

Report of	Meeting	Date
Assistant Chief Executive (Business Transformation)	Overview and Scrutiny Committee	November 2008

BUSINESS IMPROVEMENT PLAN MONITORING STATEMENT – BUSINESS TRANSFORMATION DIRECTORATE

PURPOSE OF REPORT

1. To report progress against the key actions and performance indicators in the Business Transformation Directorate Business Improvement Plan for 2008/2009 for the period ended September 2008.

RECOMMENDATION

2. To note the report.

CORPORATE PRIORITIES

3. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the central Lancashire sub region		Improved access to public services	
Improving equality of opportunity and life chance		Develop the character and feel of Chorley as a good place to live	
Involving People in their Communities		Ensure Chorley is a performing Organisation	✓

BACKGROUND

4. The Business Plan Monitoring Statement reports progress against the key actions and performance indicators included in the 2008/09 Business Improvement Plans for the Finance, Legal and Democratic Services, Human Resources and Information Technology parts of the business.

KEY MESSAGES

5. There are 28 tasks/projects included in the combined Business Improvement Plan, all of the 28, were due to be started and/or completed by the end of the second quarter. In terms of the projects the following table summarises the position.

Projects Green on track	20
Project Amber	8
Project Red	0

6. Of the projects on track (green) some of the key actions undertaken in the period include:
- Ensuring licensing participate in the weeks of action
 - Completing and updating the Council's Business Continuity Plans
 - Roll out of the Thin Client solution
 - The contract for implementing energy efficiency measures in our buildings has been let
 - The Financial Accounts for 2007/08 has been signed off but the Auditor will save money
 - All the Councils equal pay claims have been settled. During the period the Council was voted the 2nd best Council to work for in the Times 100 Awards and has also been nominated for an award for its work with its workforce on health and wellbeing

7. With regard to the eight projects that are classed as amber the reason for this rating is that projects are slightly behind schedule in relation to in particular:

Web Accessibility

- The web accessibility project which has slipped due to other commitments

Strategic Asset Review

- The Council is currently undertaking a strategic asset review looking at the Councils 3 main administrative buildings at the Town Hall, Union Street and Bengal Street. The intention of the review is to determine if the assets are fit for purpose and if there is any opportunity for rationalisation. The Strategy is now being drawn up but is behind schedule

ARCGIS Migration

- ICT begin the process of Migration to ARCGIS 9.2 – This is assigned amber status as the business case has not been completed on schedule. The main reason for this is that the transformation work is highlighting areas where the technology would be useful and it is considered appropriate that the current work in the Business Directorate is completed prior to documenting the business case. For this reason it is requested that the date for production of the business case be amended to end of December 2008

Virtualisation Project

- ICT Design and implement process of Virtualisation/Storage – This project is progressing and a specification of requirements is currently being drawn up. Although this element of the project is behind schedule, it is expected that the project will still be brought in on time. Therefore the element of work expected in July and September is assigned amber status with the project retaining green.

Implement new HR System

- The work to update the Council's HR system is currently behind schedule, due in the main to other work commitments and a slow start when the Council tried to involve other parties. However, I expect the project to catch up in the second half of the year and am still aiming for implementation by March 2009 as originally anticipated.

Identification of surplus land assets

- The Council has committed to identifying surplus sites for sale and possible use for affordable housing schemes. The sites have been identified and valued, but further work is ongoing in relation to the impact of disposing of some of the garage sites in particular. This was scheduled to be completed by September 08 but will only be completed by December 08

Update Procurement Strategy

- The project to refresh the Council's Procurement Strategy has been delayed due to the implementation of the Financial Shared Services. I had hoped to make a start on this by September 08, but I still anticipate this project being completed by the expected date of March 2009.

In relation to all of the above action will now be taken to progress these issues and manage the completion, however none of the tasks are significantly behind schedule.

BUDGET MONITORING

12. The first quarter monitoring position for the quarter ended September 2008
The table shows that the directorates are on track to achieve the cash budgets set for 2008/09

SEPTEMBER 2008	£'000	£'000
ORIGINAL CASH BUDGET		4,730
Add Adjustments for in year cash movements		128
ADJUSTED CASH BUDGET		4,858
Less Corporate Savings:		
- Staffing		(80)
- Efficiency Savings		(20)
CURRENT CASH BUDGET		4,758
FORECAST		
EXPENDITURE		
Staffing	(84)	
Insurances	16	
External Audit Fees	29	
Chorley Community Housing - Stock Transfer final costs.	15	
Computer Software - Licences/Maintenance/Purchase	20	
Computer Equipment-Maintenance/Purchase	(16)	
Members Allowances/Expenses	(13)	
Consultants Fees	9	
Bailiffs Commission	(3)	
Liberata Contract	4	
Gas & Electricity	44	
Occupational Health	(4)	
Training	5	
Recruitment	(14)	
Other	3	
Expenditure under (-) or over (+) current cash budget		11
INCOME		
Business Improvement & Efficiency Grants	(18)	
Summons / Committal Costs	9	
NNDR Collection Allowance	(1)	
Housing Benefit Data Collection Grant	(4)	
Income - Rent	(1)	
Income - Other	(7)	
Reduction in use of Lancastrian Suite	5	
Legal Fees Income	(7)	
Hackney/Prvt Carriage Licences	(6)	
Income under (+)/ over (-) achieved		(30)
FORECAST CASH OUTTURN 2008/2009		4,739

PERFORMANCE INDICATORS

13. The Business Improvement Plan contains 59 performance indicators made up of 2 of the new indicators in the national indicator set, 17 that are required by the Department of Work and Pensions in relation to the benefits service and a further 40 which are local performance indicators.

The table below summarises the positions for the first quarter at 2008/09

Green circle (on target)	26
Blue circle (5% off target but within acceptable tolerances)	6
Red triangle more than 5% off target	11
Not measured	16
Total	59

14. Overall therefore the messages are very positive with 32 out of the 43 targets that can be measured performing at an acceptable level. The eleven that are not achieving targets are as follows. Where performance was measured in June 2008, this information is also included to show the trend.

	Measure	Target	Actual to June	Actual to Sept
National Indicator	Right time performance indicator	9.35 days	10.8	10.9
DWP Indicator	Average time to process claim	<17 days	18.8	18.65
DWP Indicator	Average time to process change of benefit entitlement events	6.8 days	-	9.15
DWP Indicator	Number of fraud investigation re 1000 of caseload	50	5.46	12.5
DWP Indicator	Average time to process application for reconsideration	14	32	21.3
DWP Indicator	Average time to process appeals	30 days	51 days	59 days
DWP Indicator	Written off overpayments	1.7%	5	5.1%
Local Indicator	% of women in leadership rates	37.5	-	33.33
Local Indicator	% of debt over 90 days	14.9		49

Local Indicator	Days Authority lost to sickness absence	7.79		8.5
Local Indicator	% of debt over 90 days	14.9	-	49

15. In relation to the above, I would make the following observation:
16. The right first time indicator is a new national indicator for 2008/09 and measures the combined effect of processing new claim and changes of circumstances. At present there are no comparables nationally so our target is based upon our own assessment of what constitutes good performance. We are slightly below the target we set due to the slight under performance in processing new claims. It is likely that the target set of 9.35 days will be upper quarter and therefore performance is still relatively good but not what we hoped to achieve.
17. Fraud investigation were less than target in the half year as a result of a vacancy which has never been filled and annual leave. The indicator measuring how the Council deals with requests for reconsideration of benefit entitlement and any subsequent appeals has not achieved what we expected. Again no relative data is available on this indicator as it is a new measure, but we have allocated additional resources to try to improve processing times and this has resulted in an improvement in the second quarter. The appeals process days indicator has been scewed by a particularly complex appeal. All the appeals and reconsideration for September were done within the target.
18. In respect of debtor days almost half of all debts are up to 90 days old. We do allow up to 38 days to pay before any formal action is taken in terms of recovery, but clearly debts are now taking longer to pay and are having to resort to more use of recovery agencies.
19. Since April the percentage of short term absence has increased from 200708 - there does not appear to be any visible patterns to account for the increase. The average number of occasions of absence has not increased in the last 6 months, however when the average number of days per occasion has been calculated this has increased from 5.6 days on average to 6.9 days in the 6 months of this year. Therefore employees are taking longer periods of absence on each occasion, before their return to work.
20. The increases so far this year, have highlighted the need to not only manage the number of acceptable occasions in 6 months but to also include the number of days absent in the same 6 month review period within the warning trigger system. We are currently looking at reviewing the policy to link periods of long term sickness absence in line with the statutory 8 weeks for SAP. This will ensure that individuals who have returned to work from long term sickness absence then subsequently go off sick will continue to be managed within the long term absence process.
21. As well as the policy review, I am also working on positive proactive interventions such as stress management, setting up the Workplace Listeners scheme and fruit on desks initiative, which will hopefully be rolled out by the end of November.

EQUALITY AND DIVERSITY UPDATE

22. Following the completion of the Equality Impact Assessment for all the services in the group an action plan has been produced to enable the Council to move forward and achieve level 3 of the Equalities Standard. Actions taken to date include:

- In local tax, the discount application forms now asks for information by Equality Standard.
- Plain English 'crystal mark' has been obtained for many of the leaflets.
- Officer training has been provided on Equality and Diversity issues.
- The Council's Procurement and Partnership Framework have been updated so that partners subscribe to equality and diversity principles.
- A review of accessibility of meeting rooms is underway.

RISK ASSESSMENT

23.

Description of Risk
Disruption to services as a result of the development of the shared financial services solution
Uncertainty regarding legislative changes for filtering of complaint against member of the Council
Significant I.T infrastructure changes planned for 2008/09
Costs and disruption from potential equal pay claim

24. In terms of the risks identified to date and through the mitigation, put in place none of the risks have caused any significant business disruption:

- The Shared Financial Services implementation is on track and has not resulted in any performance issues.
- Local filtering arrangements have been put in place.
- Whilst there are minor delays on the thin client implementation due to other priorities, there have been no major issues with the roll out to date.
- Job Evaluation has been fully completed and we are in the process of dealing with a number of equal pay claims that are relatively insignificant in terms of number and potential cost.

VALUE FOR MONEY EFFICIENCIES UPDATE

25.

YR	Gain Anticipated	Estimated Value of Gain £
08/09	More efficient use of photocopies by reduction in	2,700

	number of copiers	
08/09	More uptake of usage of Lancastrian Suite as an events venue	22,850
08/09	Staff savings through reduced hours on post deletion and better deployment	55,810
08/09	Reduction in contract prices through renegotiations	10,000
08/09	Replace civic vehicle council with something more economical	3,000

26. In terms of progress on VFM and efficiencies all but the uptake on the Lancastrian have been achieved. In terms of the staffing reduction and it's impact, this report demonstrates that in the main performance is still good and in the main on track. With regard the Lancastrian the position is as follows:
27. Additional income has been generated this year following the review of the pricing structure resulting in 50% of the total target of £32k per annum being achieved. However, there have been a number of operational issues relating to the letting of the room for private parties and we are currently reviewing this position as it has created significant health and safety issues. A decision has been taken to not allow private parties to take place in the Lancastrian and therefore the income target will not be met.

GARY HALL
ASSISTANT CHIEF EXECUTIVE
(BUSINESS TRANSFORMATION)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5480	25/07/08	ACE (BT)/Reports/2008/BIP Monitoring Statement