



Council 27 September 2012

CABINET MEMBER REPORT TO FULL COUNCIL

Report by Cllr David Ray, Performance and Resources Portfolio

Portfolio includes:

- Democratic Renewal/Member Development;
- Diversity;
- Finance, Resources and Information Technology;
- Health and Safety;
- Human Resources, Risk Management, Training and Organisational Development;
- Internal Audit;
- Legal and Democratic Services; and
- Performance Management and Customer Access.

1. Performance Management

- 1.1 Covalent performance management system continues to be used in all service areas for the inputting of data and reporting of Key Performance Indicators (KPIs). KPIs are reported to Joint Management Team and the Performance and Audit Scrutiny Committee on a quarterly basis. KPIs and their targets and thresholds are reviewed annually and Quarter One performance was reported to Performance Audit and Scrutiny Committee in July 2012.
- 1.2 The Policy and Performance teams at both St Edmundsbury and Forest Heath work closely together utilising Covalent, which is a shared resource. Work has begun to prepare for a shared approach to performance management once the new Management Team is in place.

2. Customer Access

- 2.1 Work has continued on the development of an improved approach to customer service with a view to providing easier access to information and transactions. Over the summer staff from both authorities have considered specific processes, such as how customers apply for services, pay for services, and report incidences. The focus has been on identifying a common approach to these processes. From this we will develop a Target Operating Model which will set out how we want customer access to be delivered across the councils.
- 2.2 The results of this work are already starting to identify areas where we can provide better information up front and therefore reduce customer demand. At the same time, demand data is being collected to enable us to understand how customers currently contact our services and by which channel, for example, on the phone, via email etc.

- 2.3 Members will be able to find out more about the improved approach to customer access at a workshop on the afternoon of 10 October at West Stow (more information is included in the member development section of this report).

3. Financial Services

3.1 Financial Statements 2011/2012

- 3.1.1 The Audit Commission (the Council's appointed external auditors) commenced the audit of the Statement of Accounts in July, with a view to its completion prior to the 30 September 2012 statutory deadline for publication. The results of their audit of the Council's draft 2011/2012 Statement of Accounts were presented to the Performance and Audit Scrutiny Committee on 25 September 2012, for consideration alongside the draft Statement of Accounts. The audited Statement of Accounts will be considered under this Council agenda for final approval prior to publication on 30 September 2012.

3.2 Investment Activity: 1 April 2012 to 31 August 2012

- 3.2.1 Due to continued volatility and uncertainty in the global banking and investment markets, investment returns have remained woefully low. The budget for investment income in 2012/13 is £0.569m which is based on a continuation of the previous year's 1.5% target rate of return on investments. As at the end of August 2012 interest actually earned during the first half of the financial year was £0.263m against the profiled budget for the period of £0.248m, a budgetary surplus of £0.015m. This modest surplus was due primarily to the achievement of a higher than projected average rate of interest during the period (ie an average rate of return of 1.7% against a target rate for the period of 1.5%).

3.3 Local Government Finance Changes

- 3.3.1 Work continues on two changes to local government finance being introduced by the Government from April 2013. Firstly, in July we expressed our interest to the Department of Communities and Local Government (DCLG) in pooling business rates with other Suffolk local authorities under the localisation of business rates initiative; work now continues to refine our proposals to meet DCLG's next deadline in October. Meanwhile a consultation is ongoing (until 26 October 2012) on proposals for inclusion in our local scheme to implement the reform of council tax benefit.

4. Anglia Revenues Partnership (ARP)

4.1 Benefits

- 4.1.1 As at 30 June 2012, processing of new claims took an average of 32.25 days, and changes of circumstances took an average of 9.05 days. This gave a combined average of 11.09 days against the quarterly target of 12 days. The processing time figure for new claims is higher than expected; however it should be noted that the number of live claimants is still increasing month on month.

4.2 Revenues

4.2.1 Collection rates are as follows:

	Collected by 30 June 2012	Target to 30 June 2012	Comparator figure for 2011/2012 to 30 June 2012
Council Tax Net liability: £51,708,640	30.29%	30.40%	30.40%
NNDR (business rates) Net liability: £45,473,994.45	30.73%	28.60%	29.40%

4.2.2 Council Tax collection was just below the quarterly target despite all efforts to collect the debt. However, the latest position (as at August) shows that we are now slightly exceeding the target.

4.2.3 National Non Domestic Rates (NNDR) collection was above target. This is in part due to the increased take up in Small Business Rates Relief, which has been delivered through a publicity campaign supported by Members, the Chambers of Commerce and other stakeholders.

5. Internal Audit Shared Service

5.1 The new Internal Audit shared service, in place since April 2012, continues to work well, the new staffing structure now being fully in place with the recent recruitment of a Senior Auditor and a part-time Auditor.

5.2 Corporate Work

5.2.1 Internal Audit has been working on reviewing and updating a number of policies. This has included producing, with input from Legal and Democratic Services, the Joint Whistleblowing Policy which was considered by the Performance and Audit Scrutiny Committee in July, and scheduled for formal adoption at today's Council meeting following endorsement by Cabinet. In addition, a Joint Anti-Money Laundering Policy is currently being drafted. These policies cover both St Edmundsbury and Forest Heath.

5.2.2 The Summer 2012 fraud awareness newsletter has been issued via Wavelength, in addition to other anti-fraud work being progressed including completion of anti-fraud self-assessments to ensure arrangements in place are in accordance with current best practice.

5.2.3 Discussions with system owners have been taking place across both authorities to prepare for the National Fraud Initiative data extract in October 2012. The anticipated date for the release of matches is 29 January 2013, upon which match investigations will be performed on a risk based approach.

5.3 Statutory Annual Internal Audit Plan

5.3.1 The 2012/13 Audit Plan is well underway. Three St Edmundsbury audit reviews are currently in progress, these being Contracts, Treasury Management, and Information Governance, while a number are at draft report stage, including Markets, Cash Handling, Risk Management, and Key Performance Indicators.

6. West Suffolk ICT Shared Service Infrastructure and Support

- 6.1 The ICT team is making very good progress with bringing ICT services together across the two councils and the first phase of integration is nearing completion.
 - 6.1.1 Implementation of the integrated telephone system is now complete. This enables full flexibility between sites with staff being able to log on to their extension and pick up their calls and messages from any location. Additionally, because calls between sites are now made over the ICT network and are therefore treated as internal, there are no costs for calls between the two councils. The system has also been integrated with the ARP system enabling free calls between Forest Heath District Council, St Edmundsbury Borough Council and Anglia Revenues Partnership. As part of the implementation a voice conferencing facility has been established between the College Heath Road and West Suffolk House sites.
 - 6.1.2 The underlying technical alignment required to enable full ICT integration across the two authorities is complete.
 - 6.1.3 The final phase of migrating users onto the new integrated infrastructure is about to commence. Given the pace at which other services are now coming together it is essential that this migration is completed as soon as possible and priority will be given to focus available resources on the successful completion of this work. As migrations take place it is expected that there will be some disruption to ICT services, in particular access will be unavailable over some evenings and weekends to allow the moves to take place. The ICT team will try and keep any disruption to a minimum and will notify users in advance of any planned downtime.
 - 6.1.4 The newly integrated telephony system features facilities that will enable video conferencing across the internal telephone network. The additional equipment to enable trials of this facility between the two sites is currently being installed and it is anticipated that this will be complete by the end of September.
 - 6.1.5 Preliminary investigations have been undertaken into the use of mobile technologies which have shown that, despite there being some issues around security and compliance, significant benefits could be achieved by using this technology. The ICT team will work with staff and Councillors to draw up proposals for how we could gain best advantage by the use of this technology.
 - 6.1.6 The ICT team is working closely with staff across all sections to help them bring their shared services together. The integration of HR and payroll systems is now nearing completion and the first live payroll run on the new joint system will be in September. Implementation of the shared planning system is due to commence in October.

7. E-Government Update

- 7.1 In mid July the main St Edmundsbury website was relaunched with brand new design, structure and navigation.
- 7.2 Using our existing content management system (CMS) we were able to retain existing skills, keeping training needs to a minimum. Using design input from an experienced external design company, the new design closely follows recent thinking and design principles as published in "Better Connected" (SOCITM's annual local authority website design guidance document).
- 7.3 With this new website now in place we are in a strong position to carry out a thorough and much-needed content review and to support future needs and expectations, which will rely

much more heavily upon accurate service information being published on the website and a self service approach to delivering council services.

- 7.4 In addition we have changed the way we manage St Edmundsbury website content, replacing the old E-Services Team of 18 people with a new Corporate Web Team (CWT) of just five, but with each now spending one full day per week on content updating duties. This new team will have a greater level of website knowledge and technical expertise than before, and each will have access to update the entire website (and other St Edmundsbury websites) resulting in improved staff cover and a more consistent content style.
- 7.5 Additionally both Forest Heath and St Edmundsbury websites are now served by new Google website search functions delivering intelligent state-of-the-art search facilities and vastly improved search results.

8. Member Development Programme 2012/13

- 8.1 In my last report I included the results of the Training Needs Analysis carried out with Members, and the 14 areas identified as priorities for Member Development during 2012/13. To date five sessions have taken place: two Member visits to Anglia Revenues Partnership, two sessions on Local Government Finance and one on Data Protection and Freedom of Information.
- 8.2 Future development sessions timetabled so far for 2012/13 are as follows:

Date, time, venue	Session
1.30pm – 4.30pm 10 October 2012 Education Centre, West Stow (break for tea between sessions)	Local Government Finance Reforms Update – Business Rates Retention and Localised Council Tax Benefit Scheme; and Business Process Reengineering and Customer Access
5pm 22 October 2012 Committee Room, Forest Heath District Council	Emergency Planning for Ward Members
5pm 27 November 2012 Conference Chamber West, West Suffolk House	Raising the Standard - The New Standards Regime
TBA prior to key meetings	Software Surgeries
7 December 2012 (tbc)	Speed Reading
5pm 29 January 2013 Council Chamber, Forest Heath District Council	Overview and Scrutiny Questioning and Listening Skills
January 2013 (tba)	Understanding the Organisation (following the restructure)

8.3 Evaluating the Quality of Member Development Events

- 8.3.1 Following the handover of responsibility for the management of Member training for both St Edmundsbury and Forest Heath to the Learning and Development Team there are a number of efficiencies in the processes that can be achieved. One of these is a combined Evaluation Form to be used by Members of both authorities following training events, and at its meeting on 13 September 2012 the Democratic Renewal Working Party recommended the use of a joint form, allowing both qualitative and quantitative data collection to inform future training provision.

8.4 **South East Employers Network Meeting**

8.4.1 Officers attended a meeting on 3 July 2012 at which discussions took place on a number of issues including achievement of the Member Development Charter, the value of the Vine East e-learning platform for member development which will be launched for officers in the Autumn and hopefully for Members in early 2013, and the impact of the Localism Act and the range of skills required by councillors building partnerships and becoming community facilitators. Attendance at this meeting enables officers to deliver and ensure that Members are equipped with the knowledge and skills required in their role as community leaders.

8.5 **Joint Member Development Group**

8.5.1 At present both councils engage Members in driving their corporate development programme through different consultation routes. Forest Heath has an informal members development group which consists of six members plus the Learning and Development Manager. At St Edmundsbury the Democratic Renewal Working Party is the representative group.

8.5.2 At its meeting on 13 September 2012 the Democratic Renewal Working Party looked at widening the membership of Forest Heath's informal member/officer group, and nominated the Chairman and Vice-Chairman to attend meetings of that existing group, which will assist with a shared member development programme and initiatives across the councils.

8.6 **Employee Development**

8.6.1 Work continues on a shared service programme of support for those at risk and those given notice of redundancy. A second phase of the support programme is commencing. This focuses on the needs of the new teams and managers who are now working in shared services. This includes facilitated team building events and coaching for managers. A programme of initiatives to support the new Leadership Team will be developed in line with the requirements of the new job roles and priorities of the councils.

8.6.2 A single induction programme for new employees across Forest Heath District Council and St Edmundsbury Borough Council has been introduced.

8.6.3 A new apprentice has joined the Learning and Development Team on a two year apprenticeship. The previous apprentice successfully completed a level 3 qualification in business and administration and has moved to another position in the Council. There is a successful apprenticeship programme at both councils and there is a continuing commitment to support it. We currently have nine apprentices in our employment.

9. **Human Resources**

9.1 The Human Resources Team continues to support the significant workload associated with the shared services programme. This includes restructuring in the Planning, Environmental Heath and Housing Services. We are moving into a period of consultation and negotiation with Unison to agree a single payline and terms and conditions across both councils. The project to move to a single payroll system across both councils is on track and the single platform is due to go live this month. The next stage of this project will be to move to a self service model which will streamline our processes. Sickness absence continues to reduce and I am pleased to report that absence for the rolling year to July 2012 is at 6.98 days per employee which is below the 11/12 outcome of 7.74 days. There are currently no long term absences (over three months).

- 9.2 Extensive consultation has taken place this month with the entire planning team who will now move into the next phase of their restructuring.
- 9.3 The staff survey has now closed. The results are currently being analysed. There was a 50% response rate from St Edmundsbury staff so the results will provide a good picture of the views of our workforce.
- 10. Procurement**
- 10.1 Procurement continues to deliver a significant level of savings for the Council, in a range of areas.
- 10.2 The Council's Property Services Team recently went to the market and invited bids for "the provision of corrective maintenance of corporate properties at St Edmundsbury Borough Council and Forest Heath District Council". This procurement exercise was undertaken jointly with Forest Heath District Council, where St Edmundsbury Borough Council led the tender process. This joint tender exercise gave the opportunity to align property maintenance process at both the councils. The tender was divided into eight different lots in four trade groups, ie External Works, General Building Works, Electrical Works and Mechanical Works.
- 10.3 The Council's effort to advertise this tender opportunity through various channels, ie Suffolk Sourcing System, MyTenders System, Contracts Finder system, St Edmundsbury Borough Council website, Forest Heath District Council website and St Edmundsbury Borough Council Twitter account, resulted in interest from 76 suppliers. Following a competitive tender exercise the contracts were awarded to three suppliers and estimated savings for both councils is £23,600 per annum.