



## Council 30 September 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 As part of the shared service restructuring, responsibility for performance management has moved from Policy into Resources and Performance. Developments to improve links between financial and performance management in the Council are currently being worked on.
- 1.2 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 first quarter's figures for 2013/2014 were reported to the Performance and Audit Scrutiny Committee in July 2013. Of the 37 St Edmundsbury Borough Council (SEBC) KPIs, 5 were significantly below target for the first quarter.

#### **2. Customer access**

- 2.1 Work has continued on the development of the Council's new approach to customer service which will see the implementation of a Customer Support Centre. This Customer Support Centre will provide a first point of contact for customers and aim to resolve queries about a range of services. The Customer Support Centre will evolve over the next few months as work currently undertaken in the different service areas will transition over to the new team. This transition will be completed in phases to ensure that staff are trained and that appropriate ICT is in place to enable them to access the right information.

- 2.2 At the same time we are identifying opportunities to increase the range of services that are available online so that customers can access information, report issues, make applications and book and pay for services at a time convenient to them. We are exploring options for new technology to support this shift.

### **3. Resources and Performance**

#### **3.1 New Shared Financial Management System**

- 3.1.1 Work continues on the implementation of the new shared Financial Management System (FMS) with Forest Heath District Council (FHDC). The project remains on track with no major milestones missed, the supplier has made a small number of changes to the training schedule; however this will not impact on the final delivery date of 1 April 2014.
- 3.1.2 Alignment workshops have commenced on schedule and these will determine the final design which is due at the middle of October 2013. User groups have been set up with representatives from all directorates giving them the opportunity to input to the final design.

#### **3.2 Financial Services**

- 3.2.1 The Financial Services team has now completed its restructure, with appointments to the new posts effective from 1 July 2013. Work has been ongoing to reallocate duties within the team and staff are working well across both Councils in their new roles.
- 3.2.2 An in house workshop facilitated by the Chartered Institute of Public Finance and Accountancy (CIPFA) took place in August 2013 to look at the Business Partner model, what it means and how this can be delivered effectively. Ian Gallin, Chief Executive set the scene at the start of the day followed by Liz Watts, Director and Heads of Service. Business Partners from other departments participated in the workshop and some useful strategies for supporting the services came out of it.

#### **3.3 Investment Activity: 1 April 2013 to 31 August 2013**

- 3.3.1 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 August 2013 interest actually earned during the first five months of the financial year was £0.222m against a profiled budget for the period of £0.257m, a budgetary deficit of £0.035m. The average rate of return for the period was 1.47% against a target rate for the period of 1.5%. The modest deficit was due primarily to not being able to secure similar interest rates for maturing investment as a result of the continuing low base rate.

#### **3.4 Local Government Finance Changes**

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

### 3.5 Risk Management

3.5.1 Whilst a single risk register for West Suffolk has not yet been compiled, the development of a single management and service structure across (FHDC) and (SEBC) has seen considerable similarity between the risk registers of the respective councils. The Council's strategic risk register is updated quarterly by the risk management group, of which I am a member.

## 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 2013 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 end of August 2013 processing of new claims and changes of circumstances for *Housing Benefit* took a combined average of 7.26 days and for *Council Tax reduction claims* the combined average was 8.2 days, an improvement of 4.74 days from last year, and under the annual target. These figures are all actual days not working days. This is due to the expansion and automation of electronic claim forms and Atlas automation, both of which enhance the customer experience and increase efficiency.

4.2.2 The on-line claim form has been **completely** integrated with the processing system and **is speeding** 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 12,000 ARP customers have now made on-line claims.

### 4.3 Revenues

4.3.1 Collection rates are as follows:

	<b>Collected by 31 August 2013</b>	<b>Target to 31 August 2013</b>	<b>Comparator figure for 2011/2012 (to 31 August 2012)</b>
Council Tax Net liability: £53,119,767	49.05%	49.44%	49.44%
NNDR (business rates) Net liability: £44,499,892	51.24%	51.15%	51.15%

- 4.3.2 Council Tax collection for the year is slightly lower than last year, however this is largely due to an increase in the net amount to be collected rising by £635,000, as a result of changes to exemptions and new properties being built. Collection rates are closely monitored to ensure any dips are considered for action as soon as possible.
- 4.3.3 National Non Domestic Rates (NNDR) collection is slightly above last year's rate but is being monitored closely.

## **5. Information and Communication Technology (ICT)**

- 5.1 The main focus of work in ICT continues to concentrate on the joining up of services across (FHDC) and (SEBC). With the initial infrastructure phase of this task already completed the current phase focusses on upgrading of desktop and office systems across West Suffolk. This work is well underway with the majority of desktop systems at West Suffolk House having been upgraded to Windows 7 and Office 2010.
- 5.2 Among the many additional benefits already being realised from this essential work, users are seeing improved performance from the new hardware, improved printing from thin clients and a more consistent user experience when accessing services from different locations. Training in Office 2010 continues to be offered to staff and councillors who feel it would be of benefit.
- 5.3 We are continuing to work closely with other services to help them bring their ICT systems together as they move into their shared service structures. During recent weeks we have achieved a single shared Planning system and work on this project is ongoing as we migrate historical (FHDC) planning records from the old system into the new.
- 5.4 We have also started implementation of a new single Agresso Finance system. The servers for this have already been created and a test system installed to enable the configuration/testing of the new system and the considerable task of creating a new coding structure and migrating historical data from the old Agresso and Cedar systems. Training for this new system is also well underway.
- 5.5 The current tendering process for a new customer access solution is nearing its conclusion and, depending on the outcome, it is anticipated that work to implement this will commence shortly.

## **6. Internal Audit**

### **6.1 Corporate Work**

- 6.1.1 Internal Audit continues to assist on corporate projects wherever possible. This currently includes providing a project assurance role for the shared financial management system project which is working on implementing a new financial management system shared by both (SEBC) and (FHDC). Internal Audit is also assisting in both the current Finance review of the banking services contract, and the review of contract procedure rules and procedures with a view to amending and aligning these across both councils.
- 6.1.2 Work has now been completed on the 2012/2013 Annual Governance Statement. This Statement, prepared by the Joint Governance Group with significant input from Internal Audit, is an important document designed to provide stakeholders of the Council with assurance that the Council has

operated within the law and that the Council has met the requirements of the Accounts and Audit Regulations 2011. The Statement, which accompanies the Annual Statement of Accounts, will be presented to the Performance and Audit Scrutiny Committee on 26 September 2013.

## **6.2 National Fraud Initiative**

- 6.2.1 Internal Audit continues to co-ordinate the National Fraud Initiative (NFI) exercise at the Council. This national exercise matches electronic data within and between public and private sector bodies to prevent and detect fraud.
- 6.2.2 A risk assessment was completed by External Audit in June 2013 of the progress made by the council in investigating NFI matches which were released in January 2013. In the event, the Council was given a "green" status. Green risk reflects very good progress to date and no risks to delivery of the NFI work, reflecting a good position of NFI work at the Council.

## **7. Human Resources**

- 7.1 We are currently managing the largest phase of the restructuring that fully brings together services across West Suffolk. Proposals for large front line services were presented to the Shared Services Steering Group after long and challenging discussion by the Joint Leadership Team. We are now in both collective and individual consultation with employees in Leisure, Culture and Communities, Waste Policy, Fleet and Strategy, Housing, Customer Services, and Planning Support. The new structures deliver services very differently and build a structure fit to meet future challenges whilst focussing on the needs of our communities.
- 7.2 New shared teams have now been appointed in Policy, Human Resources (HR)/ Learning and Development (L&D), Finance and Performance, Economic Development and Growth, and Legal and Democratic Services. All appointed employees are now assigned to the new payline.
- 7.4 Support continues to be given, by the HR and L&D teams, to those employees leaving the Council as a result of the restructuring.
- 7.5 We have ensured that opportunities for apprenticeships are built into all our services and have increased our apprentices to 10 (from 6). In addition many of our past apprentices have secured permanent roles, or been given opportunities for promotion in the restructured services.

## **8. Learning and Development**

### **8.1 Member Development Programme (June 2013 to May 2014)**

- 8.1.1 Following the Members' training needs analysis, learning events have been offered including the new Microsoft 2010 packages, Social Media, Public Speaking, Finance and Welfare Reform, Influencing and Negotiating, and on the work of Development Control and Licensing Committees. When restructuring is complete there will also be an overview session on Understanding the New Organisation.

- 8.1.2 The Joint Member Development Group is working on the new requirements for the Member Development Charter application due in September 2014. They are looking at a number of recommendations including; a joint Charter application and 360° reviews for Members.
- 8.1.3 Following consultation with the Joint Member Development Group a new protocol for booking and information sharing from seminars and conferences is currently being piloted across both West Suffolk councils.
- 8.1.4 Councillors Anne Gower, Rona Burt and Robert Everitt have been involved in the design and development of a Suffolk County Member Development programme on local leadership. The programme of 5 modules is due to start in November 2013.

## 8.2 **Staff Learning and Development programme**

### 8.2.1 **Work based learning**

- 8.2.2 There are currently 35 employees working towards level 2 and level 3 apprenticeships in a range of subject areas from waste management to customer services.
- 8.2.3 Members of staff have successfully completed their Institute of Leadership and Management (ILM) level 5 Course being delivered jointly across Suffolk. We hope to have a new cohort on level 3 and level 5 for this management qualification in spring 2014.

### 8.3 **Corporate Training**

- 8.3.1 A series of half day ICT training sessions were delivered to support staff with the roll out of Microsoft Office 2010. These were well attended and well received, and the half day format appeared to work particularly well.
- 8.3.2 The new Learning Zone has been launched to deliver training through e-learning. Modules currently available include: Safeguarding, Information Security, Microsoft ICT packages, and Data Protection. Emergency Planning and Money Laundering/Fraud awareness programmes are planned for launch this autumn. Work will continue to develop new packages for this efficient and effective method of learning.

### 8.4 **Employability skills support**

- 8.4.1 To support staff working through the restructuring, a programme of independent one-to-one advice and guidance, followed by one-day employability skills workshops have been offered to all staff. These funded sessions include the offer of additional training for those who are not successful in their applications. To date on Phase 2, 45 individuals have received one-to-one advice and guidance, and attended workshop sessions.