



Council 26 February 2013

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 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. KPIs are reported to the Performance and Audit Scrutiny Committee quarterly (quarter three performance was reviewed in January) and along with Forest Heath KPI data to Joint Leadership Team.
- 1.2 The annual review of KPIs and their targets and thresholds will begin shortly and Heads of Service will be discussing these with Portfolio Holders over the coming months. These should include some joint St Edmundsbury and Forest Heath indicators alongside the Council specific ones. Following discussion at Cabinet Planning a completed list of KPIs and targets will be available in April.

2. Customer Service

- 2.1 We continue to make progress on the implementation of the Council's customer access strategy. A small team of staff from across both Forest Heath and St Edmundsbury is working alongside colleagues in Housing, Waste and Planning to redesign their processes from their customers' perspective. This is an important piece of work to ensure that we deliver services that meet customer requirements and are clear and simple to access. The outcome of this business process re-engineering work will help us to develop the business case for a shared customer access service. It will also support the delivery of business cases in the service areas.

- 2.2 Discussions continue with Suffolk County Council to explore opportunities for delivering its public access following the ending of the Customer Service Direct contract in April 2014. A fuller update will be considered by Cabinet in March when Members will have the opportunity to consider any proposals.

3. Financial Services

3.1 Delivering a Sustainable Budget:

- 3.1.1 Work on the Council's 2013/14 budget has been completed and the resulting Budget and Council Tax Setting report is included on this agenda for approval by full Council (Report D302 refers).

3.2 Investment Activity: 1 April 2012 to 31 January 2013

- 3.2.1 The budget for investment income in 2012/13 is £0.569m. As at the end of January 2013 interest actually earned during the first ten months of the financial year was £0.562m against a profiled budget for the period of £0.488m, a budgetary surplus of £0.074m. This surplus was due primarily to the achievement of a higher than projected average rate of interest during the period (i.e. an average rate of return of 1.66% against a target rate for the period of 1.5%).

- 3.2.2 It is a requirement of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code that an annual treasury management and investment strategy is approved by Council prior to the beginning of the financial year to which it relates. At its meeting on 27 January 2013, the Performance and Audit Scrutiny Committee considered the proposed 2013/14 strategy and recommended it for approval (Report D262 refers). This recommendation was subsequently endorsed by Cabinet and is included within this meeting's agenda within the Schedule of Referrals from Cabinet (Report D301 refers) for Council approval.

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. On 13 February 2013 Cabinet considered report D278, providing an update on the new Suffolk Business Rates Retention Pool, and report D277, which set out the new powers within the Local Government Finance Act 2012 for Local Authorities to reduce the level of discounts and exemptions in respect of second homes and some classes of empty properties. Recommendations arising from the Cabinet's consideration of these reports are included within the Schedule of Referrals from Cabinet (Report D301 refers) for Council approval.

4. Anglia Revenues Partnership (ARP)

4.1 ARP Strategic Review

- 4.1.1 The strategic review of ARP is complete, and the Joint Committee met on 30 January 2013 to consider the ten recommendations. All of the recommendations were approved. The Operational Improvement Board were tasked to draw up a clear implementation plan and timeline, and to start work on those recommendations which did not need further approvals. Further progress will be reported in due course.

4.2 Overview and Scrutiny Review of ARP

4.2.1 A separate review of the impact of St Edmundsbury joining the ARP was undertaken by an O&S Task and Finish Group, led by Councillor Nettleton. The final report was considered by O&S in January 2013. The review concluded that the business case for joining ARP had been fully implemented. Indeed in relation to savings, the target had actually been exceeded. The review made eight recommendations, all of which were approved by the Committee. I would like to thank the O&S Task and Finish group for this very helpful piece of work.

4.3 Benefits

4.3.1 As at quarter three (to 31 December 2012), processing of new claims and changes of circumstances took a combined average of 9.85 days against the quarterly target of 9 days. The processing time figure for new claims was higher than expected but it should be noted that the number of claimants is still increasing month on month. However, ARP has provided figures for the month of December 2012 which show a combined average of time taken to process new claims and changes of circumstances of 3.69 days. These figures are all actual days not working days.

4.4 Revenues

4.4.1 Collection rates are as follows:

	Collected by 31 Dec 2012	Target to 31 Dec 2012	Comparator figure for 2011/2012 to 31 Dec 2011
Council Tax Net liability: £51,781,639	87.63%	87.30%	87.30%
NNDR (business rates) Net liability: £44,806,067	86.84%	87.20%	87.18%

4.4.2 Council Tax collection is slightly above the quarterly target, however the collection rates will be closely monitored to maximise collection.

4.4.3 National Non Domestic Rates (NNDR) collection was slightly below target. This is due to a shift in the instalments due from December and January into February and March.

5. Internal Audit Shared Service

5.1 Corporate Work

5.1.1 The Anti-Money Laundering Policy and the National Fraud Initiative (NFI) Strategy, recently revised by Internal Audit to take into account shared services arrangements and current best practice, were formally adopted by both Councils in December 2012. In addition, a copy of the Anti-Money Laundering Policy, along with a summary of what Councillors need to know about this area, has been circulated in order to raise awareness.

5.1.2 The Audit Commission released the majority of the NFI data matches on 29 January 2013, with the remaining matches planned to be released at a slightly later date. An assessment of the matches already released is initially being undertaken by Internal Audit; all high risk matches (currently 94) and a sample of additional medium risk matches will be issued to system owners for review and investigation where necessary. In addition to this, system owners have been advised that they will hold responsibility for the data upload relating to the next NFI exercise (2014/15).

5.2 **Statutory Annual Internal Audit Plan**

5.2.1 The 2012/13 Audit Plan continues to progress well and it is currently expected that all planned work will be completed on time (by the end of March 2013). In relation to the St Edmundsbury element of the Audit Plan, fifteen Internal Audit reports had been issued by early January 2013 while a further eleven were in progress. Internal Audit reports recently issued include Treasury Management, Cash Handling, Heritage Assets, and Information Governance.

5.2.2 Early work is now commencing on drafting an annual Audit Plan for 2013/14. This new plan will be submitted for approval by the Performance and Audit Scrutiny Committee. It will take into account any impacts of new shared service arrangements, as well as expectations of the new external auditors (Ernst and Young) and the new Public Sector Internal Audit Standards which are the professional standards that internal audit will need to work to from April 2013, replacing the current CIPFA Code of Practice for Internal Audit.

6. **Human Resources**

6.1 Significant work has taken place on the single pay and reward strategy as the consultation and negotiation concludes. A comprehensive package has been agreed with local Unison and we await a response from Unison nationally in order to move to a ballot.

6.2 Workforce data has been collated for the calendar period January – December 2012 and trends identified to inform future workforce planning and development. The full workforce data will be reported to the Joint Staff Consultation Panel and was made available on the website at the end of January. Absence continues to fall and is currently 6.97 average days per year per FTE.

6.3 An implementation plan has been agreed for bringing together the staffing structures of all services and work continues in supporting this work. Organisational design principles have been agreed and will be used to build the structures we need to deliver the corporate priorities of both St Edmundsbury Borough and Forest Heath District Councils.

7. **Learning and Development**

7.1 **Workforce Development and Equality Award**

7.1.1 As announced by myself at the last meeting of full Council, St Edmundsbury Borough Council and Forest Heath District Council have won the Sarah Swane Workforce Development and Equality Award from the East of England Joint Council for Local Government Services. This award recognises initiatives that demonstrate equality of access to training, development and learning opportunities for the whole workforce, especially those working at the front line

of service delivery, to enable all employees to continually improve their workplace skills and capabilities. Our winning entry recognised our achievements in the provision of quality apprenticeships within West Suffolk and the development this has offered to the wider workforce.

7.2 Member Development Programme

7.2.1 The autumn and winter programme (September 2012 to January 2013) for member development was a busy one. Members from both Councils were invited to attend ten events.

Date	Event
24/09/2012	Data Protection and Freedom of Information
25/09/2012	Anglia Revenues Partnership Visit (2nd opportunity)
10/10/2012	Local Government Finance Update
10/10/2012	Business Process Re-engineering and Customer Access
22/10/2012	Emergency Planning for Ward Members
27/11/2012	New Standards
28/11/2012	National awareness training on Gypsy and Travellers
07/12/2012	Speed reading
21/01/2013	Licensing Training
29/01/2013	Scrutiny Questioning and Listening Skills

7.2.2 A very successful event covering Local Government Finance and Business Process re-engineering was held at West Stow in October. In November, Town and Parish Councillors were included in the invitation to attend the National awareness training on Gypsy and Travellers. This free programme has been devised by the Local Government Association (LGA) and Planning Advisory Service (PAS) with direct support from Communities and Local Government (CLG). The speed reading event was offered to Members and officers; following good feedback we will be repeating this session in March this year.

7.2.3 The programme for the coming months includes: IT drop in training sessions, Asset Management, Time Management and Organisational Change. It is likely that another session on Local Government Finance will be scheduled for April/May 2013.