgets.

Performance: The overall performance on the measures scrutinised by Cabinet is good, however due to recent increases in the numbers of referrals the number of looked after children has increased beyond target for the first time since October 2011 in stark contrast to the sustained improvements and reduction this year. This has also impacted the numbers of looked after children in agency foster and residential care with numbers rising slightly above target but still within tolerance.

Summary

Other areas have shown improvements in performance since Quarter 2 with work around Common Assessments (CAF) delivering major improvements during Quarter 3 with the highest ever monthly figure recorded during December.

[<Link to Quarter 3 data report>](#)

Performance commentary

Referrals to Children's Social Care

At the end of Quarter 3, 12.7% of referrals to Children's Social Care were repeat referrals within 12 months, which represents 96 from a total of 758 referrals (provisional figures), this compares well with the target of 18% or below. This is an improvement on the first two quarters despite a higher total number of referrals than the same period last year (458). Performance this quarter for repeat referrals is the best since 2009, the end of year forecast is 12%, significantly better than the end of year target of 18%.

Looked After Children

As previously reported, good progress was made in reducing the number of Looked After Children (LAC) from 179 to 160 throughout 2011/12 due to concerted work and commissioning across the re-organised Children's Social Care service. The service aims to continue this improving trend with an end of year target of 148 for 2012/13, however during the past two months numbers have begun to rise locally, to 159 as of the end of Quarter 3, due to an increased volume of referrals to Children's Social Care. This compares nationally to a rising number of Looked After Children, increasing 2% from 2011 to 2012, with a net increase of 3% in numbers of children taken into care. The current end of year forecast is 162 against a target of 148.

Agency Foster and Agency Residential Placements

At the end of Quarter 3, there are 27 agency foster and agency residential placements, slightly above target of 26 but within tolerance. Of these, 12 are agency foster and 15 are agency residential placements. Of the 12 agency foster placements 3 were off island and of the 15 agency residential placements 9 were off island. In addition there were 5 residential placements at Beaulieu.

This is an increase from 22 at the end of Quarter 2, which is due to an increase in children with complex needs becoming looked after requiring agency placements. There are 9 new in-house foster carers due to be approved between December and April 2013 which will increase capacity, the Fostering team are also targeting their recruitment of carers to the specific needs of the service.

Child Protection

The '*percentage of children made subject to a Child Protection Plan for a second or subsequent time*' during Quarter 3 was zero (0%), of a total 13 children made subject to a Child Protection Plan during the quarter. This quarter saw a return to no children being subject to repeat Plans after 2 successive quarters where there were cases of repeat Plans. The number of additional Plans within the quarter also reduced to 13 (from 40 in Quarter 2) which is similar to previous levels reported during the second half of 2011/12. The current end of year forecast is that 8.1% of children subject to Plans within the year were repeat Plans, which is an improved forecast on the previous quarter (9.8%) and better than the target of 10%.

The '*percentage of children subject to a Child Protection Plan continuously for more than two years*' is currently zero (0%), of a total of 78 children subject to Plans. This is a reduction from 4.3% in Quarter 2 which represented 4 children no longer subject to Plans. This quarter saw a return to no children currently subject to Plan for two or more years, after 2 successive quarters where there were cases of children being subject to Plans for more than two years. The current end of year forecast is to maintain the current position with zero children being subject to Plans for more than two years as at 31 March.

Support for Disabled Children

The '*number of families of disabled children who are being supported through direct payments*' at the end of Quarter 3 was 53, a greater than expected increase from the last quarter and equal to that reported in Quarter 1. It is anticipated the figures will rise to 55-57 by year end, the end of year forecast is 56 against a target of 60.

Common Assessments

At the end of Quarter 3, the total number of Common Assessments (CAFs) completed was 375, which is significantly better than the target of 334. The number of CAFs completed has increased month-on-month throughout the quarter to 61 during December, the highest monthly total this year. The current position is

Performance commentary

substantially better than that of the same period last year (288) and only 9 short of exceeding last years total outturn of 386, with Quarter 4 remaining.

Quality assurance activity is demonstrated to be in good order with review processes in place with the CAF co-ordinators, there has also been a positive impact due to the targeted work of the CAF co-ordinators on several levels including training, advice, support and monitoring.

The current end of year forecast is to meet the target of 450, if a level of performance is achieved in Quarter 4 equal to that of the same period last year (2011/12) then a total outturn of 473 would be attainable.

Wider context

Complaints and Advocacy

In mid-December 2012, Ofsted released a report based on the views and opinions of 118 children and young people who took part in a consultation event to discuss the topics of Complaints and Advocacy. The children in care who participated came from different local authorities across the country and the report expresses their views and opinions on the various questions and topics raised.

Of the children who took part in the voting session for complaints, around 75% had made one or more complaints and of these nearly a third had made five or more complaints. Among the most common areas for complaint, the three most common were: social workers; other children and members of care staff. The feeling of benefit being gained from making a complaint only just outweighed experiences of things being made worse.

The report covers a number of topics including the use of adults and lawyers to resolve issues and concludes by offering suggestions for areas to be considered when reviewing the complaints procedure for children and young people.

(Source: Ofsted, 13 December 2012)

Strengthening Families

The Department for Communities and Local Government (DCLG) report 'Working with Troubled Families' published in December 2013 stated that targeted family intervention is the most effective way to turn problems around and help families to get on in life. The report suggests that family intervention can help with reducing:

- Involvement in anti-social behaviour by 59%
- Involvement in crime by 45%
- Truancy, exclusion, bad behaviour at school by 52%

The report also includes some suggested ways for achieving more effective family intervention and authorities were challenged to review the ways by which they work with 'troubled families' in order to help maintain the momentum that has already been achieved with this programme.

(Source: Department for Communities and Local Government via Gov.UK, 15 December 2012)

Adoptive Families

The Prime Minister announced at the conclusion of December 2012, the proposed introduction of a new package of support for people who want to adopt. The intention is to help ensure that more children get a stable, loving home without delays. Measures included within this package intend to ensure potential adopters are given a much more active role including with the matching process and greater support with the life-changing decision.

(Source: Department for Education, 27 December 2012)

Reporting period: Quarter 3, 2012-13

Corporate priority: Supporting older and vulnerable residents

Background: A key responsibility of the council remains to support the most vulnerable in Island communities, including those adults with a disability or long term health condition and the frail elderly. Going forward, four key themes have been identified, to:

- Support individuals and communities to become less dependent on public services;
- Develop more effective arrangements between public sector organisations, helping to reduce an individual's need for access to the more intensive, high cost services;
- Provide real choice in order to enable people to take control over how they are supported;
- Improve the assessment and response to need in order to speed decision making and achieve improved service outcomes for individuals by strengthening delivery of social work and care management support.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to supporting older and vulnerable residents.

Actions carried forward

No actions carried forward.

Summary

Status: AMBER

Risk: The Strategic Risk relating to this corporate priority is 'Failure to identify and effectively manage situations where vulnerable children and adults are subject to abuse', which was presented to the Audit Committee for review on 13th December 2012.

The risk continues to be assessed as medium as the council has planned actions in place that ensure it is doing all that is reasonably possible to safeguard its vulnerable clients. Due to the inherent nature of the risk it will never be lower than it currently is. In addition to those measures that already existed, latest developments have further strengthened the way in which this risk is managed; including a training programme to raise awareness of safeguarding (refreshed and reviewed annually), leading to improved identification of risk; development of a commissioning framework to support personalisation and development of a quality assurance framework. There will also be further recruitment of a safeguarding consultant.

Finance: Against the £43.9m net budget attributable to this area, an overspend of £418k is being forecast at this stage for 2012-13 (0.95% variance).

The most significant pressure is within the community care budget (£1.1m) but this is currently being partially offset by underspends in staffing budgets due to vacant posts throughout the year to date.

Other relevant budgets that contribute to this priority would include supporting people where the budget excluding the young people element is around £3m for 2012-13. The budget for Supporting People is currently shown against the Housing and Homelessness corporate priority (Appendix A5).

Performance: Performance continues to be mixed during Quarter 3, with performance dropping slightly for carer' needs assessments and remaining strong in Self Directed Support (SDS) with continued incremental improvements for the sixth consecutive month. The Safeguarding Vulnerable Adult (SVA) indicators have remained the same with only marginal changes in performance.

[<Link to Quarter 3 data report>](#)

Performance commentary

Personal Budgets

The percentage of all eligible service users with personal budgets or direct payments as at the end of Quarter 3 is 69.55%, an improvement from 68.76% in Quarter 2. This is the highest recorded figure since reporting began in 2010, from which there has been sustained monthly improvement. Performance is better than the target of 68.84% this quarter and is currently forecast to exceed the end of year target of 70% by approx. 2%.

Performance commentary

Resources have been directed at this priority measure to maintain performance and this has enabled the target to be met.

Carers' Needs Assessment

The percentage of carers receiving needs assessment reported for Quarter 3 is 35% against a target of 33%, this is performing better than target. Performance has dropped from 39% at the end of Quarter 2 (which was the highest recorded figure since 2009). Recording carer involvement in a joint assessment and consequent reviews is expected to improve in line with review recording as a consequence of improved resource availability, therefore the end of year forecast is 39.17% which if reached will exceed the target of 33%.

Safeguarding Vulnerable Adults

The 'percentage of referrals to safeguarding that are repeat referrals within 12 months' at the end of Quarter 3 was 15.06% performance therefore exceeding the target of 15.53%. Performance has however, reduced slightly since Quarter 1. Targets and tolerances were reviewed last quarter in order to ensure they are representative and appropriate to adult social care. The current end of year forecast is 16% which is set to concur with the current end of year target of 16% (which is the national average for this measure).

The 'percentage of adult clients receiving a review as a percentage of those receiving a service' is 64.1% for Quarter 3 against a target of 80% or above. Performance has remained approx. similar to that reported in Quarter 2 (64.4%) having steadily declined up-to that point. The current end of year forecast is 59.02% against a target of 80% or above. Additional resources have been assigned and are currently being recruited into this to pull up performance in relation to reviews, as a priority area for the service to address.

The safeguarding service is in the process of developing an additional new measure which will measure the response time from referral to investigations starting. This will give clear evidence of the speed at which concerns raised are moved into action. It is expected that the service will deliver this measure in time for Q4 recording and reporting.

Home Fire Safety Checks for Vulnerable Households

Please refer to 'Appendix A1 – Delivery of budget savings through changed service provision' for details on home fire safety checks.

Wider context

Disabled Facilities Grant

Government announced in December its intention to provide an extra £40m that will be added to the Disabled facilities Grant, in order to help people to remain in their own homes for longer.

The additional funding is intended to enable more older people, and adults with disabilities, to have a better quality of life and help them remain independent and living in their own home for longer.

(Source: Department of Health, 12 December 2012)

Long Stay Hospitals

Reflecting on the final report and recommendations in response to the abuse uncovered at the Winterbourne View private hospital, the Care and Support Minister gave a commitment in December 2012, to move out of long stay hospitals every person with a learning disability and autism, who does not need to be there.

The report outlines an ambitious programme intended to transform services and provide real change for how people with learning disabilities are treated. These include guidance on the use of restraint, ensuring that those with learning disabilities and their families are involved in all decisions about their care and support and that their views are sought and listened to. While a review of the cases of all patients in current placements is to be undertaken by June 2013.

(Source: Department for Health, 10 December 2012)

More choice in Mental Health

It was announced in December 2012 a proposal that those people who use mental health services, would be given the ability to have greater choice about where and how their condition is treated in the National Health Service.

Currently people who need mental health services are not able to make the same choices about their care and treatment as those who use other health services. The response to the 'No Decision About Me, Without Me' consultation provides an outline to how they will be able to choose from any provider in England when they are referred for treatment from April 2014.

Wider context

(Source: Department for Health, 13 December 2012)

Dementia research

Towards the end of December 2012, the Department for Health announced that it was making £22m available to 21 research projects in order to help boost dementia diagnosis and for the trial of ground-breaking treatments.

The funding, awarded by the National Institute of Health Research is designed to cover all areas of scientific activity that is relevant to dementia across the fields of care, cure and cause, including prevention.

(Source: Department for Health, 21 December 2012)

Benefit Capping

The Department for Work and Pensions confirmed in late December 2012, that Benefit Cap roll out will commence in the four London boroughs of Bromley, Croydon, Enfield and Haringey from April 2013, before being rolled out across the country throughout the summer of that year.

The Benefit Cap will see the amount of benefit people can receive capped at the average earned income after tax and National Insurance for working households of £500 a week for couple and single parent households – the equivalent of £26,000 per year. It will apply to the combined income from JSA, Income Support, Employment and Support Allowance, Child Benefit, Child Tax Credits and other benefits.

Certain households including those with someone in receipt of Disability Living Allowance or the Support Component of ESA and war widows and widowers will be exempt. To increase the incentive for people on out-of-work benefits to find work, households with a member who is entitled to Working Tax Credit will also be exempt from the benefit cap. Additionally, a total of £100 million in Discretionary Housing Payments will be allocated to help support vulnerable people affected by this change

(Source: Department for Work and Pensions, 20 December 2012)

Reporting period: Quarter 3, 2012-13

Corporate priority: Housing and Homelessness

Background: In conjunction with its partners, the council intends to work towards fulfilling the needs of Islander's for secure and appropriate housing, significant to maintaining quality of life. This may require meeting the needs of those unable to buy their own homes, or to provide environments appropriate to meeting the special needs of the elderly and disabled. To help achieve this the council has set ambitious targets for the development of affordable housing and will work towards enabling the frail and very elderly to remain living in their own homes or access housing solutions appropriate to their physical needs, and to ensure the best possible use of the Island's existing housing stock is made by bringing into use empty properties where appropriate. In addition, the provision of support, guidance and advice, will continue to be provided for those in temporary accommodation.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to housing and homelessness.

Actions carried forward

No actions carried forward.

Summary

Status: GREEN

Risk: The key risk for this priority relates to insufficient affordable and low cost housing being built and continuing to reduce long term empty properties. The risk score has not reduced since the previous quarter, remaining high but with a number of mitigating actions, both implemented and others planned for 2012/13. It is recognised that progress to improve the housing situation is a longer-term aspiration. The Pan Meadows development, the continued reduction in numbers of empty properties and further work with the planning office will help to reduce this risk. The long term empty properties on the Council Tax register are being reviewed to establish if any can be brought back into habitation, the proposed changes to empty property charges for Council Tax may also assist with the re-occupation of empty properties.

Finance: Against a £5.68m budget attributable to housing & homelessness an overspend of £112k is forecast for 2011-12 (1.97% variance). Most of the underspend position is in relation to staffing.

There are currently no significant pressures at this stage and the homelessness budget remains stable at this stage.

Other relevant budgets not included in the data include the housing capital scheme budgets which for 2012-13 total £3.9m. Plans are in place to ensure the expenditure of this budget, this will help people to remain living independently in their own homes for as long as possible, which in turn will help to reduce pressure on Adult Social Care Revenue budgets.

Performance: Performance in this area remains broadly on target with all measures performing well compared to target with the exception of long-term empty properties, which is rated out of target (Red) for the first time since reporting began in Autumn 2011. Homelessness, temporary accommodation and access to private rented sector remain a high priority in light of worsening national trends, which are anticipated to be experienced locally to a greater degree as the situation progresses.

[<Link to Quarter 3 data report>](#)

Performance commentary

Homeless households

The 'number of households accepted as homeless and in priority need' reported for Quarter 3 is 59, within target of 63. This is an increase of 17 over the same period last year (42 reported in Quarter 3 2011/12) and is approaching the end of year figure of 64 for 2011/12. As previously mentioned, these figures and the recent trends could be early indication of an acceleration in the numbers reported on the Island, which would be a move toward the regional and national trend of increasing numbers. The end of year position is forecast to be on target of 84.

Performance commentary

Temporary accommodation

The 'number of households in temporary accommodation' reported for Quarter 3 is 138, within target of 145. This compares with 135 reported for the same period last year (Quarter 3 2011/12). Broadly, figures have been slightly above (worse) those reported last year. As reported previously, this figure fluctuates as new homeless applications are received and move-on accommodation becomes available. Work continues in this area to assist households into the private rented sector and to establish a home. The current end of year forecast is 140, against a target of 145.

Service users supported

For the fourth consecutive quarter performance has exceeded the challenging target of 95.5%, with 98.05% of 'service users supported to establish and maintain independent living'. This also compares favourably with 92.17% reported for the same period last year (Quarter 3 2011/12). As previously reported, on-going contract monitoring is ensuring providers meet targets. This continues to represent strong performance within the context of a reduced Supporting People budget and higher pressures being exerted on the service, therefore the end of year forecast is to achieve target of 95.5%.

Property adaptations/modifications

There have been 1290 'properties adapted/modified to support independent living by the occupier' up to the end of Quarter 3, 716 of which were completed during Quarter 3 which is the highest quarterly increase reported. So far this figure is made up of 1136 Handyperson measures, 149 Disabled Facilities Grants (DFGs) and 5 other measures. This has surpassed the end of year target with Quarter 4 remaining, therefore the current end of year forecast is 1600. The good progress made so far is a positive indication on the numbers of vulnerable people receiving assistance to remain safe in their own homes.

Empty properties

The 'number of empty properties (PCLC List Review)' reported for Quarter 3 is 874 against a target of 775, this is a net increase since Quarter 2 of 93 and the first recorded increase since reporting began in Autumn 2011. Although performance has worsened during Quarter 3, the on-going work of the Empty Property Renewal Officer and team continues to have a positive impact, bringing 50 properties back into use during this quarter, however there has been a significant number (approx. 143) of short-term empty properties being reclassified onto the long-term list during the quarter. Based on this quarters figures, the end of year forecast is 810 against a target of 760.

Wider context

New Homes Bonus

Over the next year, England's 353 councils are set to share a cash payout of £661 million, after delivering 142,000 new homes, including 58,000 affordable properties. The funding also acts as a reward to councils for bringing 13,000 long-term empty properties back into use.

The provisional allocation, due to be paid in the 2013 to 2014 financial year, means councils will have received £1.3 billion through the New Homes Bonus scheme since its launch in April 2011.

(Source: Department for Communities and Local Government via Gov.UK, 10 December 2012)

'Build to Rent'

Government announced in December 2012, its intention to invest £200m in a programme of house building intended to accelerate the availability of high quality homes for private rent. The Build to Rent Fund, is set to invest equity or loan finance in a range of viable projects in England where there is both local demand and support for new private rented housing, while aiming to cut the risk for developers more traditionally used to building homes for sale, who are looking to branch out into building homes for private rent.

The Fund could be used to cover development costs such as land, construction or management costs and once the development is complete and fully let, the developer would then refinance or sell on its interest and repay the finance back to government. It is hoped that through financing the construction of rental homes until they are built, let out and managed, the fund will give developers the freedom to build homes specifically for that market with confidence.

(Source: Department for Communities and Local Government via Gov.UK, 20 December 2012)

Corporate priority: Regeneration and the economy

Background: Projections for the nation's economy remain uncertain, with expectations for growth in consumer spending being weak in anticipation of a contraction to household incomes. The Island's output growth is forecast to dip below that for the SE region and employment growth is also anticipated to be slow until 2013. Over the coming year, the council's Economic Development Delivery Action Plan (2011/12 to 2013/14) will remain focussed on the same key areas of activity as applied in 2010/11:

- Increasing inward investment;
- Provision of sufficient employment land;
- Development of a skilled workforce in key sectors;
- Promotion and expansion of renewable energy activities;
- Installation of a superfast broadband network;
- Developing and promoting a 21st century tourism offer.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to regeneration and the economy.

Actions carried forward

1. Performance information for investment in the economy, including pre-apprenticeships and apprenticeships is due to be included as a part of the quarterly performance reporting for consideration by both the Economy & Environment Scrutiny Panel and Overview & Scrutiny Committee.
2. A report is to be shared with the Economy and Environment Scrutiny Panel on 19 December 2012, regarding the proposed Jobs Fair and its outcomes.

Summary

Status: GREEN

Risk: As reported in the last quarter, the risk relating to the Island's economic position has remained consistently high over the year, linked to the wider national economic downturn. The position for the third quarter of this year has not changed. The control measures listed, as well as the activities highlighted in the performance commentary would, under normal circumstances, drive the risk score down, however this is restricted by the global and national financial climate.

Monitoring progress of the economic development plan and working closely with the Local Enterprise Partnership (LEP) will be key mitigating activity for this risk. Additionally the progress of the Solent Ocean Energy Centre is hoped to provide economic benefits to the island following the £37 million private sector investment even before its operational date of 2014.

Finance: There are no significant budget pressures in this financial year, these budgets are currently forecasting an underspend of £28,404. Spend on Tourism has now been taken over as a contract payment to the new Tourism DMO. Any under spend on Economic Development will need to be carried forward to the 2013-14 financial year due to the timings of contractual payments.

Performance: All key strategic targets have been met or exceeded in this quarter and the vast majority of end of year targets are currently forecasted to be similarly exceeded. The high level of performance reflects the importance being assigned to this priority.

[<Link to Quarter 3 data report>](#)

Performance commentary

Potential Investors

Five potential investors have received support during quarter three and continue to receive support including two tourism/leisure investors, an educational project, a waterside development project and a large scale renewable energy project. Support for two of these projects has also involved planning policy advice.

Performance commentary

This brings the cumulative total to sixteen potential investors having received or in receipt of support between April and December.

The 'number of in person approaches made to potential investors' has reached a total of 12 during the first three quarters of the year which is above the target of seven. Five in person approaches were made during the third quarter, three of which took place at the International Tidal Summit in November. This continues to be an important event to showcase SOEC (Solent Ocean Energy Centre). Other investors approached have been in the marine and tourism/leisure sectors. Over recent quarters we have been working closely with Wightlink in making joint approaches to tourism and leisure operators not currently based on the Island.

Advice and guidance to business

The 'Number of in person advice and guidance activities with businesses seeking to grow and develop on the island' continues to perform well with a total of 21 against a target of 15. Two high growth Small and Medium Enterprises (SMEs) have received advice and on-support to submit funding proposals to DECC (Low Carbon Innovation Fund) and to the Technology Strategy Board. The projects are for an endothermic heating system (DECC) and for innovative IT power efficiency software (TSB). Support has also been offered to two local developers / investors, a major tourism attraction and a large aerospace company.

Youth unemployment

In July 2012 the council launched an apprenticeship initiative that will complement the Government's new 'Youth Contract' by assisting up to 120 young Island people (age 18-24) currently claiming Job Seekers Allowance, into employment. The scheme will focus on those businesses seeking to recruit their first apprentice by offering a grant to help meet the costs and specifically target companies in the 'green economy'. It will also focus on those young people (16-19 years) Not in Education, Employment or Training (NEETs) participating in the pre-apprenticeship initiative as well as young people leaving care and those with disabilities.

A number of initiatives aimed at getting young people into work under the 'Islework' banner are now being delivered. It was hoped that by the end of the third quarter of 2012/13 that 100 young people would have been engaged in the initiatives, however, the target has been considerably exceeded with 205 young people being engaged.

A pre apprenticeship programme aimed at NEETs has so far provided 108 opportunities with local businesses. This has already exceeded the target of 100 young people with funds being recirculated from those converting onto full apprenticeship placements.

In addition, a total of 68 young people are now registered for full apprenticeships in a programme targeting Island companies who have not had an apprenticeship in the last twelve months. Delivery of this initiative via the work based learning providers commenced in June with funding for up to 120 opportunities.

Furthermore, the Chamber of Commerce are delivering three council initiatives. The business start-up support programme, in partnership with Job Centre Plus, has so far engaged 18 people whilst a mentoring initiative for small and medium enterprises (SMEs) has worked with 11 island companies. An enterprise hub based at the Chamber has also assisted 48 businesses across a range of issues.

Planning Services

The 'total number of planning applications received' is above target with 1468 applications received between April and December against a target of 1368. The end of year forecast has been adjusted to reflect the increase. It is anticipated that the end of year target will be exceeded by approximately 100 applications.

There were 13 major applications determined during quarter three, 7 of which were determined within the 13 week timeframe (53.8%). Between April and December there 22 out of 35 major applications have been determined within the 13 week timeframe (62.9%).

The percentage of non-major applications determined within 8 weeks is above target for the third quarter. Between April and December 987 out of 1188 (83.1%) of non-major planning applications were determined within the 8 week timeframe. It is anticipated that the end of year target will be met.

Superfast Broadband

The council's project to deliver superfast broadband to those parts of the island where there is no business case for private sector investment in the required infrastructure (largely the rural areas) had been delayed whilst state aid issues between Government and the EU were being resolved. This has now been completed and the council have recently agreed a timescale with government for procuring a contractor to deliver the project. This will conclude with an award of contract in September 2013.

Performance commentary

Solent Ocean Energy Centre (SOEC)

The Council has agreed a 20 year lease with the Crown Estate so that prototype and pre-commercial tidal turbines can be placed on the seabed near St Catherine's Point. This deal is seen as a major step towards creating the SOEC. The deal will also help in attracting private investment for the plans. The Council has committed £1m in addition to the £700k that was already in place from European funding.

Corporate priority: Highways PFI Programme

Background: The condition of the Island's roads has, and remains a concern for Island residents. The Highways Private Finance Initiative (PFI) currently being progressed is the only viable solution. When combined with the Department for Transport grant and a transfer of budget from the council, the PFI Project will deliver a 25 year programme of highway refurbishment, maintenance and operation that will provide safer roads while improving travel choice through improved roads efficiency and effectiveness. The procurement process ended on 26 September 2012 with Isle of Wight Council (IWC) and the Service Provider, Island Roads Services Limited, signing the Contract and completing the Financial Close process. The Mobilisation phase of the project started on 27 September in preparation for the works scheduled to commence on 01 April 2013. In the interim, the council will continue to maintain services in relation to roads, pavements, footpaths and cycle routes across the Island.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to the Highways PFI programme.

Actions carried forward

No actions carried forward.

Summary

Status: GREEN

Risk: The Highways PFI programme has an extensive risk register reviewed by the Programme Director, Project Board and the Member Review Board, which is updated after each of the procurement stages and proposed mitigation actions are agreed as part of the delivery programme. At present, all identified risks continue to be managed well and there are no high (red) risks. A number of risks associated with the project have now been closed as these risks were primarily concerned with failing to reach the Financial Close.

Finance: The Project has an overall procurement and mobilisation stage budget of £7.6m. The delivery so far has been in line with the spend profile. The Project is expected to make a saving at the end of the financial year. This is despite needing to carry out additional works in connection with ensuring robust data was provided to potential service providers during the procurement stage.

Project milestone update: Financial Close was achieved on 26 September 2012 considerably in advance of the Programmed date. The mobilisation stage of the contract is progressing well and Island Roads is on track to commence services on 01 April 2013.

Milestone	Programmed Date	Actual Date
Issue Invitation to submit Detailed Solutions (ISDS)	November - 2010	01 November 2010
Issue Invitation to submit Refined Solutions (ISRS)	August - 2011	03 August 2011
Complete evaluation of refined solutions (ISRS)	February 2012	23 February 2012
Issue Calls for Final Tender (CFT)	March 2012	28 March 2012
Select Preferred Bidder (PB)	June - 2012	29 May 2012
Report to Cabinet regarding the outcome of competitive dialogue	September - 2012	21 August 2012
Full Council endorsement of Cabinet approval to enter into Contract	August – 2012	22 August 2012
Financial Close	November – 2012	26 Sept 2012
Commence rehabilitation of road network	April -2013	

Milestone commentary

Progress to Financial Close

Financial Close and the formal signing of contracts with the Service Provider (SP), Island Roads Services Limited, took place on 26 September. The services will be delivered on the ground by their sub-contractor Ringway under the name of “Island Roads”.

During the preferred bidder stage both parties carried out the necessary due diligence on documents, inventory and condition data before agreeing the final terms of the contract. Following Financial Close the IWC Contract Management Team (CMT) has been working closely with the SP and Island Roads to ensure readiness for Service Commencement.

Mobilisation progress is being monitored through a Mobilisation Steering Group and work streams which include representatives from the CMT, SP, and Island Roads. The Highways PFI Board has been set up with the SP and Island Roads to manage the Contract.

The existing highway depot at Stag Lane has transferred to Island Roads for the term of the Contract and Smallbrook depot will transfer on 01 February. The site of Island Roads’ main office and depot at Daish Way is being completely refurbished and the development is on track for completion in March.

The first two district road shows took place in Newport and Sandown in November and December. The remaining four district road shows will take place before the end of January. These road shows provide members of the public with the opportunity to learn more about the scope of the PFI project and offer the opportunity to ask questions directly to Island Roads and members of the CMT.

Staff from the Highways department who will transfer from IWC to Island Roads have had one-to-one meetings with senior managers from Island Roads. A monthly staff newsletter is circulated to all transferring staff to keep them informed of progress.

Programme

The SP has to get all the infrastructure ready for service delivery (these include SP/Island Roads offices, main depot, winter depot, satellite depot, material and plant, key supplies including asphalt) by the end of March 2013. During the mobilisation stage the IWC is managing the transfer of asset data, TUPE staff transfer and relevant highway documentation ahead of Service Commencement. The necessary internal systems and processes for Contract Management are being set up during this period.

Corporate priority: Waste Strategy

Background: The current Integrated Waste Management contract is coming to an end in 2015; the associated infrastructure is also nearing the end of their lives. The council is at a stage where it needs to review and evaluate the options and technologies associated with waste management in order to meet its aspiration to become a leader in municipal waste management, while meeting the need to reduce residual waste landfill to a minimum. The development of a long term waste strategy has been completed in draft form and will seek to inform the objectives and options available for the next waste management contract and the need to respond to changes in the market place, legislation and public attitude.

See the [Isle of Wight Council Corporate Plan 2011-2013](#) for full details regarding the council's commitment to the waste strategy.

Actions carried forward

No actions to carry forward.

Summary

Status: GREEN

Waste Strategy: The Project Team is proposing to consult on the Draft Waste Strategy during the procurement phase, following the decision to be made by Cabinet regarding the Outline Business Case in February 2013. The consultation will enable Island residents and businesses to provide valuable input regarding the waste management aspirations for the Island. The Waste Strategy will then be used to support and provide guidance for the procurement of the new waste contract and the future of waste management for the Island.

Waste Project Programme: The Project programme is monitored and updated as required. The Project programme is eventually on target and will further be updated following the February 2013 Cabinet meeting to reflect the selected procurement option.

Advisors: During this period, the Financial and Technical advisors have been supporting the Project Team by providing financial modelling for selected collection and treatment options. The modelling work will provide a suggested affordability envelope for the new waste contract, which potential bidders would be required to meet and improve against as part of the procurement.

Risk: The new waste services contract is unlikely to be ready with all of the treatment facilities by October 2015. The risk register has been updated to reflect emerging risks.

Finance: The Project continues to be managed within the current budget.

Operational performance: All performance measures exceeded targets during quarter 2. Further information can be seen in the Performance Commentary below as well as in the Data report.

[<Link to Quarter 3 data report>](#)

Project Milestone Update	Programmed date	Actual Date
Waste Strategy		
Mass Flow Model sign off	Jul-11	Jul-11
High level review sign off	Aug-11	Aug-11
Draft Options Appraisal Report	Oct-11	Oct-11
Final Procurement Strategy Report	Oct-11	Oct-11

Project Milestone Update	Programmed date	Actual Date
Final Commercial Waste Options Report	Oct-11	Oct-11
Final Draft Municipal Waste Strategy	Dec-11	Nov-11
Draft Strategy to Cabinet	Mar-12	Mar-12
Full Public Consultation	Jun-13	
Final Strategy to Cabinet	Jul-13	
Landfill Application (may be subject to change as void and waste to landfill survey are conducted)		
Design Freeze	TBC	
Draft Application Consultation	TBC	
Final Environmental Impact Assessment (EIA) Statement	TBC	
Final Draft Planning Application to Isle of Wight Council	TBC	
Submit Planning Application	TBC	
Procurement (may be subject to change as procurement phase is finalised)		
Outline Business Case (OBC) finalised in readiness for Cabinet	Jan-13	
OBC presented to Cabinet for approval	Feb-13	
Official Journal of the European Union (OJEU) notice published	Feb-13	
Pre-Qualification Questionnaire (PQQ) returned	Apr-13	
Complete Invitation to Submit Outline Solutions (ISOS)	Oct-13	
Complete Invitation to Submit Detailed Solutions (ISDS)	Jun-14	
Complete Invitation to Submit Refined Solutions (ISRS)	Nov-14	
Complete Call for Final Tender (CFT)	Apr-15	
Appointment of contractor	Jun-15	
Contract mobilisation	Jun-Oct 15	

Milestone commentary

OUTLINE BUSINESS CASE (OBC)

The OBC which sets out the Strategic, Economic, Financial, Commercial and Management cases for the project, is near completion and will be presented to Cabinet for approval at the February 2013 Cabinet meeting. If the Cabinet agrees with the recommendation, following the approval of the OBC, the procurement of the new waste contract can commence.

WASTE CONTRACT PROCUREMENT

The Options Appraisal work has now been fully costed by the Financial advisors. This modelling work reflects the affordability of collection and treatment options and provides the Council with an understanding of likely contract costs.

COMPOSITION STUDY

The OBC requires base information on both the quantity and quality of municipal waste by analysing samples of household waste collected. This is known as a Composition Study and will also be made available to bidders during procurement. The Project Team have conducted the first composition study, during two weeks in November 2012 and the second study will take place during the Easter Holidays 2013.

LANDFILL APPLICATION

A key outcome of the publication of the OBC and the acceptance of a preferred procurement route will be

Milestone commentary

gaining a greater understanding of the anticipated future landfill requirement for the Island. The Project Team will then be able to determine whether landfill will be included in the procurement of the new waste contract.

STAKEHOLDER MANAGEMENT

The following activities are ongoing or have taken place in the last three months:

- Soft market testing with potential bidders;
- Contacting other Local Authorities regarding the procurement of their current waste contracts to form a best practice procurement route.

Performance commentary

Recycling

The levels for the second quarter for the *percentage of household waste sent for reuse, recycling and composting* have reduced over the last quarter but remain above target. This is due to the lower tonnages of materials collected for reuse, recycling and composting. These figures also demonstrate an improvement on the results achieved in the same period for the previous year 2011/12.

Landfill

The level of tonnage for both '*tonnes of municipal waste*' and '*tonnes of household waste*' have shown a reducing trend over the last quarter. This is due to a substantial decrease in green waste tonnage collected at the household waste recycling centres.