

Report of	Meeting	Date
Director of Transformation	Overview and Scrutiny Committee	15 February 2010

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 third quarter. Many of the key tasks/ projects are progressing well and some key business as usual work has also been completed.

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 70 tasks/projects included in the combined Business Improvement Plan of that total 68 were due to start to have some elements of the project started by the end of the third quarter. In terms of these the following table summarises the position.

Projects Red	5
Projects Amber	15
Projects Green	48

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

- Due to changes in the current arrangement whereby Emergency Planning is now provided in part by the shared assurance service with South Ribble Borough Council 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 agreement with Blackpool Borough Council as to the next phases of system development.
- We had hoped to complete further work on equality monitoring but work on Council restructures and policies continues to delay this project, this will be completed in the next quarter.
- 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. The plan is developed and has been agreed by the Joint Committee, but the actions covered in the plan are still to be progressed.
- Work surrounding the update of the Council GIS system has been delayed pending a decision on integration of the Council CRM and other integrations.
- Progress on improving thin client has been slower than anticipated, due to performance issues in some areas. These appear now to have been resolved and the financial phase of the roll out is due to commence.

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 projects reported as Red, set out below is an explanation of the position. There are project which should have been completed by December 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.
- The ICT strategy should have been completed in the last quarter, but will now be completed by the end of February.
- The work to align the two financial systems at South Ribble Borough Council and Chorley Borough Council have been delayed whilst a technical solution could be found, this has now been done and the business case is complete ready for consideration.

- 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 the refresh of the workforce development but given the budget constraints the objective might be achieved by other means.
- The CRM and some work on telephony have been delayed as the final IT platform configuration has only just been agreed. Progress on this project will be a priority and will be made in the final quarter this year.
- 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	Customer Services £'000	Total £'000
CURRENT CASH BUDGET	1,551	935	888	437	845	712	5,368
FORECAST							
EXPENDITURE							
Staffing/Agency Staff/Car Leasing	(35)	(30)	(27)	(5)	(27)	(29)	(153)
Demolition of Gillibrand St Portakabin	24						24
Members Allowances/Expenses	(14)						(14)
Asset maintenance/general repairs	36	10					46
Electricity/Gas	8						8
Non Domestic Rates		(17)					(17)
External audit		(6)	20				14
Other Fees (HMRC)		28					28
Shared Assurance Services			(23)				(23)
Legal Fees	4	4		2			10
Recruitment Advertising				(10)			(10)
IT-related costs					19		19
Other	(1)	1	10			7	17
Expenditure under (-) or over (+) current cash budget	22	(10)	(20)	(13)	(8)	(22)	(51)
INCOME							
Revenues & Benefits Shared Services - delay in implementation		25					25
Income - Rent		22					22
Shared Services Costs Recovered			11				11
Other staff costs recovered		(10)					(10)
Legal Fees income	8						8
Other	2	(19)	(1)		5		(13)
Income under (+)/ over (-) achieved	10	18	10	0	5	0	43
Net variance	32	8	(10)	(13)	(3)	(22)	(8)
FORECAST CASH OUTTURN 2009/2010	1,583	943	878	424	842	690	5,360

10 The key message is that the cash target will be achieved by the year end.

PERFORMANCE INDICATORS

11. The Business Improvement Plan contains a cocktail of 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 63 of the 92 could be measured and the table below summarises the position.

Green (target achieved)	34
Blue (within 5% of target)	8
Red (more than 5% of target)	21
Not Measured (annual targets)	29
	92

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 3 rd quarter
Average time to process new claims	17 days	20.3	19.09
Number of Benefit claims outstanding	<200	254	145
Number of claims over 50 days	<10	2	5
Claims assessed within 14 days	98.5	94.5	42.41
Time to process appeals	30	38	33.3
Council Tax collected	86.86	0	86.35
NNDR Collected	86.52	0	84.90
Payments made within 30 days	97.5	98.44	98.53
Debts older than 90 days	14	0	75.75
Organisations sickness absence	7.49	6.45	7.24

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 third 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 0.51% 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 7.24 days

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	(25,000)	In progress but delayed
Create 1 Benefits Officer post	14,670	Post now filled
<u>Corporate Governance</u>		
Reduce cleaning hours provision for Town Hall	(6,000)	Achieved
Emergency Planning	(28,720)	Achieved
<u>Human Resources</u>		
To provide H.R. services for St.Catherine's Hospice	(25,000)	Achieved
- Less appointment of extra Apprentice	6,500	In progress
- Less potential extra staffing expenditure	3,500	In progress
<u>ICT Services</u>		
Members Broadband. Provider to go out to tender.	(15,000)	In progress/ Achieved
Internet service to be provided by L.C.C.	(25,000)	In progress/ Achieved
Sub-Total	(110,550)	
Budget Saving £		
<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)	

15. 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 final quarter to bring that work to a conclusion.

16. 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.

IMPLICATIONS OF REPORT

17. 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	

GARY HALL
DIRECTOR OF TRANSFORMATION

There are no background papers to this report.

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