



Council 18 June 2013

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. *Performance Management*

- 1.1 Key Performance Indicators (KPIs) are an important basis for reporting performance against agreed targets and as a measure of performance against our corporate priorities. The fourth and final quarter's figures for 2012-2013 were reported to the Performance and Audit Scrutiny Committee in May.
- 1.2 The annual review of the list of KPIs has this year seen a particular focus on stronger, more relevant, links to the Council's corporate plan and the recognition that services are now being delivered through a single service structure across West Suffolk.
- 1.3 To reflect this, the 2013-2014 KPIs, developed by Heads of Service in conjunction with Portfolio Holders, include some indicators for both St Edmundsbury and Forest Heath together with a combined West Suffolk measure (where relevant). The new list will be presented to the Performance and Audit Scrutiny Committee on 31 July alongside the first quarter's performance report for 2013-2014.

2. *Customer Service*

- 2.1 Work continues on the implementation of the Council's customer access strategy. The redesign of service provision in key customer facing services is progressing and will inform the development and delivery of individual business cases for a shared customer access service. There will be more to report on the outcomes from this work later in the year.

3. Financial Services

3.1 New Shared Financial Management System

3.1.1 Work continues on the procurement of a new shared Financial Management System (FMS) with Forest Heath District Council. It is anticipated that the contract will be awarded during June 2013. This is a key corporate system which will include a detailed project team and implementation plan. The system will be developed through extensive user testing and involvement and implementation is planned for 1 April 2014.

3.2 Investment Activity: 1 April 2013 to 31 May 2013

3.2.1 The budget for investment income in 2013-2014 is £0.619m which is based on a continuation of the previous year's 1.5% target rate of return on investments. As at the end of May 2013 interest actually earned during the first two months of the financial year was £0.095m against a profiled budget for the period of £0.094m, a budgetary surplus of £0.001m. The average rate of return for the period was 1.42% against a target rate for the period of 1.5%. The modest surplus was due primarily to higher than projected cash balances during the period.

3.3 Local Government Finance Changes

3.3.1 Following the two significant changes to Local Government Finances from April 2013 in the form of Council Tax Localisation and the Business Rate Retention, work continues with Anglia Revenues Partnership to monitor the implementation and performance of both.

4. Anglia Revenues Partnership (ARP)

4.1 ARP Strategic Review

4.1.1 A presentation was given to the ARP Joint Committee on 14 March and some aspects of the review are being taken forward with the consultant from the Activist Group. Further progress will be reported in due course.

4.2 Benefits

4.2.1 As at the final quarter (to 31 March 2013) processing of new claims and changes of circumstances took a combined average of 9 days, an improvement of 0.85 days, and on target. These figures are all actual days not working days. The number of claims rose steadily in 2012-2013 and reached 8,300 as at 31 March 2013.

4.2.2 Anglia Revenues Partnership hosted a number of Welfare Reform events in all the host authority areas. Over 150 staff from host authorities and other agencies which have the same customers but perform differing functions, attended to discuss ways of jointly working and helping customers as much as possible. These included:

- Benefit Awareness sessions for partner organisations such as SNAP, Job Centre staff and Bury Citizens Advice Bureau in the build up to the April changes; and

- Training officers ensuring that Customer Service teams (in all host authorities and all ARP staff) are well equipped to give clear information to customers about the changes for Welfare Reforms, Local Council Tax Scheme and Council Tax Reduction Scheme including discounts and exemptions.

4.2.3 The on-line claim form has been improved so that it is integrated with the processing system and can help speed up assessments. On-line claims for benefits are very popular with many customers, especially when the initial claim can be followed up with a phone call from a knowledgeable member of staff. Nearly 10,000 ARP customers have now made on-line claims.

4.3 Revenues

4.3.1 Collection rates are as follows:

	Collected by 31 Mar 2013	Target to 31 Mar 2013	Comparator figure for 2011- 2012 to 31 Mar 2012
Council Tax Net liability: £51,726,101	98.50%	98.50%	98.40%
NNDR (business rates) Net liability: £44,499,892	98.50%	98.50%	97.88%

4.3.2 Council Tax collection for the year was above last year's rate and met the target for 2012-2013 which is an achievement given the financial climate. Collection rates are closely monitored to ensure any dips are considered for action as soon as possible. During the year a refresher course on payment negotiation was held to give staff some up-to-date methods of how to handle calls and this may have helped the performance.

4.3.3 Bills were issued showing the new Council Tax Reduction Scheme figures and new discounts and exemptions. Many calls were received to set up direct debits from those who previously had nothing to pay and many used the on-line option to set up payments.

4.3.4 National Non Domestic Rates (NNDR) collection was similarly above last year's rate and on target.

5. Information technology

5.1 The main focus of work in ICT is still concentrated on the joining up of services across Forest Heath and St Edmundsbury. The initial phase of the infrastructure work is now complete and we already have a single ICT network across all sites with a joint user domain for ICT log-on, a single telephony system, a shared filestore structure and a new integrated Outlook system incorporating shared calendars and the new West Suffolk email structure.

5.2 The next step is the upgrade of desktop and office systems across West Suffolk to Microsoft Windows 7/8 and Office 2010. This started at the end of May and

will continue through until September. This work is essential because, although they have served us well, the current versions of Windows and Office that we are running are now over 10 years old and will be reaching their end of life from April next year.

- 5.3 These upgrades will resolve some key outstanding issues and give added benefits including:
- Older PCs, laptops and terminal servers will be refreshed meaning a faster experience for users; even existing equipment should run better on the new version of Windows;
 - Printing from thin clients will be more reliable for Councillors and home workers;
 - When complete everyone will be on the latest version of Windows profile meaning a more consistent experience wherever they logon; and
 - Websites and online applications written for Internet Explorer 9 and above will work correctly.
- 5.4 We are working closely with the Learning and Development team to offer training to all staff and Councillors who feel it would be of benefit. This will include a series of two hour instructor led introductions on Office 2010 from June onwards. Staff will also be offered access to Microsoft's online learning modules.
- 5.5 We are continuing to work closely with other services to help them bring their IT systems together as they move into their shared service structures. We have already implemented shared Income Management and BACS systems and work on the shared Planning system is well under way. Applications in Finance and Customer Access are currently in the tendering phase with implementation work due to commence shortly.
- 5.6 The West Suffolk ICT team took over responsibility for ICT support for the Anglia Revenues Partnership in January. The new arrangements are working well and we've had very positive feedback on the service provided.

6. *Internal Audit Shared Service*

- 6.1 Corporate Work
- 6.1.1 Internal Audit continues to assist on corporate projects wherever possible and appropriate. One team member is assisting with the councils' business process re-engineering project which is reviewing and re-designing the St Edmundsbury and Forest Heath service processes and methods of interaction. Another team member is part of the General Ledger procurement and implementation team currently looking to choose a new financial system to be used by both councils.
- 6.2 Statutory Internal Audit Work
- 6.2.1 The 2012-2013 Annual Internal Audit Report presented to Performance and Audit Scrutiny Committee on 29 April 2013 confirmed that the 2012-2013 Audit Plan was completed on time (by the end of March 2013). In total 30 audit reports were issued in the year. Based on this work, and other assurances available, the Internal Audit Manager was able to provide reasonable assurance that the framework of risk management, control and governance processes at the council has operated adequately and effectively during the year. In addition, the report also concluded that probity remains at a high level.

- 6.2.2 The 2012-2013 Annual Internal Audit Report also included the results of the annual review of the effectiveness of internal audit, covering both the Internal Audit team and the Performance and Audit Scrutiny Committee. This review concluded that the CIPFA Code of Practice for Internal Audit has been substantially complied with during the year and that the establishment and operation of the Performance and Audit Scrutiny Committee continues to essentially satisfy requirements set out in the *Toolkit for Local Authority Audit Committees* publication. The review also concluded that the system of internal audit at the council is effective and that the opinion of the Internal Audit Manager in his annual report can be relied upon as a key source of evidence in the production of the Annual Governance Statement.
- 6.2.3 Also presented to the Performance and Audit Scrutiny in April was the proposed 2013-2014 Audit Plan. This provides for the annual review of all the main financial systems together with corporate governance review and support. It also incorporates the audit of a number of areas which are neither core financial systems nor fundamental review type work, which are chosen using a risk-based methodology, in consultation with stakeholders. The Plan was duly approved.

7. Human Resources

- 7.1 The Single Pay and Reward Strategy received an overwhelmingly positive vote from Unison members and has now been approved by St Edmundsbury Borough Council and our partner Council, Forest Heath. This means that despite separate but shared workforces, and two employers, the pay line and all terms and conditions are now the same for those doing similar work. Furthermore, the pay strategy ensures control of the pay line as teams are restructured for shared services. Staff are now being issued with new contracts detailing the changes. The 2013-2014 Pay Policy Statement has also been approved.
- 7.2 The HR service has agreed a new set of joint Key Performance Indicators, reflecting the shared workforce, and the attention being given to the managing of absence, increasing apprenticeships and monitoring turnover.
- 7.3 A 45 day consultation period with Unison, on the current phase of restructuring, has concluded. Work is now taking place on implementing the new structures for Policy, Human Resources/Learning and Development, Finance and Performance, Economic Development and Growth, and Legal and Democratic Services.
- 7.4 Support is being given, by the HR and L&D teams, to those employees leaving the Council as a result of the restructuring.

8. Learning and Development

- 8.1 Support for Employees at-Risk
- 8.1.1 The L&D team are providing guidance, advice, and training through a Government-funded provider, to employees who have been identified as being at risk of redundancy. The package includes individual career planning, skills analysis and training, CV writing and interview preparation. 38 employees have signed up to the programme thus far and a second programme will be provided from mid July to support the restructure of the remaining services.

8.2 Corporate Learning and Development Programme

8.2.1 Evaluation of the 2012-2013 corporate learning and development programme of events and opportunities has taken place and been reported to the Joint Staff Consultation Group. Sharing the programme across FHDC and SEBC has helped achieve a 30% saving against the SEBC corporate training budget.

8.2.2 The corporate learning and development programme for 2013-2014 is being developed. Further ways to work with other councils across Suffolk will be considered where appropriate, to enable the achievement of greater cost savings and choice of events. Learning and Development for Members will also be focused on a joint programme for FHDC and SEBC Members, helping to develop working relationships and producing cost savings.

8.3 Member Development Programme (Jan – May 2013)

8.3.1 The winter to spring programme has been as follows:

29/01/2013	Scrutiny Questioning and Listening Skills
20/02/2013	Asset Management Training
15/03/2013	Speed reading - Officers and Members
26/03/2013	Welfare Reform Awareness
22/04/2013	Time Management/Work Life Balance.
29/05/2013	Visit to Council Offices FHDC and SEBC
03/06/2013	Microsoft Office Seminar and IT Drop-in

8.3.2 Members have completed a training needs analysis and the following training will be arranged in response:

- Social Media/Electronic communications;
- Local Government Finance;
- Understanding the Organisation following restructure;
- Welfare reform;
- Advanced Outlook;
- Development Control Committee – an overview; and
- Licensing and Regulatory Committee – an overview.

8.3.3 In February the Joint Member Development Group met formally and will continue to meet in alternate months. The group consists of 6 - 8 Members across the political parties including both Cabinet and non-Cabinet members with 4 from St Edmundsbury BC. An officer from the Learning and Development Team will attend the group.

8.3.4 In May Councillors Mrs Pat Warby and Paul Farmer represented the Council and together with a member of the L&D team achieved the successful mid-term re-accreditation of the Member Development Charter.