

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation)	Overview & Scrutiny Committee	9 th November 2009

BUSINESS IMPROVEMENT PLAN

PURPOSE OF REPORT

1. To report progress against the key actions and performance indicators in the Business Transformation Business Improvement Plan for 2009/10 for the period ending September 2009.

RECOMMENDATION(S)

2. To note the report.

EXECUTIVE SUMMARY OF REPORT

3. Overall I am pleased with the progress in the second quarter. Many of the key tasks/ projects are progressing well and some key business as usual work has been completed e.g. final accounts, use of resources, self assessment etc.

In respect of performance indicators a number have not achieved target, mainly in the Revenues and benefits section and HR function, where some of the actuals are not controllable.

On a positive note all of the key corporate Health Indicators continue to perform well. I have a bit of work to do to bring the budget in line with the cash total as some elements of unplanned expenditure have had to be incurred.

CORPORATE PRIORITIES

4. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and life chances		Develop the Character and feel of Chorley as a good place to live	√
Involving people in their communities		Ensure Chorley Borough Council is a performing organization	√

BACKGROUND

5. The Business plan monitoring statement report progress against the key actions and performance indicators included in the 2009/10 Business Improvement Plans for the Shared Financial Service, Governance, Human Resources & Organisational Development and Information Technology parts of the business.

KEY MESSAGES

6. There are a total of 65 tasks/projects included in the combined Business Improvement Plan of that total 59 were due to start or have some elements of the project started by the end of the second quarter. In terms of these the following table summarises the position.

Projects Red	5
Projects Amber	11
Projects Green	43

7. Of the projects recorded as Amber below is a summary of where the projects are slightly behind target.

- Due to staff vacancies progress on updating the emergency plan has been delayed but the Councils flu pandemic plan has been the focus and is in place.
- Progress on implementing further functionality into the Council's Corporate HR system has been delayed pending further work on specification with the supplier and customers.
- We had hoped to complete further work on equality monitoring but work on Council restructures and policies continuing to delay this project.
- The Shared Financial Services requires the development of a Workforce Plan to address some of the Workforce issues identified as part of development of the service. Whilst workshops and the audit has been completed the plan has not yet been drafted but this will be completed in the next quarter.
- Preliminary work has been completed in respect of a feasibility study looking at combining the Business Continuity and Emergency Planning function at South Ribble Borough Council and Chorley Council. Further work is required on this.
- Work surrounding the update of the Council GIS system has been delayed pending a decision on its integration of the Council CRM.

8. Where projects have not achieved their original deadline they have been rescheduled to be completed in the next quarter.

9. In terms of the 5 progress reported as Red, set out below is an explanation of the position. There are project which should have been completed by September 2009. None are fundamental to the continued delivery of service.

- Our support for the implementation of Phase 2 of the CRM is delayed pending some further proof of concept work.
- In respect of the HR function it had been planned to look further at opportunities for expanding the initiative to employ young people. This will now be considered later in the year as part of next years budget cycle.
- The Council is encouraged to comply with CIPFA guidance on how to audit for anti fraud and corruption. Whilst great strides have been made implementing the Shared Financial Service a conscious decision was made to reschedule this project as other actions / tasks as priorities. The work has started but as yet is not complete.

- Further work is required on Equality Impact assessments of the Council's Financial Strategy. Whilst it was planned to do this as part of a refresh later in the year some preliminary work is required during this period which has not yet been started.

SERVICE LEVEL BUDGET MONITORING 2009/2010

	Corporate Governance £'000	BT&I (Finance) £'000	Shared Fin. Svcs £'000	Human Resources £'000	ICT Services £'000	Total £'000
CURRENT CASH BUDGET	1,551	935	898	447	845	4,676
FORECAST						
EXPENDITURE						
Staffing/Agency Staff/Car Leasing	(15)	(20)	(28)	(5)	(22)	(90)
Demolition of Gillibrand St Portakabin	24					24
Members Allowances/Expenses	(12)					(12)
Non Domestic Rates		(17)				(17)
Other Fees (HMRC)		28				28
Legal Fees				15		15
IT-related costs					47	47
Other	5	13	9	2		29
Expenditure under (-) or over (+) current cash budget	2	4	(19)	12	25	24
INCOME						
Revenues & Benefits Shared Services - delay in implementation			25			25
Income - Rent		19				19
Shared Services Costs Recovered			16			16
Other		(30)	(1)		10	(21)
Income under (+)/ over (-) achieved	0	14	15	0	10	39
Net variance	2	18	(4)	12	35	63
FORECAST CASH OUTTURN 2009/2010	1,553	953	894	459	880	4,739

10. The key message is that it is that due to unplanned expenditure, particular in the IT area in relation to compliance with government requirements for testing security arrangements. There is further work to do to identify savings to bring the budget back into balance.

PERFORMANCE INDICATORS

11. The Business Improvement Plan contains 100 National and Local indicators designed to measure and monitor performance, some of which are only measured annually or cannot

be measured in this quarter. However 67 of the 100 could be measured and the table below summarises the position.

Green (target achieved)	44
Blue (within 5% of target)	10
Red (more than 5% of target)	13
Not Measured	33
	100

12. In terms of some of the key indicators I have summarised below some of these I believe Members will be interested in as they represent some of the Core Services we provide and have some important messages regarding what is happening in the borough in terms of the impact of the recession and of the performance of the Transformation Directorate.

Measure	Target	Actual in 2 nd quarter	Actual for September
Average time to process new claims	17 days	20.3	19.83
Number of Benefit claims outstanding	<200	254	139
Number of claims over 50 days	<10	2	0
Claims assessed within 14 days	98.5	94.5	91.4
Time to process appeals	30	38	34.1
Council Tax collected	58.63	29.79	58.18
NNDR Collected	59.64	29.71	59.51
Payments made within 30 days	97.5	98.44	98.43
Debts older than 90 days	14	0	79%
Organisations sickness absence	7.49	6.45	6.92

13. The table shows that in Revenues and Benefits meeting targets that had previously been achieved is continuing to prove difficult. A combination of increased volumes of work in Benefits and greater difficulty of collecting debts conspires to mean at the end of the second quarter of the year some of the targets have not been achieved. That said the trend has been positive with the average processing time improving since the last quarter and work volumes being managed better. In terms of Council tax we are currently 0.45% down on last years figure and just slightly off track on NNDR. Additional resources have been put into the Benefits section in the form of an additional staff member to counter the increase and hopefully get the target back on track. Dealing with debtors is a more difficult proposition but we will continue to ensure early intervention, be flexible with payment terms and refer those requiring help to the appropriate agencies, which will help but not ensure that previous collection levels maintained during the current economic climate.
14. On a promising note some of our key Corporate Indicators of Performance continue to do well, our progress on paying orders is at an all high, which is important during this time, as cash flow for businesses is important. Sickness absence amongst the staff continues to be low with the rolling 12 month total sickness at 6.45 days

IMPLICATIONS OF REPORT

15. This report has implications in the following areas and the relevant Corporate Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	

EFFICIENCIES

<u>Schedule of Budget Savings 2009/10</u>		
	Budget Saving £	Comments
<u>Business Transformation</u>		
Insurances - Employment Practices Insurance	(10,500)	Not renewed saving achieved
Shared Head of Revenues & Benefits Create 1 Benefits Officer post	(25,000) 14,670	In progress Post now filled
<u>Corporate Governance</u>		
Reduce cleaning hours provision for Town Hall	(6,000)	Achieved
Emergency Planning	(28,720)	In progress
<u>Human Resources</u>		
To provide H.R. services for St.Catherine's Hospice	(25,000)	Achieved
- Less appointment of extra Apprentice	6,500	
- Less potential extra staffing expenditure	3,500	
<u>ICT Services</u>		
Members Broadband. Provider to go out to tender.	(15,000)	In progress
Internet service to be provided by L.C.C.	(25,000)	In progress
Sub-Total	(110,550)	
<u>ICT Services</u>		
GIS to start charging contractors for Street Naming and Numbering function	(15,000)	Estimate now £5k
<u>Fees and Charges Increase</u>		
Assuming 3% rise	(4,005)	Increases implemented
Sub-Total	(19,005)	
TOTAL SAVINGS OPTIONS IDENTIFIED	(129,555)	

16. Progress has been made on achieving the efficiency target and work is in progress on some of the key items relating to the sharing of services or collaboration but further work is necessary in this next quarter to bring that work to a conclusion.
17. As the budget is slightly off track, further efficiencies will need to be identified by the year end to balance the budget. The key efficiency not achieved to date relates to the expectation that the Shared Services work with South Ribble would be progressed by now.

Negotiations are ongoing with other Councils in terms of facing forward the Shared Service Agenda, but no firm plans are in place at this time.

GARY HALL
ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	31st July 2009	O&S/BIP