



Council 30 June 2014

CABINET MEMBER REPORT TO FULL COUNCIL

Report by Cllr David Ray Resources and Performance Portfolio

Portfolio includes:

- Legal and Democratic
- Elections
- Finance
- Internal Audit
- ICT
- Risk Management
- Performance Management
- Human Resources and Organisational Development
- Health and Safety
- Procurement
- Customer Access

1. Customer access

- 1.1 The customer service team has continued to increase the number of services it offers with a view to delivering a single point of contact to residents. Since I last reported, the team has taken on a number of services for the waste team, including booking bulky collections over the phone and dealing with general waste enquiries. The team is very busy and deals with approximately 12,000 telephone calls each month and 9,000 visitors across the five customer service points in West Suffolk.
- 1.2 Work has been ongoing to deliver a customer relationship management system (CRM). Over time, this system will make it easier for us to see customer records in one place and improve monitoring of the number and type of customer contact we receive. The CRM also provides online forms which will enable customers to report, request or apply for services via the website. We will be going live at the end of this month with the first online form, which will enable customers to submit comments, compliments or complaints. Once we have tested this form, we will gradually introduce other online forms over the next few months.

2. Resources and Performance

2.1 Performance Management

- 2.1.1 Key Performance Indicators (KPIs) continue to be used in all service areas to report data against agreed targets and to provide a measure of performance against our corporate priorities.
- 2.1.2 The fourth quarter's figures for 2013/14 were reported to the Performance and Audit Scrutiny Committee in May 2014. Of the 35 St Edmundsbury Borough Council (SEBC) KPIs, 13 were on or significantly above the target, 6 were below the target but within tolerated levels and 6 were significantly below the target. The other 10 KPIs are for information only and have no targets attached to them.

2.2 **New Shared Financial Management System**

- 2.2.1 The Shared Agresso Business World Financial Management System (FMS) went live as scheduled on 1 April 2014 and is now being fully used by both councils. This not only involved building the system from scratch and undergoing rigorous testing, but also included migrating a year's worth of data from both councils' legacy systems which was a significant achievement given the timescales involved.
- 2.2.2 This is a major change for many officers, and as such the Resources and Performance Team have endeavoured to provide as much formal and "on the job" training and ongoing support as possible to users. The accounts payable and accounts receivable user forums are also ongoing and are seen as a valuable tool to enable further development of the system through user feedback and ideas.

2.3 **Budget outturn 2014/15**

- 2.3.1 The Resources and Performance Team are currently working on closing down the council's year end process on the new Agresso FMS with the draft statement of accounts due to be signed by the Chief Finance Officer by 30 June 2014. The 2014/15 budget outturn and financial highlights report is due to be reported to the July Performance and Audit Scrutiny Committee.

2.4 **2015/16 Budget and Budget Consultation**

- 2.4.1 The Council has commenced a joint budget consultation exercise with Forest Heath District Council, which will support budget decisions for the next two years. The purpose of such consultation is to gauge public opinion on the main savings/income generating options and to test views on a range of issues relating to the Councils' priorities and themes in the Medium Term Financial Strategy, such as channel shift, families and communities and our commercial approach. We will feedback the results of this consultation to members in due course.

2.5 **Behaving more commercially**

- 2.5.1 The Task and Finish Group we established to consider ways in which West Suffolk could behave more commercially met for a third and final time in March. At this final meeting, the group considered the skills needed by staff and members to work in more commercial ways; the information we needed in order to understand our potential customers; and some specific ideas for commercial proposals that the councils might consider.

2.5.2 The Task and Finish Group's work concluded with the production of a behaving more commercially action plan. The actions will be now be taken forward in order to embed more commercial behaviours across the councils' work and to specifically develop commercial proposals for consideration by Members.

2.5.3 On 6 June 2014, I attended an "Entrepreneurial Council" event run by the East of England LGA at the Duxford conference centre. It provided food for thought about the work other councils have done in "spinning out" their services to social enterprise organisations, and useful advice on the financial and legal frameworks governing these initiatives.

2.6 Procurement and finance administration

2.6.1 Following the adoption of the West Suffolk Medium Term Financial Strategy (MTFS) in February 2014 and the emerging Procurement Strategy (recommended for approval by Performance and Audit Scrutiny Committee); there is a need to review both councils' financial procedure rules and contract procedure rules (which form part of the council constitutions). The proposed rules were considered at the June Cabinet meeting and are contained within this Council meeting's agenda for adoption.

2.6.3 Work continues on aligning the accompanying procurement guidance and templates across West Suffolk.

3. Anglia Revenues Partnership (ARP)

3.1 ARP Strategic Review

3.1.1 Councils have agreed to three new partners, Waveney, Suffolk Coastal and Fenland, joining ARP from April 2014 with significant saving predicted for 2015/16. The Strategic Managers were appointed on the 1 April 2014 and are carrying out a full restructure for a single officer core across the 7 partners.

3.2 Benefits

3.2.1 Housing Benefit claims and changes of circumstances for St Edmundsbury were processed on average within 5.19 days for the year ending 31 March 2014 and 6.93 days for Council Tax Reductions, both within the target of eight days. These figures are all actual days not working days.

3.2.2 On-line claims continue to increase. In the financial year 2013/14, 3,338 new benefit claim forms have been received on line, and a total of 6,897 forms across Benefits, Council tax and NNDR, and comments on the use of the on line forms is very positive.

3.2.3 On request, landlords can now have the records of their payments/schedules sent via e-mail instead of by post so they receive them quicker and have less paperwork.

3.2.4 Regular liaison meetings are ongoing with Suffolk County Council (SCC), housing associations and other agencies to help the understanding of each other's work and awareness of our mutual customers' needs.

3.3 Revenues

3.3.1 Collection rates are as follows:

	Collected by 31 March 2014	Target	Comparator figure for 2012/2013
Council Tax Net Liability: £53,045,637	98.4%	98%	98.5%
NNDR (Business Rates) Net liability: £45,957,143	98.27%	99%	98.46%

3.3.2 Council Tax collection for the year was very slightly lower than last year but has exceeded the target. The target was set at a lower level because of the anticipated collection on cases where residents were previously on 100% council tax benefit. Collection is particularly difficult from these groups where previously there was no liability for Council Tax. The recovery team continue to work with residents to help them meet payments without incurring additional recovery costs where possible. Overall the collection has exceeded expectation.

3.3.3 E-billing is being promoted with the annual billing as a convenient option for customers, a saving to the tax payer in paper and postage and the 'green' option.

3.4 **Business Rates**

3.4.1 National Non Domestic Rates (NNDR) collection is very slightly below the collection last year. There are some cases that we are working on with the legal team to take further enforcement action in 2014/15.

3.4.2 The Business Rates team continues to work with other services within the Council to ensure that all business intelligence is shared with the business rates team to ensure all potential changes to the business rates database are reflected in our records at the earliest opportunity.

3.4.3 An exercise has been carried out to identify any businesses missing from our database which has demonstrated that our existing processes are robust and that our records are already very accurate, although we have identified 2 areas where more work will be carried out: radio masts and ATMs (cash machines).

3.5 **Collection of Housing Benefit Overpayments**

3.5.1 A temporary increase in resource of two full-time employees (shared by 4 partners) for the last 2 years has resulted in improved processes and methods of recovery. The increase in resource has resulted in an increase in monies recovered, circa £70,000 per annum for St Edmundsbury (and equivalent improvements for all partners). This complements the work of the Fraud team to ensure where fraud is detected, monies are recovered.

4. **Information and Communication Technology (ICT)**

4.1 The joining up of ICT infrastructure across Forest Heath and St Edmundsbury is now complete and all desktop operating systems have been upgraded from the old Windows XP to either Windows 7 or 8.

- 4.2 The focus of ICT work is very much on the joining up of line of business systems used in the various service areas, replacing the separate systems previously used by Forest Heath and St Edmundsbury teams. Systems which have so far been migrated to operate as single shared systems include:
- HR & Payroll iTrent system
 - Finance Agresso system
 - E-Payments Adelante system
 - BACS processing system
 - Planning Idox Uniform system (development control and building control)
 - Environmental Services Northgate M3 system.
- 4.3 The following system migrations are already in progress at various stages of advancement:
- Land charges Idox Uniform system
 - Single shared main website
 - Geographical Information system (GIS)
 - Local Land & Property Gazetteer (LLPG) system
 - Elections management system.
- 4.4 The following system migrations are currently being planned, evaluated or specified:
- Waste Management system
 - Committee minutes system
 - Licensing management system.
- 4.5 In addition we are currently deploying the new Asidua CCP Customer Relationship Management (CRM) system which will support the new centralized Customer Services team, and the initial phase of the project is due to go live imminently.
- 4.6 A corporate integration solution has been procured and will be deployed imminently. This is to support the growing need for our systems to share data, especially the new CRM system.
- 4.7 The migration of Revenues and Benefits services from Fenland District Council into ARP is well advanced in the planning and work to complete the ICT elements of this process is currently being scheduled.

5. *Internal Audit*

5.1 Annual Internal Audit Opinion

- 5.1.1 The 2013/14 annual audit opinion was issued in May, based on Internal Audit work undertaken in the year and any other assurances available to the Internal Audit Manager. This opinion confirmed that in general risk management, control and governance processes have continued to work well during the year.

5.2 Annual Internal Audit Plan

- 5.2.1 Work included in the approved 2013/14 Internal Audit Plan was completed on time. This work included 24 audit reviews relevant to St Edmundsbury as well as income generating work on behalf of East Cambridgeshire DC and Breckland DC.

5.2.2 The 2014/15 Internal Audit Plan was approved by the Performance and Audit Scrutiny Committees in May. A different approach was taken in producing this Plan in that as well as continuing to perform the usual statutory fundamental systems audits the intention is that Internal Audit will also increasingly be proactively assisting with corporate projects where timely audit input can help prevent or bring early resolution to internal control or governance issues.

5.2.3 The 2014/15 Internal Audit Plan also allows for income generating work to be undertaken and income achieved for 2014/15 is currently forecast to rise compared to 2013/14.

5.3 **Probity**

5.3.1 Probity within the Council has continued to remain at a high level during the year with no corporate frauds reported. A new West Suffolk Anti-Fraud and Anti-Corruption Policy was considered by the Performance and Audit Scrutiny Committee in May and this Policy now also covers the important area of social housing fraud.

6. **Human Resources**

6.1 The Human Resources, Learning and Development and Health and Safety teams continue to support a range of organisations and partners through significant organisational change.

6.2 As the Anglia Revenues Partnership expands to include the provision of Revenues and Benefits services to Fenland, Suffolk Coastal and Waveney Councils, the HR team is leading the restructure of the organisation. Three new Strategic Managers (Revenues, Benefits and Support) were appointed with effect from 1st April (reporting to the Head of ARP, Paul Corney), and the Councils are now in consultation with Unison and staff on a new shared structure across the organisation which will result in further savings for the partner councils, as duplicated posts are removed, and work is reorganised to continue to deliver an efficient and effective Revenues and Benefits Service.

6.3 We continue to be committed to improving opportunities and the development of employability skills across the Borough and in supporting the Raising the Bar initiative in Suffolk. We are currently recruiting to 10 new apprenticeships, and have offered internship positions to 4 undergraduates.

6.4 The HR Advisory team has been working with the Joint Leadership Team, Unison, Service Managers and staff focus groups to develop and implement the new Performance and Development Review Scheme (PDR). This is a new performance related pay and appraisal scheme that is focussed on a set of organisational values and behaviours that will underpin the cultural change required to deliver the council's corporate priorities as well as towards behaving more commercially.

6.5 Review of HR policies across the two Councils has focussed on the Pay Policy Statement and the Learning and Development (L & D) Policy. The L & D Policy was approved by Cabinet on 3rd June 2014, and details the Council's approach to both the development of our workforce and, for the first time in this single policy, the learning and development and support of members. The Pay Policy Statement has been considered by Cabinet and approval is being sought from full Council.

- 6.6 Service Manager and Business Partner Forums continue to develop the capacity and understanding at this level across the organisation and involve this key group in successful organisation development. The most recent session involved and informed this group on the budget challenges we are dealing with and focused on how they can contribute to the work of the Economic Development and Growth service. An earlier session led by our Locality Officers focussed on the Families and Community Strategy and its links with other services across the Council.
- 6.7 The Health and Safety officers provided full support to the successful cycle Tour of Britain on 10th May 2014, which involved a comprehensive Event Safety Plan, and close working with Abbeycroft Leisure to ensure its safety and success.
- 6.8 The HR team's work has been recognised in the national HR Excellence 2014 Awards, where the work they have done has resulted in the team being shortlisted in the 'Best HR team' category. The joint Forest Heath and St Edmundsbury entry is the only council team in that category – most of the other finalists are major private sector firms – and the result will be known on 1 July.

7. Member Development (June 2013 to May 2014)

- 7.1 The three Front-line Member Development events held at external venues proved to be successful with average attendance of 28 Members from both Councils. The sessions covered the following:
- The future, the plans and the money
 - Family and Communities
 - Developing Growth
- 7.2 Feedback was very good with members finding the opportunity to contribute, learn, meet and network with colleagues from both West Suffolk councils very useful and thought-provoking. At the request of members more Front-line sessions are planned in our own venues. We encourage all members to attend member development events and we are always willing to consider suggestions from members on the content of the programme. We are achieving an average of 13 Members per event from both Councils; however, evaluation scores are good with an average score of 4 out of 5.
- 7.3 The results of the recent Training Needs Analysis have been collated with 49 members returning forms from both Council's, 31 of which were SEBC members a 69% response rate from SEBC. The key training needs identified by members are:
- Behaving more commercially
 - Development Control
 - Local Government Finance
 - Social Media /Dealing with the Media
 - Handling challenging people and situations
 - Community engagement
 - Overview and Scrutiny
- 7.4 Details of the forthcoming programme will be published in Members' News. After development and training events have taken place, presentations are available for download from the Members area on GOLD.
- 7.5 Work is progressing on the application for the Charter for Elected Members.

The assessment date has been set for 11th September 2014. External reviewers undertake the assessment and there will be some member involvement in the process which is being led by the Joint Member Development Group.

- 7.6 Members are encouraged to attend external conferences and seminars that will help with their learning and development. Requests for funding at such events should be sent direct to the L&D Advisor. Attendance at more expensive conferences (total cost >£300) will need to be agreed with the Leader of the Council. Following attendance at external events members will be asked to write a short report for publication in the Members' News to help share information with colleagues.

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