

<b>Section 151 Finance cleared on:</b>	<b>28/09/12</b>
<b>Strategic Director cleared on:</b>	<b>SK 02/10/12</b> <b>JF 03/10/12</b>
<b>Cabinet Member cleared on:</b>	<b>24/09/12</b>

**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 23 OCTOBER 2012**

**REPORT OF: MR PETER MARTIN, DEPUTY LEADER**

**MS DENISE LE GAL, CABINET MEMBER FOR CHANGE AND EFFICIENCY**

**LEAD OFFICERS: SUSIE KEMP, ASSISTANT CHIEF EXECUTIVE**

**JULIE FISHER, STRATEGIC DIRECTOR FOR CHANGE AND EFFICIENCY**

**SUBJECT: 2012/13 QUARTER TWO BUSINESS REPORT**



**SUMMARY OF ISSUE:**

For the Cabinet to acknowledge and discuss the success that Surrey County Council has achieved during the second quarter of 2012/13 (demonstrated by the latest available Council-wide results on customer feedback, finance, workforce and performance, the progress reports of the One County One Team People Strategy 2012/17 and the One County One Team Fairness and Respect Strategy 2012/17 and the September 2012 Leadership Risk Register)<sup>1</sup>.

**RECOMMENDATIONS:**

It is recommended that the Cabinet:

1. Notes the Quarter Two Business Report covering Residents Survey feedback, people performance, financial stewardship and individual Directorate performance.
2. Notes the progress made in implementing the One County One Team People Strategy 2012/17.
3. Notes the progress made in implementing the One County One Team Fairness and Respect Strategy 2012/17.
4. Agrees the Leadership Risk Register as of 25 September 2012.

**REASON FOR RECOMMENDATIONS:**

- To ensure effective business management of the County Council to deliver

<sup>1</sup> Due to the timing and deadlines for Cabinet reporting, all information in this report is based on the latest available data.

improved outcomes and value for money for Surrey residents, as measured by the Quarter Two Business Report.

- To ensure proper implementation of the Council's One County One Team People Strategy 2012/17 and the One County One Team Fairness and Respect Strategy 2012/17.
- To ensure proper consideration of Leadership Risk.

## **DETAILS:**

### **Report structure**

The report should be read with reference to the following annexes:

#### **Annex 1**

One County One Team Quarter Two Business Report 2012/13. This has four sections:

- Residents / Value graphical performance as at August 2012
- People performance as at August 2012
- Financial stewardship as at August 2012
- Quality / Partnerships performance as at August 2012

#### **Annex 2**

Quarter Two Business Report – Progress towards Directorate priorities which detail measurement against priorities by individual Directorate.

#### **Annex 3**

Detailed report showing progress of the implementation of the One County One Team People Strategy 2012/17.

#### **Annex 4**

Detailed report showing progress of the implementation of the One County One Team Fairness and Respect Strategy 2012/17.

#### **Annex 5**

Leadership Risk Register as at 25 September 2012.

### **Highlights**

1. Surrey County Council is a Council performing well with **96% of residents satisfied with their neighbourhood as a place to live**, the highest result ever achieved since the Surrey Residents Survey began in 2008.

2. This report is the second 2012/13 Business Report to measure progress against the priorities set out in the **One County, One Team Corporate Strategy 2012/17**. The report includes an enhanced scorecard (Annex 1), supported by detailed commentary (Annex 2).
3. The report celebrates examples of key achievements during the quarter, including the signing of a contract with BT to make Surrey the best connected County in the UK and financial support for creating 200 apprenticeships within the County.
4. During this period, **Surrey successfully hosted the Olympic Games Road Cycling events**, requiring an Olympic venue to be created each day involving nearly 600 road closures and 42 miles of roadside barriers – enough to lap the running track of the Olympic stadium 170 times.
5. **One million spectators lined the roads to watch the three Road Cycling events in Surrey**. The Council ensured that safety was paramount throughout the events, residents and businesses were kept informed and the potential disruption was minimised, with all roads reopened within three hours on all three days of Road Cycling events.
6. Following this success, the Council Leader David Hodge joined Mayor of London, Boris Johnson to reveal **plans for a new annual cycling event**. On Sunday 4 August 2013, the event will see 20,000 elite, club and amateur cyclists tackle a route based on the one used for the Olympic cycle races.
7. On 16 September 2012, Surrey also hosted the final section of the **Tour of Britain**, with crowds of 225,000 people lining the roadside of the Surrey stage to witness Mark Cavendish's stage victory.

#### **Residents / Value (Annex 1)**

8. The latest Surrey Residents Survey results (for July and August 2012) are positive, showing that **68% of residents are satisfied with the way the Council runs things** (two percent higher than at the same time in 2011/12) and 56% of residents feel that the Council keeps people well informed (four percent higher than during quarter one 2012/13).
9. At the end of August, 93% of customers were satisfied with the **Council's Contact Centre**, significantly exceeding the target of 85%. In addition 92% of all stage one **complaints** were dealt with within timescale and 92% of **Freedom of Information Act requests** were responded to within the 20 working days target.
10. The Leader of the Council's **Community Improvement Fund** has already allocated over £450,000 to support projects that will make a difference in local areas. Around 100 groups have expressed an interest, 42 bids have been received and 17 projects have been successful in securing funding. One of the successful bids was led by Glenys Sahay from the Friends of St Andrews in Boxhill, who helped secure £12,675 to install a new kitchen at St Andrews Church. The high quality of the bids received to date means it is very likely that all of the funding will be allocated to local projects.
11. Following the Judicial Review into **Community Partnered Libraries**, the Cabinet approved the decision to establish ten Community Partnered

Libraries on 24 July 2012 and volunteers have taken control of Byfleet library (22 September 2012) and New Haw library (1 October 2012). Under the partnership, Surrey County Council will continue to provide the building, books, computers and free wi-fi.

### **Quality/Partnerships (Annex 1 and Annex 2)**

12. The Cabinet approved the **Directorate Strategies 2012/17** on 27 March 2012. A summary of progress towards achieving the priorities contained in them is included in the Quality/Partnerships quadrant of the Scorecard (Annex 1) with a full commentary in Annex 2.
13. Overall, there has been **strong progress during the second quarter**. The following examples demonstrate some of the achievements during the period:
  - In July, the Cabinet approved a contract for BT to be the preferred supplier for **Superfast Broadband in Surrey**. Peter Martin, the Deputy Leader of the Council, signed the contract with BT on 12 September, with £20m coming from Surrey County Council, £11.8m from BT and £1.3m from the Government's Broadband Delivery UK Fund. The deal will mean that nearly 100% of Surrey businesses and homes will have access to superfast broadband by the end of 2014 and it has been estimated that the service will boost Surrey's economy by around £28m annually. EU State Aid Approval is required before implementation can start. This approval is expected within a few weeks.
  - The Cabinet approved the Winter Service Development Plan for 2012/13 on 25 September 2012, ensuring that robust plans are in place to **minimise any disruption from potentially adverse winter conditions**. The plans include equipping gritters with satellite navigation GPS and using thermal imaging of salting routes to show which roads are most at risk of icing up. Surrey County Council's fleet of gritters will be ready to take action 24 hours a day, seven days a week and will be supported by a quad bike, an all terrain vehicle and support from 51 farmers equipped with spreaders and ploughs. The Council is stocking 16,000 tonnes of salt which will be stored at depots across the County and will be replenished regularly throughout the winter through a deal with the Salt Union.
14. On 17 July, David Hodge, the Leader of the Council pledged £300,000 to support **apprenticeships** across the County. He announced the support for the creation of 200 apprenticeships for young people, with Surrey businesses. The Council will match the Government's Apprenticeship Grant for Business with a Surrey grant of £1,500, bringing the total available to £3,000, to enable businesses to take on apprentices, as well as making sure that they can get the right skills for the job. The announcement followed a pledge from the Council to take on 100 apprenticeships in a year, 50 of which have already been successfully placed.
15. One of the key challenges for the Council has been to invest in school buildings to meet the demands of an increasing pupil population. The total number of additional **school places** required and delivered for September 2012 was 1,437. This represents an increase of 150% from the 575 additional school places required in September 2009. This equates to an increase from providing just over 19 additional classes in 2009 to just short of 48 classes of children in 2012. The school places required for September 2012 have all

been delivered and work has already begun on additional schemes which have been brought forward to achieve the growing demand for school places over the next two to three years.

- In 2011, Surrey GCSE results were five percentage points above the national average for students gaining five good GCSEs including English and Maths. Early indications suggest that **GCSE results** achieved within Surrey have slightly improved in 2012, despite the much publicised changes that were made to the English marking scheme for selected examination boards between January and June 2012 (impacting on at least one third of Surrey's secondary schools). The provisional results and national and regional statistics will be made available later in the year.
  - From April 2012 to the end of August 2012, a total of 1,282 **Home Fire Safety Visits** have been conducted, of which 68% were to households at risk, a significant improvement from 57% in 2011/12 and exceeding the 2012/13 target of 60%.
  - Improvements are being made to the **Surrey Information Point** website and a targeted **Live Life Your Way** awareness campaign to provide all Surrey residents with easy access to trustworthy information and advice to enable people to make informed choices about care and support to help them live more independently.
16. The Council recognises that there is **no room for complacency** in ensuring the delivery of high quality services to Surrey residents. Difficult issues are being tackled and concerted action is being taken in a number of priority areas, including:
- The Council has **recycled** a total of 126,345 tonnes (55%) of waste collected in 2012/13, but falling demand for rigid plastic from China and India presents a challenge to achieving the 70% recycling target in 2013/14. The Council is continuing to make further improvements such as the introduction of new food waste collection schemes. Surrey County Council is ranked 9th out of 32 Waste Disposal Authorities in England for waste recycled in 2011/12.
  - The average **cost per contact** (the total money spent on customer contact divided by the total number of contacts) of 46 pence is slightly above the year-to-date target of 45 pence. The Council is continuing to encourage residents to use cheaper methods of contacting the Council, such as the internet, where it is appropriate to do so, and whilst maintaining high levels of customer satisfaction.

### **People (Annex 1 and Annex 3)**

17. The **One County One Team People Strategy 2012/17** was approved by the Cabinet on 29 May 2012 setting out 12 County Council promises to its staff. Overall progress towards four of the 12 promises is reported in the People quadrant of Annex 1 with a more detailed progress report in Annex 3. The measurement of progress towards the remaining eight promises awaits the results of the Staff Survey Temperature Check and will be reported to the Cabinet as part of the Quarter Three 2012/13 Business Report on 5 February 2013.

18. Surrey continues to perform well for **sickness absence** (reported in the People quadrant of Annex 1) compared to local government peers. When staff working with vulnerable adults are excluded (they are not allowed to work with vulnerable adults when ill), the sickness absence rate was 6.93 days per FTE during August 2012, achieving the Council target of 7.2 days per FTE. The latest Chartered Institute of Personnel and Development (CIPD) absence survey (2011) shows that the local government average was 10.9 days sickness absence per FTE.
19. The September **workforce costs** are reported alongside this report as part of the Month End Budget Report as at the end of September 2012 (agenda item eight).

### **Financial stewardship (Annex 1 and Annex 2)**

20. The Council has set a **Revenue Efficiencies and Savings** target of £71.1m in 2012/13, set out in the Medium Term Financial Plan. At the end of August 2012, £16.8m of the savings have been achieved and 'banked', however, there remains a shortfall of £3m in the current year-end forecast of savings expected to be delivered against the target.
21. Efficiencies and savings have been achieved through a **rigorous focus on ensuring value for money**. Examples include the programme of Public Value Reviews, better management of suppliers and joining up procurement spend with partners across the South-East.
22. The Council remains on track to complete the programme of **Public Value Reviews** this year. To date, 25 PVRs have been completed with reviews of Heritage, Adult Community Learning, Arts, Mental Health and Community Partnerships still in progress. At the end of 2011/12 the programme had 'banked' £37m of savings and it is forecast that the PVR programme will deliver £281m cumulative savings by 2015/16. A closing report for the PVR Programme will be presented to the Cabinet on 27 November 2012.
23. The Council has exceeded the quarter two **procurement savings target**, achieving £10.4 million savings. Surrey and East Sussex have joined forces to bolster buying power and save millions of pounds by collectively driving harder bargains with suppliers.
24. As part of the Surrey First Initiative, Surrey County Council will save more than £5m after agreeing a deal with BT to connect at least 20 public services in the South East. The public services network, **UNICORN**, which will be available to all public sector bodies in Surrey and Berkshire, will feature cloud services that link up all the organisations' computer and communications systems.
25. The September 2012 financial position is presented to the Cabinet alongside this report as the **Month End Budget Report** (agenda item eight).
26. The August 2012 financial position is reflected in the financial **Stewardship** quadrant of the Scorecard (Annex 1).

## **One County One Team Fairness and Respect Strategy 2012/17 Progress Report (Annex 4)**

27. The **One County One Team Fairness and Respect Strategy 2012/17**, approved by the Cabinet on 27 March 2012, confirmed the fairness and respect priorities that the Council will address during 2012/17.
28. The **Fairness and Respect priorities** are embedded within the Business Report Scorecard and are marked with an asterisk on the Annex 1 Scorecard and Annex 2 commentary. The first six-monthly report of progress towards the delivery of the Fairness and Respect priorities is set out in Annex 4 (the next six-monthly update will be presented to the Cabinet in April 2013).

## **Leadership Risk Register (Annex 5)**

29. The **Leadership Risk Register** as at 25 September 2012 is attached to this report as Annex 5.
30. The Risk and Resilience Steering Group, chaired by the Assistant Chief Executive, coordinates and reviews risk activity across the organisation. The Steering Group also reviews the Leadership Risk Register prior to review by Corporate Board as part of performance, finance and risk monitoring.
31. The Audit and Governance Committee reviews the Leadership Risk Register at each meeting and refers any issues to the appropriate Select Committee.

### **CONSULTATION:**

The 2012/13 Quarterly Business Report has been produced in consultation with the Members and officers listed at the end of this report.

### **RISK MANAGEMENT AND IMPLICATIONS:**

32. Risk management implications to areas covered in this report are covered in either the Leadership Risk Register (Annex 5) or in the relevant Strategic Director and Service Risk Registers. Directorate and Service management teams review current and emerging risks and ensure that risks are escalated and reported where appropriate.

### **Financial and Value for Money Implications**

33. The Annex 1 scorecard contains **Directorate level financial information** and details the delivery of the Council's Revenue Efficiencies and Savings Target.
34. Tracking financial information alongside other key performance indicators as part of the quarterly Business Report is an important part of the Council's approach to ensuring **value for money** for residents.

### **Section 151 Officer Commentary**

35. There are no direct financial consequences of this report, but the Section 151 officer confirms that the financial figures used throughout this report are consistent with the Council's financial ledger and Medium Term Financial Plan.

### **Legal Implications – Monitoring Officer**

36. There are no legal implications/legislative requirements arising directly from this report.

### **Equalities and Diversity**

37. This report provides a summary of progress towards achieving the Council's priorities set out within Directorate Strategies so does not require a specific Equality Impact Assessment. Where appropriate, Equality Impact Assessments will be completed for individual Directorate priorities.
38. Annex 4 provides a detailed report showing progress of the implementation of the One County One Team Fairness and Respect Strategy 2012/17.

### **WHAT HAPPENS NEXT:**

- Good performance is recognised and acknowledged to motivate staff.
- Remedial action takes place.
- The Cabinet continues to receive Quarterly Business Reports (the Quarter Three 2012/13 report will be considered on 5 February 2013).
- The full results towards the One County One Team People Strategy 2012/17 County Council Promises will be reported to the Cabinet as part of the Quarter Three Business Report on 5 February 2013.
- The next six monthly update of the One County One Team Fairness and Respect Strategy 2012/17 will be considered by the Cabinet as part of the Quarter Four Business Report 2012/13 (due to be considered by the Cabinet on 23 April 2013).
- Quarterly reports of progress against key Directorate indicators and commitments are published online at [www.surreycc.gov.uk/ourperformance](http://www.surreycc.gov.uk/ourperformance)
- The Council Overview and Scrutiny Committee review Council performance at the meeting on 14 November 2012.
- Select Committees continue to scrutinise work programmes and performance.
- The Quality Board will continue to ensure effective self-regulation, oversight and assurance of quality management across the Council, via the implementation of the One County One Team Quality Management Framework.
- Risk officers continue to work with Directorate Management Teams to review current and emerging risks, and ensure that risks are escalated where appropriate.

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#### **Contact Officer:**

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#### **Consulted:**

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Corporate Leadership Team (CLT)  
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James Brown, Performance Lead, Children, Schools and Families  
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**Annexes:**

Annex 1 – Quarter Two Business Report Scorecard

Annex 2 – Progress Towards Directorate Priorities

Annex 3 – One County, One Team, People Strategy 2012-2017 progress report

Annex 4 – One County, One Team, Fairness and Respect Strategy 2012-2017 progress Report

Annex 5 – Leadership Risk Register

**Sources/background papers:**

- Surrey Residents Survey results
  - One County, One Team Corporate Strategy 2012/17
  - Directorate Strategies and Business Plans 2011/15
  - One County, One Team: Fairness and Respect Strategy 2012/17
  - One County, One Team: People Strategy 2012/17
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