

Public Document Pack



BARRY KEEL
Chief Executive
Floor 1 - Civic Centre
Plymouth
PL1 2AA

www.plymouth.gov.uk/democracy

Date 02/03/11 Telephone Enquiries 01752 307990 Fax 01752 304819
Please ask for Ross Johnston, Democratic Support Officer e-mail ross.johnston@plymouth.gov.uk

SUPPORT SERVICES OVERVIEW AND SCRUTINY PANEL

DATE: THURSDAY 10 MARCH 2011
TIME: 10AM
PLACE: COUNCIL HOUSE (NEXT TO THE CIVIC CENTRE)

Committee Members–

Councillor James, Chair
Councillor Lowry, Vice Chair
Councillors Berrow, Browne, Dann, Lock, Murphy, Stark and Thompson

Co-opted Representatives

Janet Isaac, University of Plymouth

Substitutes–:

Any Member other than a Member of the Cabinet may act as a substitute member provided that they do not have a personal and prejudicial interest in the matter under review.

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and Officers are requested to sign the attendance list at the meeting.

Please note that, unless the Chair agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used during meetings.

BARRY KEEL
CHIEF EXECUTIVE

SUPPORT SERVICES OVERVIEW AND SCRUTINY PANEL

PART I (PUBLIC PANEL)

AGENDA

1. APOLOGIES AND SUBSTITUTIONS

To receive apologies for non-attendance by panel members and to note the attendance of substitutes in accordance with the Constitution.

2. DECLARATIONS OF INTEREST

Members will be asked to make declarations of interest in respect of items on this agenda.

3. MINUTES

(Pages 1 - 10)

To confirm the minutes of the Support Services Overview and Scrutiny Panel held on 27 January 2011.

4. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

5. TRACKING RESOLUTIONS AND FEEDBACK FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD

(Pages 11 - 12)

To receive a copy of the panel's tracking resolutions and any feedback from the Overview and Scrutiny Management Board on issues which concern this panel.

6. REVENUES AND BENEFITS UPDATE

(Pages 13 - 36)

The Director for Corporate Support will submit a report to the panel giving an update on the Revenues and Benefits Service.

7. ACCOMMODATION, PEOPLE'S AND ICT STRATEGIES

The Assistant Head of Asset Management, Head of HR and Organisational Development and the Assistant Director for ICT will provide a presentation on the Accommodation, People's and ICT strategies.

8. INVEST TO SAVE PROJECTS

The panel will receive a verbal update on the 'Invest to Save' projects.

9. PROCURE TO PAY UPDATE (Pages 37 - 38)

The panel will receive an overview and a progress update on the 'Procure to Pay' initiative.

10. VALUE FOR MONEY (VFM) QUARTERLY UPDATE

The panel will receive a VFM quarterly update on the ethos of VFM across the council.

11. BUDGET AND PERFORMANCE REPORT (Pages 39 - 50)

To receive an update report on budget and performance.

12. WORK PROGRAMME (Pages 51 - 52)

To receive the panel's work programme for 2010/2011.

13. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE PANEL)

MEMBERS OF THE PUBLIC TO NOTE that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

Nil.

This page is intentionally left blank

Support Services Overview and Scrutiny Panel

Thursday 27 January 2011

PRESENT:

Councillor James, in the Chair.

Councillor McDonald, Vice Chair.

Councillors Berrow, Browne, Lock, Murphy, Stark and Thompson.

Apologies for absence: Councillors Dann and Lowry and Janet Isaac (Co-opted representative)

Also in attendance: Councillor Ian Bowyer – Cabinet Member for Finance, Property, People and Governance, Councillor Sam Leaves – Cabinet Member for Performance and Transformation, Ian Gallin – Assistant Chief Executive, Tim Howes - Assistant Director for Democracy and Governance, Andrew Pearson – Member Learning and Development Officer, David Shepperd - Head of Legal Services, Rosie Clahane – Operations Manager, Eve Skuse – Head of Organisational Development and David Northey, Head of Finance.

The meeting started at 10.00am and finished at 1.00pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

50. **DECLARATIONS OF INTEREST**

There were no declarations of interest in accordance with the code of conduct.

51. **MINUTES**

Agreed that the minutes of the meeting held on 3 November 2010 were confirmed as a correct record.

52. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

53. **TRACKING RESOLUTIONS AND FEEDBACK FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

The Panel noted its tracking resolutions and confirmed that dates should be set to scrutinise the 'Invest to Save' project and the Local Strategic Partnership (LSP) Resource Plan.

54. **CORPORATE TRANSFORMATION PROGRESS REVIEW**

Councillor Sam Leaves, Cabinet Member for Performance and Transformation and Ian Gallin, Assistant Chief Executive gave a presentation on the Corporate Transformational Change Programme. Councillors were informed that –

- (a) the Transformational Change Programme was an evolving process driven by the city's vision and revenue pressures to create £30m savings over the next three years;
- (b) the Plymouth Report had also helped drive the programme through shared priorities and agreed targets with partnership agencies;
- (c) examples of transformation already in place in the Council were given as creating a leaner approach within the Revenues and Benefits department and also through the actions taken as part of the Accommodation Strategy;
- (d) the programme aimed to make the council a more efficient organisation and had four key areas, which were service delivery transformation, structural transformation, cultural transformation and a common core;
- (e) each of the key areas had significant issues and projects that were to be transformed to improve efficiency, examples included:
 - service delivery transformation – Adult Social Care, Children's Services and the experience of customers (customer services);
 - structural transformation – outsourcing leisure management, business management and administrative support (reducing duplication);
 - cultural transformation – the communications strategy, developing leaders and terms and conditions;
 - common core – the Accommodation Strategy, governance arrangements and revised corporate priorities;
- (f) progress reports against key work streams would be included in finance and performance reports. A corporate strategic calendar would also be produced, which would include key milestone dates, council meeting dates and key dates from partnership agencies.

In response to councillors questions it was reported that –

- (g) the progress of the programme would be measured with reference to a range of factors including satisfaction surveys, monitoring value for money, benchmarking transformation and delivering budget delivery plans;
- (h) some areas of transformation and improvements were being strived for in collaborative working with partnership agencies.
- (i) there was no longer any overarching requirement or expectation for local authorities to have a Local Strategic Partnership (LSP), however, it was felt that bringing city leaders together and aligning partnership agencies was vitally important in delivering the transformational change programme and the vision and priorities for the City;
- (j) the LSP theme groups would continue to require changes to reflect changing policy and legislation. For example the Growth Board replacing the Wealthy Theme Group to fit with the Local Enterprise Partnership agenda. The introduction of a Health and Wellbeing Board would also need to be addressed;
- (k) the proposed Public Sector Board (final designation of title to be confirmed) was a new arrangement that would assist in driving transformational change forward across a number of organisations, predominantly in the public sector;
- (l) locality working parties were viewed as a significant element in the transformation and would be reviewed by the Customers and Communities Overview and Scrutiny Panel in June 2011.

Agreed that –

- (1) Councillor Sam Leaves would provide an emailed response to all Panel members about how the Growth Board would fit in with the Waterfront Strategy;
- (2) Ian Gallin, Assistant Chief Executive would distribute to all Panel members the current landscape of boards, partnerships and their structures.

Recommended that the Overview and Scrutiny Management Board receive the minutes and/or updates from the new Public Sector Board (title to be confirmed).

55. **MEMBER AND LEARNING DEVELOPMENT**

Councillor Ian Bowyer, Cabinet Member for Finance, People, Property and Governance, Tim Howes, Assistant Director for Democracy and Governance and Andrew Pearson, Member Learning and Development Officer presented

a report on member learning and development. Councillors were informed that –

- (a) member learning and development, which is underpinned by the member development strategy, aimed to assist members in developing skills and knowledge to become more effective ward councillors. To help achieve this a member learning and development plan 2010/11 was created;
- (b) the member and learning development plan 2010/11 and its action plan were implemented in October 2010,
- (c) 26 councillors had received an individual member development review, where their learning needs had been identified;
- (d) all activities undertaken by members as a result of the plan would be evaluated to ensure effective delivery of member development;
- (e) following an independent member development review one councillor had applied for and been accepted as a mentee in the Devon wide mentoring scheme. This scheme had been used as a joint submission for the Municipal Journal Awards 2011 Excellence in Democratic Services Achievement of the Year.

Following members questions it was reported that –

- (f) Charter status in member development had previously been the aim for Plymouth, but the member development programme was operating without a budget so achieving this status was difficult, although, it did still remain an aspiration;
- (g) working toward achieving Charter status had helped shape the member learning and development plan, which in turn had provided evidence toward achieving Charter status if an application was submitted in the future;
- (h) the Civic Handbook had been drafted and would soon be circulated to members for their comments.

Members commented that the independent member development reviews were excellent and all members should be encouraged to take part.

The Panel thanked Andrew Pearson for his hard work on member learning and development.

56. **LEGAL SERVICES DEPARTMENTAL UPDATE**

Councillor Ian Bowyer, Cabinet Member for Finance, People, Property and Governance, David Shepperd, Head of Legal Services and Rosie Clahane,

Operations Manager gave a presentation into the role of Legal Services, their success rates and productivity and the future of the Legal Services department. Councillors were informed that –

- (a) the Legal Services department had an involvement in many of the city's activities including, amongst others, preparing contracts for construction works, highways initiatives and leisure services as well as providing comprehensive legal advice to council departments and partnership working with the University of Plymouth and the Courts Services;
- (b) there were a number of different teams and services within Legal Services, which included the Children and Young Peoples team, Commercial, Development and Corporate Services team, Community Services team, the HM Coroner and a business unit;
- (c) staffing levels within Legal Services had reduced by 25 per cent since 2006 and there was presently 53.8 full time or equivalent staff in the service;
- (d) Legal Services had a total budget of £3,029,700 which included a budget of £723,940 used by the HM Coroner;
- (e) the Legal Services department were part of a CIPFA benchmarking club that compared 59 local authorities. Plymouth Legal Services were 36 per cent below the average for net cost per 1000 population and were 72 per cent below the average for costs bought in per 1000 population when compared against its 12 closest comparators;
- (f) some of the costs saved on major projects through undertaking legal work in-house were calculated as follows –
 - the South West Devon Waste Partnership project had 1404 hours of legal time, which saved £215k in legal costs;
 - the sale of Plymouth Citybus had 843 hours of legal time, which saved £129k in legal costs;
 - the Plymouth Life Centre project had 1321 hours of legal time, which saved £202k in legal costs;
- (g) in the 2010 calendar year the Legal Services teams attended 974 court hearings. There was an increase from 2009 in childcare proceedings by 43 per cent and an increase in Environment, Trading Standards and Licensing proceedings by 60 per cent;
- (h) Legal Services had a very high success rate in court in 2010 with percentages of prosecutions as follows –

- Licensing, Trading Standards & Environment – 88 per cent success rate;
 - Housing, Litigation, Debt Recovery and Anti-Social Behaviour - 95 per cent success rate;
 - Children's Services – 99 per cent success rate;
- (i) a new case management system, which shared information between Children's Services, the Courts Service and Legal Services, was introduced in 2010. Through the efficiency and effectiveness of this system the Legal Services teams were well equipped to deal with the increased workload and still maintain a high success rate in court prosecutions;
- (j) as a result of the case management system being utilised the time it took to complete child care cases had been reduced from an average of 59 weeks to 48 weeks, this had enabled legal services employees to have an increased capacity to deal with other projects;
- (k) Legal Services had over the past financial year recovered £209,280 to date, which was £80k over their target and a 50 per cent increase from costs recovered in 2009/10;
- (l) the Legal Services department was a Law Society Accredited Training Adviser and had an ISO 9001 Quality Accreditation, which was verified twice yearly by external verifiers;
- (m) customer satisfaction surveys were held regularly to ensure that customer needs were continuously being met. Over the past 12 months 98.6 per cent rated the service they received as good to excellent;
- (n) to further develop Legal Services, there was an aim to implement court bundling software, which would ensure an effective and efficient service would be provided as well as to improve data security with a reduction in paper copies;
- (o) the service also aimed to improve partnership working through the Devon Solicitors Group and the University of Plymouth, which would potentially increase income and deliver shared services.

Agreed that if members had any questions they should contact David Shepperd, Head of Legal Services directly.

The Chair thanked David Shepperd, Head of Legal Services and Rosie Clahane, Operations Manager for their attendance.

57. **PROGRESS UPDATE APPRAISALS 2010**

Councillor Ian Bowyer, Cabinet Member for Finance, People, Property and Governance and Eve Skuse, Head of Organisational Development provided an update on the second round of appraisals. Councillors were informed that

–

- (a) the trial appraisals, held in early 2010, provided a significant learning opportunity to ensure that the second round of appraisals were more effective;
- (b) having undertaken the trial appraisals staff and managers had gained a lot of confidence in the appraisal process and what was expected from them. This was demonstrated by the feedback provided by Grace Hughes from the Education Catering at a previous scrutiny meeting;
- (c) as a result of increased levels of confidence and a clearer understanding of expectations, the length of appraisals were reduced and the levels of staff completing an appraisal in the second round increased corporately by over four per cent up to 94.4 per cent;
- (d) due to the introduction of Manager on-line and E-forms during the appraisal process, the appraisal deadline was extended to the end of September to ensure that all managers received appropriate training on using the software;
- (e) all increments were applied with effect from 1 October 2010 to those staff who were due to receive an increment;
- (f) the level of staff completing an appraisal and the level of staff meeting or exceeding their expectations varied between departments. The most significant figures were –
 - 96 per cent of employees met or exceeded expectations;
 - 20 per cent of employees exceeded expectation in Chief Executive's Directorate compared to only 7.8 per cent in Community Services;
 - only 40.5 per cent of employees completed an appraisal in the Chief Executive's Directorate;
- (g) the evaluation of the appraisals revealed that 77 per cent of employees felt that their appraisal was fair and accurate;
- (h) as part of a process of continuous improvement, the appraisal system is currently being reviewed with managers and trade unions. Minimal changes are expected as to date feedback has

been broadly positive. Any changes to the appraisal process would be communicated by 31 March 2011.

In response to questions raised it was reported that –

- (i) the HR department were working with the Chief Executive's Directorate to understand the reason for the low level of completed appraisals;
- (j) reasons for appraisals not being completed were often due to maternity leave, long-term sick or staff still being in a probationary period;
- (k) 23 per cent of respondents to the 2010 staff survey either disagreed, strongly disagreed or remained neutral to the statement "my appraisal was fair and accurate".

Agreed that –

- (1) the report is noted;
- (2) the Panel continue to support and take an interest in the development of staff and the results and impact of the appraisal and competency systems;
- (3) Eve Skuse, Head of Organisational Development would email to all Panel members the proportion of employees who were neutral or disagreed or strongly disagreed with the question I feel my appraisal was accurate and fair;
- (4) the Democratic Support Officer would disseminate a copy of the CIP 2 presentation to all members of the Panel.

The Chair thanked Eve Skuse, Head of Organisational Development for her attendance.

58. **QUARTERLY SCRUTINY REPORT**

The Support Services Overview and Scrutiny Panel's second quarterly scrutiny report was noted.

59. **BUDGET AND PERFORMANCE REPORT**

Councillor Ian Bowyer, Cabinet Member for Finance, Property, People and Governance and David Northey, Head of Finance presented the Budget and Performance Report. Members were informed that the report was now outdated and had been presented at Overview and Scrutiny Management Board on 24 November 2010.

The report was noted.

60. **WORK PROGRAMME**

Agreed -

- (1) to approve the revised work programme for 2010/11;
- (2) that dates be set for the three new items on the revised work programme for 2010/11.

61. **EXEMPT BUSINESS**

There were no items of exempt business.

This page is intentionally left blank

TRACKING RESOLUTIONS

Support Services Overview and Scrutiny Panel

Date/Minute Number	Resolution	Explanation/Minute	Officer	Progress	Target Date
40 03/11/10	that the Panel promote the 'Invest to Save' project regarding the Council's website and request that the report on this project be submitted to the Panel in the future once completed.	This was agreed following the discussion on the internal and external communications strategy.	Ian Gallin, Assistant Chief Executive	Added to the SS OSP Work Programme and an update would be provided at the Panel's meeting on 10 March 2011.	
43 03/11/10	that the function of the Local Strategic Partnership (LSP) and its resource plan for asset resource and finance be submitted to the Panel.	The LSP's functions were discussed as part of the Plymouth Report.	Giles Perritt, Head of Policy, Performance and Partnerships	Already on the work programme as Local Strategic Partnership (Support) (as referred by O&S Management Board), however, no date has been set. Once date has been set will re-name the agenda item as Local Strategic Partnership (LSP) Resource Plan.	
57 27.01.11	That dates be set for the three new items on the revised work programme.	The new items requiring a date to be set were 'Invest to Save' project' (see explanation above), 'Monitor and Review the Revenues and Benefits Service' and Review ICT within Devon Audit Partnership (DAP)	Ross Johnston, Democratic Support Officer and Paul Chapman, Head of VFM	Invest to Save – see above Revenues and Benefits – an update on the service would be provided at the Panel's meeting on 10 March 2011 ICT at DAP – PCC has no remit to look at this. Neville Cannon has provided an emailed update. Following a recommendation from O&S MB on 26 January 2011 this item will now be replaced by 'Data sharing between agencies'.	

Overview and Scrutiny Management Board

Date/min number	Resolution / Recommendation	Explanation / Minute	Response	Explanation
54 27.01.11	that the Overview and Scrutiny Management Board receive the minutes and/or updates from the new Public Sector Board (title to be confirmed).	Under the Corporate Transformation Progress Review members were informed about the Public Sector Board and felt it important that Scrutiny were informed and kept up to date about the issues discussed at the Public Sector Board.		

Grey = Completed (once completed resolutions have been noted by the panel they will be removed from this document)

Red = Urgent – item not considered at last meeting or requires an urgent response

This page is intentionally left blank

CITY OF PLYMOUTH

Subject: Revenues and Benefits Update
Committee: Support Services Overview and Scrutiny Panel
Date: 10 March 2011
Cabinet Member: Councillor Ian Bowyer
CMT Member: Director for Corporate Support
Author: Martine Collins, Revenues and Benefits Manager
Contact: Tel: 01752 30 4118
e-mail: martine.collins@plymouth.gov.uk

Ref:
Key Decision: No
Part: I

Executive Summary:

Attached are 3 reports in relation to :

- Restructure Consultation – Revenues and Benefits, Customer services, Cashiers, Incomes and Creditors
- Revenues and Benefits Performance
- Welfare Benefit Reforms

Restructure Consultation

Within the Corporate Support published budget delivery plans, there is a need to reduce spend by £1m across:

- Revenues and Benefits
- Customer Services
- Cashiers
- Incomes and Creditors

This restructure will integrate a range of transaction processing and customer contact services in order to drive improvements for customers whilst improving internal processes and reducing costs.

Revenues and Benefits Performance

Revenues and Benefits started work on removing waste from processes and delivering the service directly with the customer in 2009. Whilst small inroads were made during 2009, it wasn't until January 2010 that the service began rolling out the changes across the whole of the department.

During 2009 and 2010 the service has seen it's caseload increase significantly due to the economic downturn. Performance outturn is attached for 2010/2011 for the department's key performance indicators:

- Number of days taken to process new claims and changes in circumstances

- Council Tax collection
- National Non-Domestic Rates collection

Welfare Benefit Reforms

This report sets out the proposed changes to Housing Benefit as part of the Comprehensive Spending Review and how these changes will impact on the Revenues and Benefits department in the coming years.

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

Implementation of budget delivery plans are fundamental to achieve resource allocation to the four corporate priorities <http://www.plymouth.gov.uk/corporateplan.htm>

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

Budget Delivery plans have been developed to deliver a balanced revenue budget over the next three financial years. Published plans for Corporate Support require a full year reduction of £1m across Revenues & Benefits, Cashiers, Creditors and Income Collection by 2013/14

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

Equalities Impact Assessments, (EIA), have been developed to underpin top level Budget Delivery Plans. From this, a more detailed EIA is being developed to understand and address equalities issues affecting both clients and staff from the proposed restructure.

Recommendations & Reasons for recommended action:

Alternative options considered and reasons for recommended action:

Background papers:

Sign off:

Fin		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											

Restructure and Consultation

Customer Services, Revenues and Benefits, Cashiers, Incomes and Creditors

1.0 Introduction & scope

- 1.1 In line with the national reduction in public sector spending, Plymouth City Council has to reduce its revenue budget by £30m over the next three years. To achieve savings of this magnitude we need to fundamentally challenge our existing structures and ways of working. Within the Corporate Support published budget delivery plans, there is a need to reduce spend by £1m across the service areas covered by this review.
- 1.2 This restructure will integrate a range of transaction processing and customer contact services with the revenues and benefits service in order to drive significant improvements for customers whilst improving internal processes and reducing costs.

The individual service areas included within this scope are:

- Customer Services
- Revenues and Benefits
- Cashiers
- Incomes & Creditors

- 1.3 Each of these services faces specific issues and challenges which will be detailed within this report along with opportunities moving forward.
- 1.4 In total, this restructure and consultation incorporates 280 FTE employees. The review is specified within the Corporate Support budget delivery plans, published in December 2010, which requires the council to undertake transformational changes from 2011/12 onwards in order to retain, and improve, services within the constraints of reducing revenue and capital budgets.
- 1.5 Over time, we intend to incorporate other services into this structure to benefit from the economies of scale of a frontline customer information and advice service backed up with a fully integrated transactional processing centre. Initially we will consider the opportunity for incorporating other transactional processing services within the Corporate Support Directorate.

1.6 Our guiding principles are to:

- improve accessibility and quality of front line services to the customer;
- improve how we manage the peaks and troughs of service demand;
- provide a strong basis and structure for future Council customer service delivery,
- to be rolled out across all Council services on a modular basis;
- wherever practical, to ensure issues are resolved at the first point of contact with the council;
- improve performance and customer satisfaction;
- provide better opportunities for employee progression and variety of workload through a clear career structure

2. Current service, structure, issues & opportunities

2.1 Customer Services

- 2.1.1 Customer services have developed good management information on customer trends which they use proactively to allocate employee resources at peak times.
- 2.1.2 Cabinet Office benchmarking of public sector contact centres shows that the current rate of pay for the council is above the average national salary by just over £2,000. Local benchmarking with neighbouring authorities and private sector organisations confirms this statistic.
- 2.1.3 Demand on the service shows a reduction (-10% year on year) in telephone demand as a direct result of mixed working with the revenues and benefits service which ensures that most incidents are completed at the first point of contact. Face-to-face visits are rising slowly (up 5% year on year) and the number of visits to our website are rising (+8% year on year).
- 2.1.4 Seasonal demand on the service is minimal with only December showing a noticeable and consistent drop in customer demand.
- 2.1.5 Contact centre employees have to master many different systems at present due to the uncoordinated nature of council systems and the lack of a single customer relationship management system across the authority.
- 2.1.6 The web is becoming the de facto service delivery channel, however we are in the bottom decile of councils for the number and proportion of transactions carried out over our website. In addition, the website needs to become the primary service delivery vehicle for our customer contact centre employees.
- 2.1.7 The Corporate Management Team has agreed that all appropriate services will move into the service delivery model created as a result of this structure over the next three years.
- 2.1.8 From 1 April 2011, Customer Services will incorporate the Social Care Complaints team, (4 employees) from the Children and Young People department. These transferring employees will also be included within this restructure.

2.2 Revenues and Benefits

- 2.2.1 The Revenues and Benefits service has implemented many improvements over the last 18 months. The service has piloted a 'mixed team' approach to the processing of housing and council tax benefit, whereby the client's needs are addressed thoroughly and comprehensively at the initial point of contact. This has proved to be highly successful. It has enabled us to retain, and slightly improve, service levels whilst dealing with a significant increase of over 16% in referrals (linked to the current economic environment).
- 2.2.2 We have also reduced spend within the service by £300k over the last 12 months, by focusing on work patterns and reducing overtime, bringing us more in line with our unitary council comparators.

- 2.2.3 However more now needs to be done to ensure that we materially improve service performance and further reduce costs to ensure future sustainability. 2008/09 Benchmarking with our 'family group', as well as all unitary councils, has identified our revenues and benefits service as a relatively high cost and low performing service.
- 2.2.4 The number of days to process claim information is high (bottom quartile) and there have historically been issues regarding processing accuracy which has seen some improvement during 2009/10. The backlog of claims to be processed fluctuates throughout the year with clear trends evidencing peaks during periods of school holidays.
- 2.2.5 The service has historically been structured around processing individual elements of the housing benefits and council tax collection service. For example, a member of staff will take initial housing benefit application details from a client and pass the information on to a separate team in the back office to process. In most cases, such processing requires much further clarification of client details and / or finances hence further contact is required.
- 2.2.6 Progress has been made in reducing the number of client contact episodes from the point of initial visit or call to the actual payment of housing or council tax benefit. However, this is not consistent across the entire structure and needs to be addressed.
- 2.2.7 The technical and legislative knowledge required to undertake housing benefit claim processing should not be underestimated. The complexity around rules, finances and linked benefits does not always lend itself to basic transactional processing. Our Housing Benefit subsidy claim is in excess of £100m per annum and the risk of financial penalties being imposed on us through inaccurate processing is significant.
- 2.2.8 It is therefore proposed that the revenues and benefits service remains a 'stand alone' service within the overall 'Customer Services' area, managed by a professional, experienced Revenues and Benefits Manager.
- 2.2.9 The Benefits Fraud team is currently managed within Revenues and Benefits. However, the specialist nature of this work, and required knowledge and expertise of this team, has closer alignment to the fraud work that is undertaken by our Internal Audit service (as part of the Devon Audit Partnership). Through this consultation we will be exploring the opportunity of transferring the management of this function and team to internal audit.
- 2.2.10 In the longer term, the Government has announced a future move towards 'Universal Credit' which could result in much less complex processing being undertaken by local authorities with more standardised claims being processed under the direction of the Department of Work and Pensions.
- 2.2.11 However, such a system is unlikely to be fully operational until 2017 and significant service improvement and financial savings are needed now. We will continue to monitor legislative developments throughout the implementation of this restructure and ensure that our recommendations are fully compliant with the future direction of the service.

2.3 Cashiers

- 2.3.1 The Cashiers service operates within a separate environment to the main Civic Centre reception with separate public access. The Cashiers team have introduced a number of significant improvements over the last couple of years including obtaining 'Customer Service Excellence' accreditation.
- 2.3.2 However, trends for cash collection as a percentage of total income collected by the council have been diminishing consistently over the last five years with the promotion of alternative payment methods such as standing orders and on-line transactions.
- 2.3.3 Based on 2009/10 analysis, only 6% of our income is collected through the Cashiers service. Of this activity, approximately 20% of the clients visiting Cashiers do so in relation to paying their housing rent on behalf of Plymouth Community Homes (PCH). Our service level agreement with PCH ends on 31 March 2011, at which point this activity will cease as PCH plans to go 'cashless' (i.e. tenants not being able to pay for their rent in cash at branch offices).
- 2.3.4 Cash collection is the most expensive form of income collection for us in terms of processing costs, reconciliation, staffing costs and banking. Research has confirmed that there are many viable alternative income collection methods available to clients / residents of Plymouth. For example, there are 14 'Pay Points' in various establishments within half a mile of the Civic Centre alone.
- 2.3.5 The Cashiers service will close with effect from 31 March 2011. By integrating this service change within the overall restructure as detailed in the document, we are providing greater opportunity for employees to secure suitable alternative employment utilising their existing customer service and income collection skills. There will be some residual Cashiers functions, such as reconciliations, that will need to be undertaken by the Incomes section.
- 2.3.6 We will not be ceasing the collection of cash all together at this stage, just the closure of the Cashiers service. We will purchase a second self service 'payments kiosk', which has proved highly successful to date, as part of managing the change.
- 2.3.7 The self service machines will accept card or cash payments (also providing change) for all types of income due to the council. In the transitional period from 1 April 2011, customer services employees will assist clients wishing to pay through these machines.
- 2.3.8 Our improvement drive moving forward is to optimise the use of more cost effective income collection methods such as standing orders and on line collection via our, soon to be launched, new website.
- 2.3.9 Communications and promotions will be targeted to existing customers of the Cashiers services to improve the understanding and awareness of alternative payment methods.

2.4 Incomes and Creditors

- 2.4.1 The incomes and creditors service has gone through a number of incremental service changes over the last couple of years. We have retained a focus on reducing management costs whilst simplifying processes and optimising the use of ICT systems.
- 2.4.2 The cost of the service compares favourably with other unitary councils. However, there is much room for improvement in some areas of service delivery such as sundry debtors where our current collection rate is under 85%.
- 2.4.3 Much work has been done to 'clean up' our databases, removing duplicate creditors and debtors and improving controls regarding setting up new records. This has resulted in a significant reduction in the volume of queries and errors. In addition, the service has majored on improving customer service by implementing actions such as personally contacting people who owe money to us outside of normal working hours.
- 2.4.4 The overall shape of the income and creditors employee structure is robust, with few senior management posts and a good spread of lower graded transactional processing employees alongside a fewer number of higher graded, more experienced employees dealing with more complex cases.
- 2.4.5 Where possible, income and payment transactions that were in the past processed by individual departments have now been routed through this central team generating economies of scale and improved performance. For example, the commercial rents income recovery function has now been subsumed within the team.
- 2.4.6 It is recommended that we build on this incremental improvement through developing an efficient transaction processing service or 'fulfilment centre'. By moving other transactional activities into this service area, such as the residue cashiers function and, in the coming months, considering other Corporate Support functions, we will generate even further economies of scale by standardising processes, setting clear service targets, managing peaks and troughs across individual functions and spreading management overheads.

3. Recommended overarching structure for the service

- 3.1 When analysing existing structures and arrangements it is clear that there are similarities and overlaps between employee accountabilities across each individual service.
- 3.2 It is also clear that, in most cases, there is no cohesive career path for employees to progress within the council. The vast majority of existing posts are grade C and above with only 21 out of 280 FTE posts, (7.5%), being at grade B and **no grade A posts whatsoever**. This does not correlate with the fact that a significant proportion of duties across customer services, revenues and benefits, cashiers and incomes and creditors are mainly transactional defined processes with limited requirement for decision making.
- 3.3 In addition, there appears to be far too many posts, (133 FTE), within the Grade E band which currently accounts for 47.5% of the entire in scope workforce.

- 3.4 Furthermore, there is inconsistency in relation to the spans of control and responsibilities of senior graded management across the different structures. Within this restructure we are recommending an overall reduction of senior management posts, with greater consistency in span of control as well as more opportunities for lower graded posts and a better defined career structure.
- 3.5 A comparison of existing structures, as detailed in **appendix A**, shows a diverse spread of post grades and role profiles at all levels (other than grade A) between grades B and K as demonstrated in the following table:

Current Grade	Current	% 'age of total
K	1	0.36%
J	1	0.36%
I	1	0.36%
H	9	3.21%
G	15	5.36%
F	9	3.21%
E	133	47.50%
D	22	7.86%
C	68	24.29%
B	21	7.50%
A	0	0.00%
Totals:	280	100%

- 3.6 Our recommendation is to rationalise and reduce management positions under the following defined parts of the structure:
- Customer Services
 - Revenues & Benefits Service
 - Fulfillment / Transactional Processing Centre
 - Integrated Service improvement and Quality Assurance (either as stand alone – or managed under one of the above areas)
- 3.7 Service improvement and quality assurance functions and employees are currently in place within each separate service area. We are recommending that these functions are integrated under one team under the revised structure reporting either directly to a Head of Service or any one of the other three areas.
- 3.8 We recommend reducing the volume of **tiers** from top management downwards. Our initial thoughts, (for consultation), are to reduce from ten existing tiers to six with clear distinction between the core requirements, skills and responsibilities at each tier. This will rationalise the number and type of role profiles into the following generic categories:
- Strategic Manager
 - Operational Manager
 - Supervisors
 - Technical Experts
 - Decision makers

- Transactional processors / routine enquiries

3.9 To help inform the consultation, we have drafted some broad areas of responsibility that could apply to each tier as follows:

- Strategic Managers: will provide strategic direction and hold responsibility for overall service performance, ensuring compliance with all legislative and statutory requirements.
- Operational Managers: will lead service improvement and direction, and monitor and manage top level budgets. They will provide direction for employees in cases that are escalated for technical or organisational guidance and assist supervisors in difficult or non standard decisions.
- Supervisors: are the key people managers in the department. They will be responsible for employee management and team development and will lead the appraisal process. They will also be responsible for managing resources, absence, conduct and day to day business.
- Technical Experts: will be up to date with the latest policy, statutory rules and regulations. They will undertake all of the required roles of decision makers. In addition, they will provide expert guidance to decision makers for non standard customer issues and situations – acting in a mentoring role. Technical experts will have substantial knowledge and experience in their service area and will advise on complex cases requiring expert judgement. They will have excellent customer service skills and be required to deputise for supervisors as and when required.
- Decision makers: These are individuals who deal with customers on a daily basis and are used to making judgements against set criteria for standard case work. They have the ability to think on their feet, be decisive and make interpretative decisions, weighing up evidence against criteria. Decision makers will have proven customer service skills and predominantly be able to work on their own initiative.
- Transactional processors / routine enquiries: These individuals are at the front line but perform simple tasks in a very structured environment. They will undertake routine functions such as scanning, indexing, archiving, filing and performing initial 'meet and greet' responsibilities.

Each strand of the structure will need to determine the mix of experience and skills required based on business need.

3.10 Based on benchmarking comparisons and the overall need to reduce costs linked to anticipated future resources, we are recommending an overall reduction of circa 30 FTE posts across the entire structure (out of a total of 280). This is in line with the required financial reductions as detailed within our published budget delivery plans.

3.11 The advantages of engaging a complete restructure across all of these service areas in one go is that it reduces uncertainty for employees; it provides greater opportunity for employees within smaller teams, (such as cashiers), to secure a relevant position within a wider structure; it increases flexibility to manage peaks and troughs across different strands of the structure; and it ensures that the resulting structure is financially and operationally sustainable into the medium term.

- 3.12 Alongside supporting employees through this transitional change, it is imperative that we review and challenge how best the future service can be organised to improve the accessibility and services provided to our customers. Challenging existing work patterns and practices will form an integral part of the restructure.

4. Employee engagement

- 4.1 A number of incremental improvements have been introduced within all of the service areas within the scope of this review. This restructure builds on this improvement and will continue to utilise the significant experience and varied skill base that we have in our employees.
- 4.2 We will engage in full and open consultation with all employees in developing and implementing a revised fully integrated structure. Our parameters for this engagement process are that we need to:
- (a) rationalise and significantly reduce management posts and costs under four distinct strands being Customer Contact / Revenues and Benefits / Fulfilment Centre /Service Improvement and Quality Assurance;
 - (b) rationalise the number of role profiles – developing more generic and consistent profiles that span across the structure under no more six (providing greater opportunity for employees);
 - (c) reduce the overall employee numbers by circa 30 FTE posts (out of the 280 posts);
 - (d) redefine the balance of posts across the available gradings – ensuring a better balance of lower graded positions and significantly reducing the volume of middle graded posts;
 - (e) provide a flexible workforce design that meets customer demand now and in the future;
 - (f) requirement to fully implement proposals by July 2011 at the latest
- 4.3 We have previously communicated that the pilot work on integrated mixed teams of customer service and revenues and benefits employees would result in a major restructure of the service.
- 4.4 With this in mind, we have undertaken a number of actions to minimise the impact on employees throughout this change process by holding vacancies, using agency employees and addressing expensive overheads such as overtime costs. We are committed to avoiding compulsory redundancies wherever possible and will make every effort to ensure fairness, consistency and equality of opportunity for all employees directly affected.
- 4.5 The council is committed to meaningful consultation with Trade Union representatives and employees, and will ensure that views are sought and fully considered before making final restructure proposals. We will be holding a number of interactive workshops focussed on:

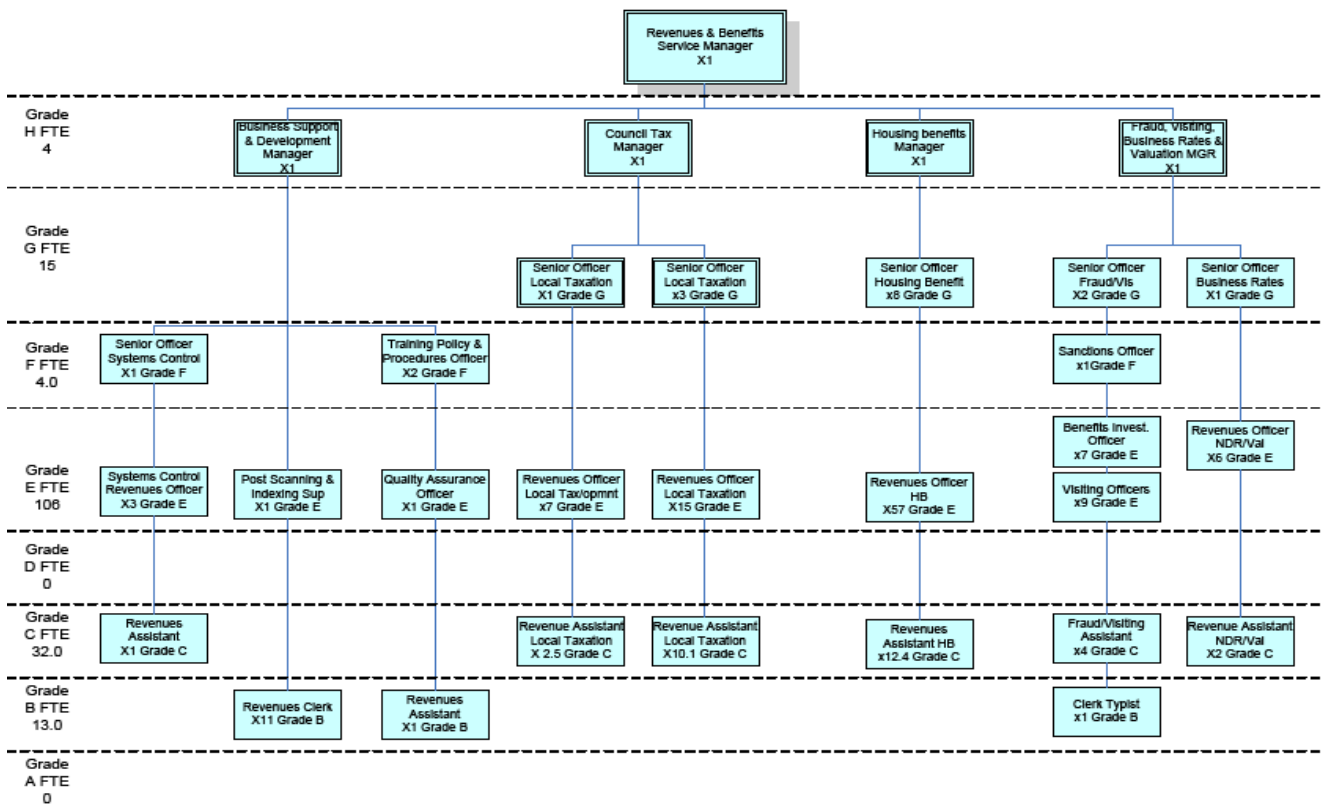
- (a) 'Your Organisation': building on the recent employee survey results, recommending how to improve the working environment and morale of employees;
- (b) 'Your Customer': discussing how to further improve the accessibility of the service and the overall customer experience whilst maximising productivity;
- (c) 'Your Structure': ascertaining the right grades and right number of posts within each tier of the structure;
- (d) 'Your Role': exploring the responsibilities and duties required within each tier;

5. Timeline

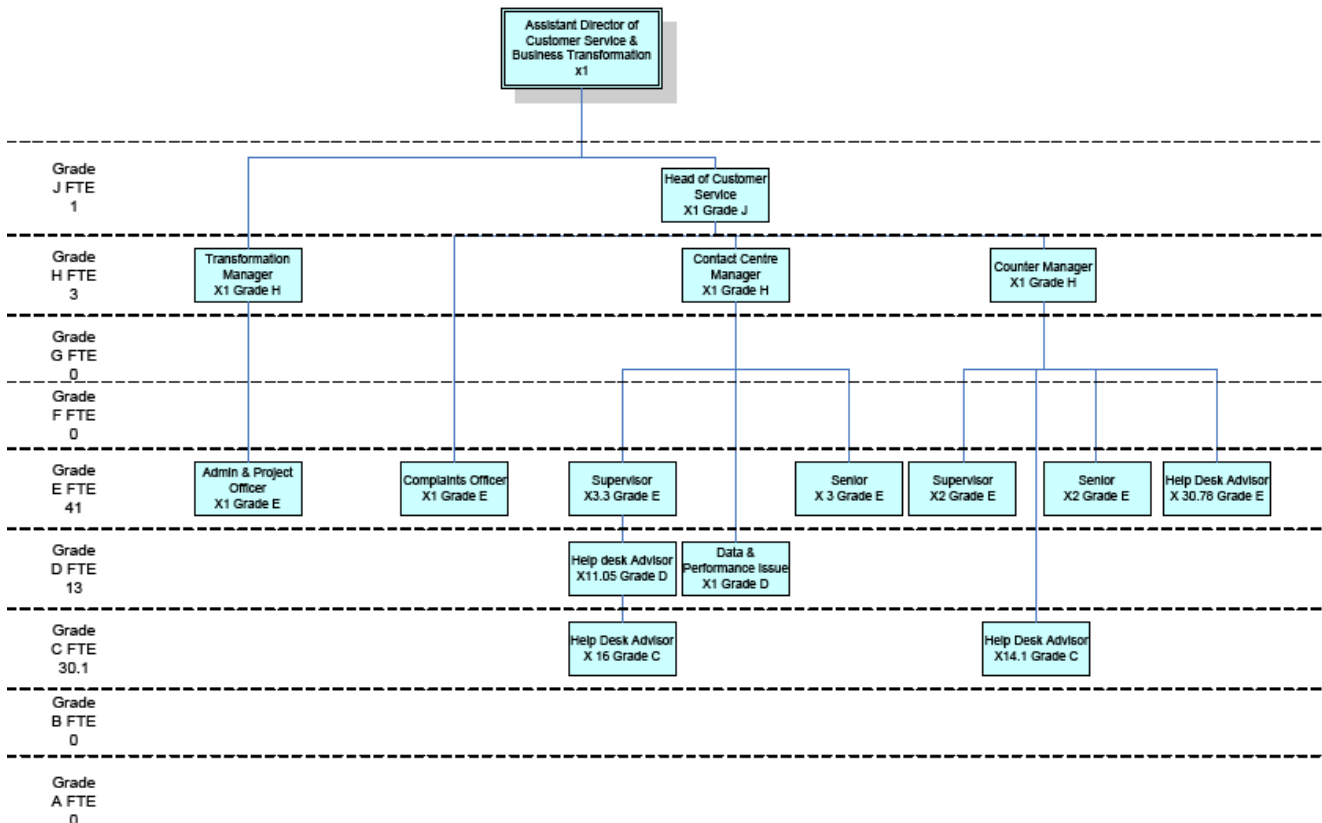
- 5.1 Interactive engagement workshops commenced on Monday 7 February 2011 to provide all employees with the opportunity to contribute to this restructure.
- 5.2 The outputs from these workshops will be collated and circulated with some headline proposals for a two week consultation period commencing on Monday 28 February.
- 5.3 We will review the consultation feedback during the week commencing Monday 14 March and produce draft restructure proposals by Friday 18 March. These proposals will include draft structure charts, role profiles and selection process.
- 5.4 Employees and trade unions will have a further two weeks to comment on these detailed proposals, concluding on Friday 1 April 2011. The consultation feedback will be considered before the final proposals are issued by Friday 8 April at which point role profiles will be submitted for job evaluation.
- 5.5 The selection process for the new structure will commence in May 2011.

Appendix A – Current Structure Charts

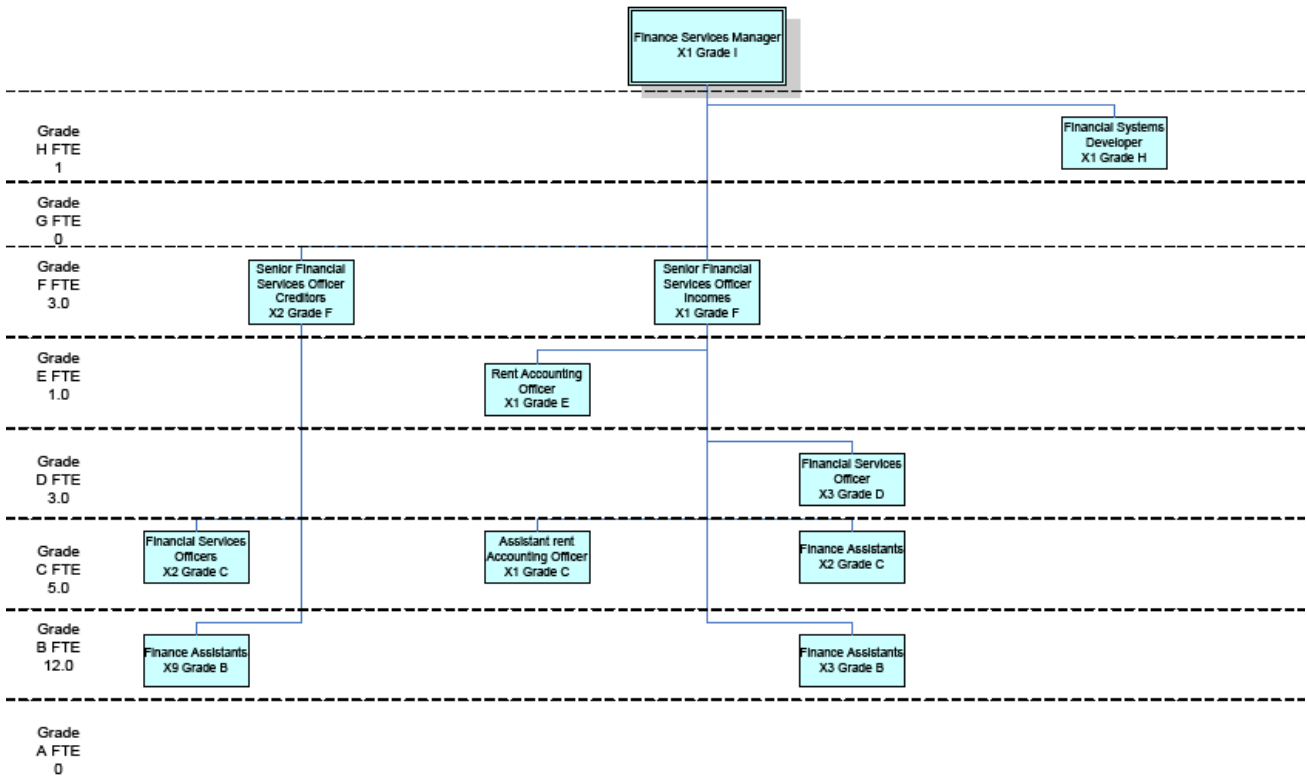
Revenue & Benefits Current



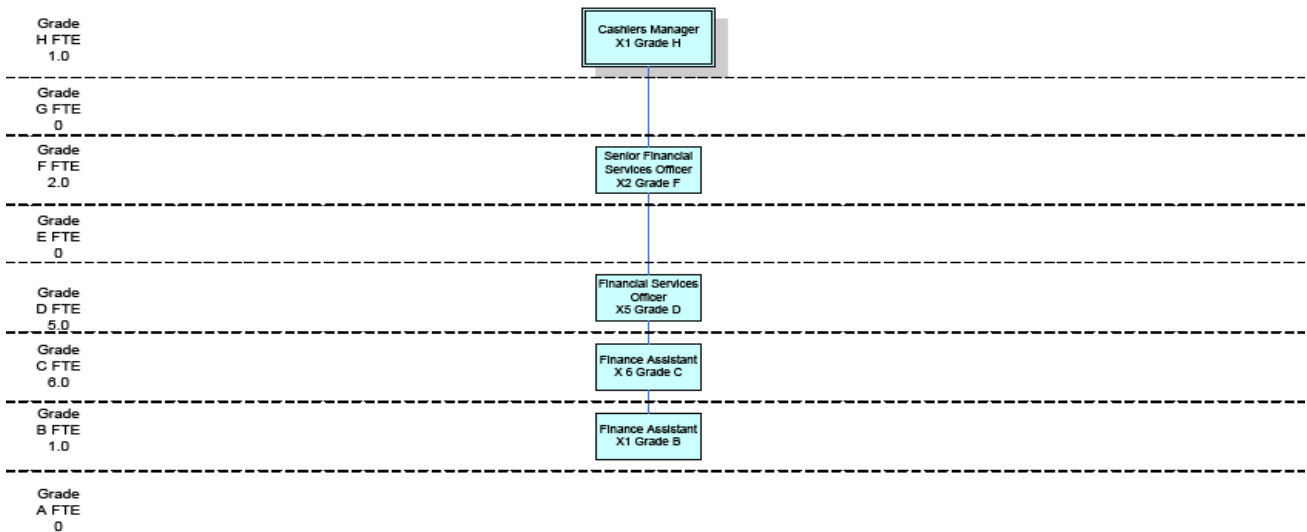
Customer Service Current



Finance Services Current



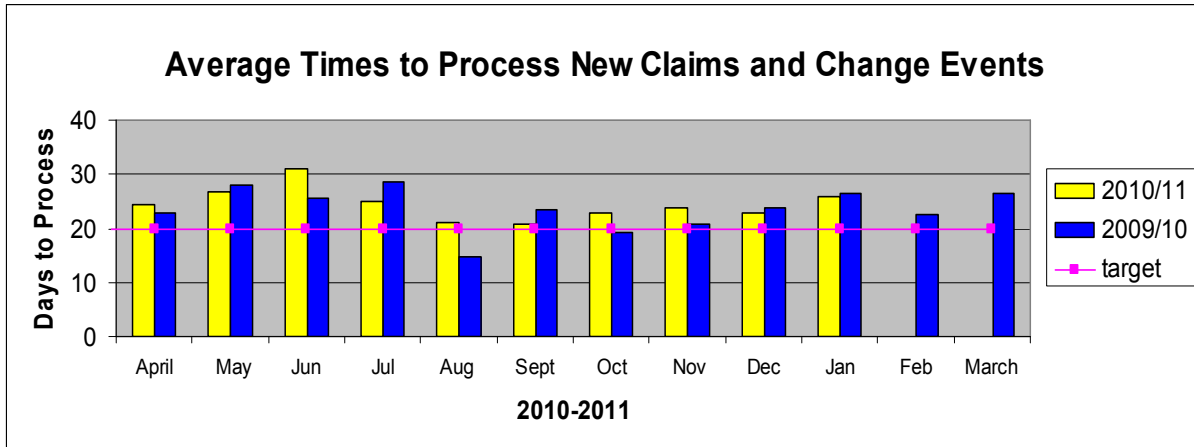
Cashiers Service Current



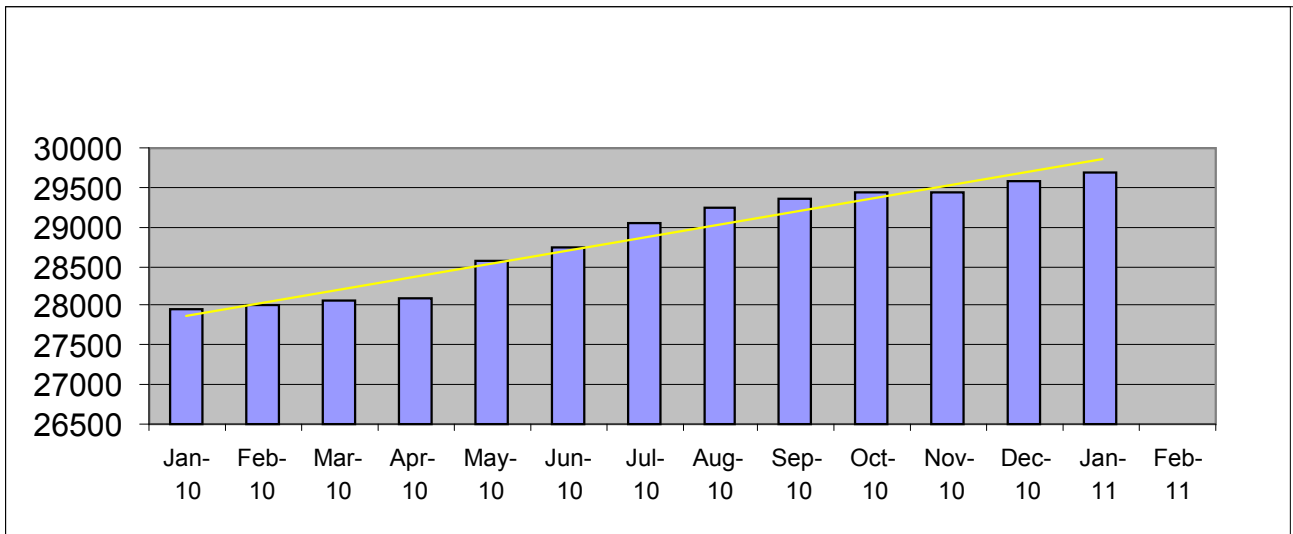
Revenues and Benefits Performance

N181 Right Time Performance Indicator

■ Target = 20 days
 Actual = 25.76 days



- The number of days taken to process new claims and change events in January was **25.76** days compared to **22.82** days in December. For the same period last year the average was **26.45** days.
- The increase in days to process was expected due to the Christmas holiday period. During January more of the oldest work was prioritised across all staff which has also contributed to the increased processing times.
- Overall work outstanding is continuing to reduce and this is being monitored on a weekly basis.
- Training on the Housing Benefit changes is underway and it is expected that this will impact on processing times again during February.
- On average **63%** of telephone and **45%** of face to face contact is completed in full with the customer.
- The overall volume of work outstanding now represents a small proportion (around **13%**) of the overall incoming work.
- Staff are currently undertaking training on housing benefit changes due to come into effect in April.

Housing Benefit Caseload

- The caseload currently stands at **29,701**, an increase of **4871 (16.5%)** new customers claiming benefit since 2009. The caseload continues to rise at an average **130** new claims per month. The increase in new claims demonstrates the significant service improvements made over the past year as the service has absorbed the increase and continued to reduce levels of work. However, the improvements made have been overshadowed in part due to the increase in claims.
- Despite the increase in caseload there has been an overall reduction in the number of telephone calls and overall volume of work coming in to Revenues and Benefits. This has been achieved by cutting down on the waste coming in to the department by doing more at point of transaction:

Revs and Bens calls

April – Jan	No.s
09/10	115,741
10/11	103,579
Demand reduced by 11%	

Answer Rates

Apr - Jan	No.s
09/10	66.8%
10/11	71.4%
Increased answer rate by 4.6%	

Volume of work

April - Jan - HB	No.s
09/10	46664
10/11	41408
Demand reduced 11%	

April – Jan - CTax	No.s
09/10	48,895
10/11	36,641
Demand reduced 25%	

- During 2010/2011 there has been a **39%** increase in customer compliments and an **89%** decrease in complaints (since 2009).

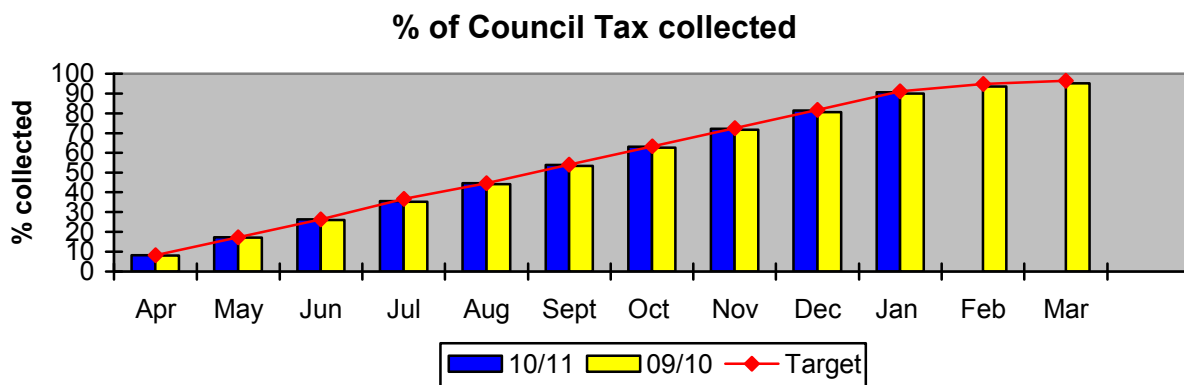
Council Tax

Collection Rates

- Net Collectable Debt 2010/11 £92.91m
- Collection Target 2010/11 96.5%

Monthly Target = **91.04%**
 Collection Rate = **90.57%**

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
10/11	8.28	17.23	26.34	35.52	44.54	53.83	62.94	72.17	81.42	90.57		
09/10	8.06	17.14	25.99	35.23	44.16	53.31	62.59	71.77	80.68	89.94	93.54	95.20
Target	8.17	17.36	26.32	35.67	44.61	53.97	63.36	72.54	81.67	91.04	94.75	96.50



- Cumulative collection at the end of January is **£84,152m (90.57%)** against a target of £84,588m (91.04%). Collection is **0.63%** ahead of the same point last year with projected collection for 2010/11 at **96.03%** based on current performance.
- Mid-year benchmarking showed our collection up by **0.50%** against the average of 0.10% for other benchmarked authorities.
- There was a reduction in collection during January due to the problems encountered in November and December around Santander Bank direct debits. This saw a reduction in payments from approximately 200 direct debit payers and the majority have spread their instalments to March.
- More customers are reporting payment difficulties and more customers are requesting extended arrangements past the end of the financial year.
- The backlog of work in Council Tax has reduced from **8000** and has allowed the department to focus on more proactive recovery methods, such as breaking the cycle of debt for customers and focusing on in-year payments, meaning customers have saved on further recovery action and bailiff costs.

- **90%** Of all customer contact through the telephone and face to face is now completed in full at point of transaction. Previously 90% of customer contact was passed to the back office to sit in trays.
- As at 31 December collection against previous year's arrears has increased on last year by **0.74%** with payments towards arrears up by **£0.2m**. The amount collected in since April 2010 is **£3.09M** against **£2.87M** at the same point last year. The previous years' arrears figure is now £4.8M, it was £5.4M at the same point last year.

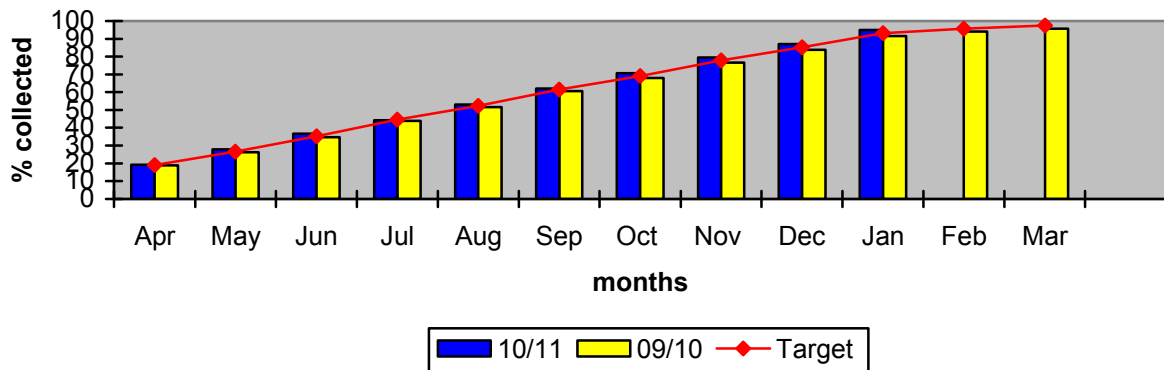
National Non Domestic Rates

- Net Collectable Debt 2010/11 £79.775m
- Collection Target 2010/11 97.50%

Monthly Target = **93.12%**
 Collection Rates = **95.03%**

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
10/11	19.19	27.83	36.63	44.14	52.99	61.87	70.75	79.61	87.09	95.03		
09/10	18.89	26.27	34.63	43.83	51.52	60.46	68.12	76.65	83.87	91.62	94.04	95.70
Target	19.05	26.59	35.11	44.47	52.22	61.32	69.14	77.83	85.21	93.12	95.70	97.50

% of NNDR collected



- Cumulative collection at the end of January is **95.03%** against a target of 93.12%. This equates to £75.811m against a target of £74.286m.
- Lean working has allowed the department to focus on pro-active recovery.
- The small business rates relief scheme which allows customers to delay payment for a year, running from September 2010 to October 2011 has also contributed to the increased performance. Many customers have requested that any credits on their account be held against their forthcoming liability in October 2011.
- Mid-year benchmarking shows our collection up by **1.4%** against 0.50% for other benchmarked authorities. This is a massive improvement.

Comprehensive Spending Review

Changes to Housing and Council Tax Benefit

The Government's Comprehensive Spending Review (CSR) was published on 20 October 2010 and will have a significant impact on every aspect of public services in the years ahead. Spending budgets for the four years from 2011/12 to 2014/15 have been set and the CSR will have a significant effect on the structure of the welfare benefits system and the availability of welfare benefits and Tax Credits over the next few years.

For working age people there will be the introduction of Universal Credits (UC), which will incorporate a housing element over the next 2 parliaments. In real terms possibly something like 10 years of further Housing Benefit work with an unknown number of transitional schemes to administer during this period for Revenues and Benefits.

There are elements that will not be included in UC such as pension age claims, but there is no detail yet on what will happen or where this will sit. It has also been suggested that Council Tax Benefit will not be included although this is still under debate, and there will be Local Schemes administered by Local Authorities (LA's) but again no detail of how this will work. The Department for Work and Pensions (DWP) are considering whether there may still be a role for LA's in dealing with non-mainstream Housing Benefit cases such as supported and temporary accommodation. LA's may also provide the gateway for customers to the DWP as it is accepted that not all customers will be in a position to use the telephone or internet as proposed.

Significant changes in the way benefits are dealt with have already been identified by Government, and this brings uncertainty for the future of Revenues and Benefits. However, the existing service will continue to be delivered by LA's over the next 3-7 years until the full implementation of UC.

Information on the proposals are contained in this report, however detailed information about the changes as outlined in the CSR is limited at present. Although some changes will happen quickly, others may take several years to put into practice. It is also likely that some will be subject to further revision at a later date.

Known Changes

February 2011

Housing Benefit Changes

- Claimants will be moved from Incapacity Benefit onto Employment Support Allowance which will be phased in over 2011-2014.

This will generate increased work levels during the phased period due to the administration of the change to customers' circumstances.

April 2011

Council Tax

- There is to be a freeze on Council Tax increases for 2011/2012. Thereafter there are proposals to replace the current government capping scheme with the right of the public to veto excessive tax rises for any council that looks to increase its council tax above a set ceiling. No further information is known at present.

Housing Benefit

- Changes to Local Housing Allowance

This will bring changes to the way Local Housing Allowance rates (LHA) are set. All measures to reduce LHA rates will come into effect for new claims from April 2011. Existing customers will not be assessed on the new arrangements until 9 months after the anniversary date of their claim occurring either on or following the 1st April 2011. This means that existing customers will be affected between January 2012 and December 2013.

The total number of private rented cases within Plymouth is **22590**. Of which:

14557	are Housing Association
2327	are not subject to Local Housing Allowance
5706	are subject to Local Housing Allowance

- LHA will be restricted to a 4 bedroom rate (reduced from 5 bedroom) regardless of household size. **20** Households will be affected by this limit in Plymouth. The reduction will come in to place on the anniversary of the customer's claim. Plymouth will be visiting all customers affected to advise of the changes and work with them to consider their options.

The loss in income for customers ranges from **£4.00** to **£90.00**.

- Local Housing Allowance will be capped from April so that the maximum that anyone can get on each of the bedroom sizes are restricted to the following weekly rates:

£250.	1 bedroom
£290.	2 bedroom
£340.	3 bedroom
£400.	4 bedroom

No customers will be affected in Plymouth from these changes. The caps will mainly affect customers who live in London.

- LHA rates are currently set at a value where **50%** of the rents fall below them and can be met in full by Housing Benefit, and 50% are more expensive. LHA rates will reduce to **30%** of the rents below being met by Housing Benefit and 70% being more expensive. The average loss is expected to be **£9** per week per household.

The change to 30th percentile for new claimants (existing claims will change from 9 months after their anniversary date), is earlier than expected.

The changes to the rates based on January 2011 figures are as follows:

	January 2011 Rates VOA	30 th Percentile as per VOA
	£	£
Single Room Rate	71.00	66.50
1 Bedroom	98.08	92.31
2 Bedroom	126.92	115.38
3 Bedroom	150.00	126.92
4 Bedroom	190.38	161.54

- LA's will now be able to pay landlords direct where it is felt that they have assisted the claimant in securing or retaining a tenancy.
- The £15 excess provision will be removed. This is the rule that if the LHA rate is higher than the rent that a Housing Benefit claimant is paying, they can keep the difference up to a maximum of £15 a week.

1802 Customers currently receive up to £15.00 excess, these range from 0.23p up to £15.00. These customers will lose the excess payments from the anniversary date of their claim.

- An extra room will be allowed for a non-resident carers in the 'size criteria' used to determine LHA where a disabled customer or their partner has a need for overnight care.
- Non-dependant deductions are to be increased (uprated) on the basis of prices using the Consumer Prices Index. This means that if a customer has a non-dependant living with them, a charge is applied to the Housing and Council Tax Benefit called a non-dependent deduction which reduces the amount customers are allowed. In April 2011 the Government will be increasing these rates by a larger amount as they have been frozen since 2001. The maximum weekly rate will increase by 27% which is a significant amount.

Non-dependant's income or circumstances from April 2010	2010 Weekly Deduction £	Non-dependant's Income or Circumstances from April 2011	2011 Weekly Deduction £
Aged 25 and over, and: In receipt of Income support Job Seekers Allowance (Income Based) Main phase Employment and Support Allowance (Income Related) Aged 18 or over and not in remunerative work	7.40	Aged 25 and over, and: In receipt of Income support Job Seekers Allowance (Income Based) Main phase Employment and Support Allowance (Income Related) Aged 18 or over and not in remunerative work	9.40

Aged 18 or over and in remunerative work where:		Aged 18 or over and in remunerative work where:	
Gross income (before tax & deductions) is less than £120.00 per week	7.40	Gross income (before tax & deductions) is less than £120.00 per week	9.40
Gross Income is £120.00 to £177.99pw	17.00	Gross Income is £120.00 to £177.99pw	21.55
Gross income is £178.00 to £230.99pw	23.35	Gross income is £178.00 to £230.99pw	29.60
Gross income is £231.00 to £305.99pw	38.20		48.45
Gross income is £306.00 to £381.99pw	43.50	Gross income is £306.00 to £381.99pw	55.20
Gross income is £382.00 and above pw	47.75	Gross income is £382.00 and above pw	60.60

- The Discretionary Housing Payment (DHP) grant is to be increased nationally by £10million for 2011/2012. It is intended to be offered to those affected by the cuts and provide a limited amount of time to 'ease' the situation if they have to move somewhere else. Some Housing Benefit claimants in private sector rented properties may in effect be made homeless by the Housing Benefit changes.

Plymouth has received an additional **£40,000**, taking its DHP budget to **£105,000**.

April 2012

Housing Benefit Changes:

- A further £40million will be added to the Discretionary Housing Payment budget
- There will be an increase in the threshold for shared room rate from 25 to 35. This means that single customers up to the age of 35 will have their Local Housing Allowance paid based on a room in a shared property rather than a self contained one bedroom property. There are currently **814** customers between the age of 25 and 35.

April 2013

Council Tax Rebate

- The Government is committed to introducing local schemes designed and administered at a local level within parameters. LA's will be in a position to devise a scheme that suits the needs of local taxpayers whilst managing spend within the lower limits. This is a major change with massive implications for the current work undertaken by benefit offices and also for Council Tax enforcement, especially if the overall amount of benefit is reduced. The proposal suggests that budgets will be reduced by 10%, with localisation to provide greater flexibility to Local Authorities.

Discussion is currently underway as to whether Council Tax Rebate can realistically be performed as a separate function to Housing Benefit and whether this should also be aligned with Universal Credits.

Housing Benefit Changes:

- Universal Credit will be introduced replacing Housing Benefit for new claims initially. The current complex system of working-age benefits and Tax Credits is to be gradually replaced by a Universal Credit. Along with Universal Credit there will be a cap on the amount of benefits a working-age household can receive, capped at the level of the average working family income after tax, with the exception of those households that include a person claiming Disability Living Allowance, war widow, or Working Tax Credit.
- LHA rates will be increased in line with the Consumer Price Index instead of the market rents in each area. The connection with actual rents will be lost.
- A size criteria will apply in the social rented sector (council and housing association properties). This means that people living in houses larger than they need will have to move to somewhere smaller or make up the difference in rent because their Housing Benefit will be based on a smaller property. This is only for working-age people.

Preventing Fraud and Error

- This will remain a priority for the future. There is discussion about the use of credit reference agencies to identify potential fraudsters however in reality low level fraud is very expensive to prosecute. There is more likely to be a focus on prevention and compliance.

Discussion is ongoing about the creation of a centralised Fraud team within the DWP.

Summary

The main impact on Revenues and Benefits from the changes for the next 3 years will be:

- Implementing legislation changes:
 - a. Resources to respond to changes and increased enquiries from customers
 - b. IT software testing and implementation of changes
 - c. Increased requirement for staff training
 - d. Development, testing and implementation of working practices - lean processes, to respond to changes but maximise capacity to deal with increased workloads
 - e. Continued focus on improving performance and reducing error. Frequent changes may result in increased error resulting from increased complexity and number of schemes
- Managing increased workloads as a result of changes:
 - a. Increased enquiries and changes resulting from the changes in legislation
 - b. IT systems releases to cope with running the various schemes some of which will require manual intervention
 - c. More people falling into hardship as their benefit reduces

- d. Increased number of Discretionary Hardship Payment requests as more people experience hardship
 - e. Potential increase in fraud and error as less people advise of changes to their circumstances that might adversely affect their benefit
- Continuing to maximise Council Tax collection despite the impact of benefit changes
 - a. More people will fall out of the benefit system and will be required to pay Council Tax. This will in effect increase the amount of collectable Council Tax, from those least able to pay. Some of these customers will have never previously had to pay Council Tax
 - b. Impact of the localisation of Council Tax Rebate with a reduced grant (10%) is currently unknown, but likely to mean restrictions for those currently in receipt of Council Tax Benefit.

This page is intentionally left blank

Procure to Pay Brief for Support Services OSP – March 2011

In 2009, the Plymouth City Council Procure to Pay (P2P) Lean Strategy was approved by CMT.

A process review was undertaken looking at sourcing, buying and payment processes each of which are interrelated. The whole process review enabled a re-engineering approach which will generate substantial efficiencies as detailed below:

Based on 2009/10 spend of £141M

- £66M was on-contract (controlled)
- £75M was off-contract spend (uncontrolled)

By saving just 5% of the uncontrolled spend (£75M) the Council could realise savings of £3.75M pa

Initially there were 323 staff across the Council authorised to raise requisitions and a further 396 staff using Corporate Purchasing Cards

The proposal is for a Buyer Section – initially with 8 Buyers at D Grade

- By implementing this projected efficiencies over next 3 years are:
 - Invoice Centralisation - £0.3M
 - Procurement Process - £0.1M
 - Staff savings £0.85M across Council
 - Cross refer to Business Support and Admin cross-Council efficiencies
 - Negotiation Process
 - Yr 1 £0.4M
 - Yr 2 £0.9M
 - Yr 3 £3.8M
 - Total £5.1M
 - Total - £6.4M over 3 years

Background – Where We Were

- No vendor management control: many creditors and suppliers were duplicated, unaccredited and not preferred.
- Many suppliers did not have suitable insurance or accreditations.
- Contract Standing Orders were not in line with appropriate procurement legislation.
- Invoice input was not centralised; therefore, large number of staff across the Authority were involved in processing and authorisation of invoices. No consistency or monitoring was being achieved.
- Purchasing of non-standard goods and services (approx £49m pa) being ordered without official purchase order and without agreed terms and conditions.
- P2P focuses on electronic means of sourcing, requesting quotations and tendering.
- Central Government estimated in 2004, that the implementation of full e-commerce for a unitary local authority would result in savings between £1.5 and £5.6 M with an additional efficiency of 17.4 FTE.

Achievements To-Date

- The Sell2Plymouth portal was introduced in April 2010 as a joint venture with public partners in Plymouth to enable control over suppliers added to the vendor database. The portal ensures that all suppliers are accredited and only added once approval has been given by Strategic Procurement. In 09/10 there was an average of 103 suppliers per month added to the database; to-date, in 10/11, this figure has reduced to an average of 45 per month.
- Contract Standing Orders have now been reviewed and have been aligned to current procurement legislation and will go to Council for approval as part of the revised constitution papers.

- Invoice centralisation was implemented on 1st Nov 2010 which has resulted in a reduction in sundry payments from 3139 in April to 123 in Nov. Invoice centralisation has also enabled a much closer monitoring of off-contract spend – now always referred to Strategic Procurement for approval.
- Two Buyers have been employed in Corporate Support since Oct 10. The Buyers manage the sourcing and ordering of all non-contract and service goods. Since 18th Oct to date savings in excess of £60K have been achieved as a result of their proactive approach

The Future

- The **Sell2Plymouth portal** will be fully integrated with PCC’s financial system eliminating the need for manual set up of vendors within the database; therefore, generating process savings of approx £2K.
- **Reduction of sundry invoices** to nil by the end of Oct 2011.
- **Buyers.** Originally identified need for 16 buyers to undertake purchasing for the Authority. Has been amended to source just 8 Buyers initially:
 - Currently 2 Corporate Support and 2 Community Services Buyers in post
 - By end of March 2011 a further 4 buyers: 2 for Children Services; 1 for Development and further 1 for Corporate Support need to be in post
- **Targeted savings for P2P:**

Year	2011/12	2012/13	2013/14
Efficiencies	£0.85M	£1.5M	£4.0M

- Savings are dependent on internal transfer of staff to train as buyers.
- By April 2011 we aim to have control over all non-contract and catalogued spend across the entire Authority – effected through 8 Buyers.
- Workload will dictate whether further buyers may be required.
- Dependent on buyers being trained in following:
 - Sourcing of non-standard goods and services
 - Negotiating skills
 - Demand management

CITY OF PLYMOUTH

Subject: Joint Performance and Finance Report
Committee: Cabinet
Date: 8 February 2011
Cabinet Member: Councillor Bowyer and Councillor S Leaves
CMT Member: CMT
Author: Sandra Wilson, Corporate Accountancy and Finance Manager, Patrick Hartop, Policy and Performance Officer
Contact: Tel: (01752) (30)4942
e-mail: sandra.wilson@plymouth.gov.uk
patrick.hartop@plymouth.gov.uk
Ref: SW/Fin12/10
Key Decision: No
Part: I

Executive Summary:

This report outlines the performance and finance monitoring position of the Council as at the end of the third quarter, December 2010 (to 20th January 2011 for capital).

The primary purpose of this report is to detail how the Council is delivering against its key performance indicators in terms of performance, and its financial measures using its capital and revenue resources. It is deliberately strategic in focussing on key areas of performance, expenditure, and risk, and includes under each Departmental Business section a scorecard, incorporating a summary of performance.

At this stage, the Council is forecasting a revenue overspend at year end of £1.964m a reduction on that reported in the September monitoring report (September quarter reported an overspend of £3.342m) against a net revenue budget of £201.825m (1%). The main variations relate to

- Children's Services £1.725m:
The department continues to experience continuing pressures on the looked after children budget due to increased numbers compared to budget in the Independent Sector Placements in residential Care and in Foster Care. Further modelling of the numbers of children is taking place to predict when diversion from care strategies will bring spend back to budget in order to ensure intervention is targeted in the right areas. Safeguarding is however, paramount. There is also a forecast increase in the cost of transporting children with complex needs, and officers are currently reviewing the children's transport policy and will present options to Cabinet at a future meeting.
- Community Services £0.511m:

The main reason for the overspend in community services is due to continuing pressures in Learning Disability services relating to long stay residential services and supported living, and an increase in short stay residential and nursing care. The transformation agenda continues to shape the future of adult social care services in Plymouth. In terms of environmental services an ageing fleet of specialist vehicles has led to an increase in repair costs and increases in subsequent vehicle hire costs. The department is working with external consultants to reclaim a landfill tax rebate which will help to reduce the forecast overspend. It is hoped this will be received in the current year.

- Development £0.111m:

The department is facing an increased cost pressure of winter highway maintenance following the adverse weather conditions at the end of last year, and increased costs in respect of the waste management project team due to the acceleration of the project.

Directors continue to take action wherever possible to reduce spend and it is anticipated that the overspend will further reduce by year end.

The latest approved Capital Programme for the year as approved by Full Council in December 2010 is £92.179m. This is now forecast to reduce to £77.457m by year end due to reprofiling and other movements on the programme. Actual spend to date (20th January 2011) is £48.863m. New schemes totalling £0.075m are to be referred to full Council for inclusion on the programme.

The provisional Grant Settlement for 2011/12 was received on 13 December 2010. The result is a significant reduction in funding over the next two years. The Corporate Management Team is working with the Cabinet to develop a transformational change programme that fundamentally challenges the organisation's culture, structure and approach to service delivery. Further details are outlined in the 2011/12 budget reports.

Corporate Plan 2010-2013 as amended by the four new priorities for the City and Council:

This quarterly report is fundamentally linked to delivering the priorities within Council's corporate plan.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

It is intended that the Medium Term Financial Forecast will be updated regularly throughout the year to take account of the variances and pressures identified through the quarterly reports.

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

N/a

Recommendations & Reasons for recommended action:

That Cabinet approve:-

1. Directors addressing the remaining shortfall in 2010/11.
2. Cabinet note the latest 2010/11 capital forecast of £77.457m and Council be requested to approve that the following new schemes (included in the latest forecast) be added to the programme for 2010/11:

Jennycliff Café environmental works £0.050m
 Market electrical refurbishment (majority to follow in 11/12) £0.025m

3. The reinstatement of the Weston Mill cemetery reserve, by a transfer back from the revenue invest to save reserve, totaling £0.071m, to meet the costs of essential improvement works in 2010/11.
4. The budget virements as outlined in section 13.3.4 .

Alternative options considered and reasons for recommended action:

Actions are recommended in response to specific variances in either performance and / or finances identified throughout the report.

Background papers:

- Plymouth City Council Corporate Plan 2010-13
- 2010/11 Budget Papers
- Plymouth City Council Medium Term Financial Strategy – revised October 2010
- Joint Finance and Monitoring report to 30 June 2010, reported to Cabinet 10 august 2010
- Joint Finance and Monitoring report to 30 September 2010, reported to Cabinet 16 November 2010

Sign off:

Fin	MC1 011. 018	Leg	1078 4/DV S	HR	N/A	AM	N/A	IT	N/A	Strat Proc	N/A
Originating SMT Member: Malcolm Coe, AD Finance, Assets & Efficiencies											

SECTION B EXECUTIVE SUMMARY – FINANCE

3. General Fund Revenue Budget

3.1 A budget overspend of £1.964m is forecast on the revenue budget as shown in table 1 below. This is an improvement of £1.378m in the period. It is still expected that this will reduce further by year end.

Table 1

DEPARTMENT	Latest Approved Budget	Latest Forecast Outturn	Monitoring Variation to 31 December	Movement in Period
	£000	£000	£000	£000
Director for Children and Young People	52,047	53,772	1,725	(114)
Director for Community Services	111,117	111,628	511	(1,039)
Director for Development and Regeneration	16,233	16,344	111	119
Director for Corporate Support	32,565	32,525	(40)	(20)
Chief Executive	2,160	2,119	(41)	(22)
Corporate Items and Capital Financing	(12,297)	(12,599)	(302)	(302)
TOTAL	201,825	203,789	1,964	(1,378)

3.2 As shown in the table, departmental budget variances of £1.964m are forecast at the end of December 2010. Further details of the variations are outlined in the individual Directors reports in Section C of this report. The more significant variations are summarised below:

3.2.1 Children's (Adverse £1.725m):

- Pressure due to Increased in costs of transporting children as previously reported and although reducing, the school catering service continues to project a trading deficit.
- Continuing pressures on the looked after children budget due to increased numbers compared to budget in the Independent Sector Placements in residential Care and in Foster Care. Further modelling of the numbers of children is taking place to predict when diversion from care strategies will bring spend back to budget in order to ensure intervention is targeted in the right areas. Safeguarding is however, paramount.

3.2.2 Community Services: (Adverse £0.511m)

- Continuing pressures in Adult Social Care in Learning Disability services relating to long stay residential services and supported living, and an increase in short stay residential and nursing care.
- Environmental Services – repair and hire cost pressures due to the ageing of the specialist vehicle fleet.
- Work with external consultants, instructed on a no win no fee basis, continues to determine the potential value and timing of a substantial one off land fill tax rebate. It has been assumed that this will be received in the current year.

3.2.3 Development (Adverse £0.111m)

- Increased cost pressure of winter highway maintenance for the Transport department.
- Waste Management Project Team have incurred higher costs in 2010/11 arising from the acceleration of the project.

3.2.4 Corporate Support (Favourable £0.040m)

- Projected vacancy saving assuming that Pertemps agency staff are used to cover essential vacancies pending restructure.
- Legal fees are lower than budgeted and income recovery has improved.

3.2.5 Corporate items (Favourable £0.302m)

- Mainly increased income from Treasury Management

3.3 Delivery Plans – Actions at some risk of non – achievement - £2.759m

In setting the budget for 2010/11, departmental delivery plans totalling £9.514m were agreed in order to achieve a balanced budget. Following the announcements of cuts to a number of grants and policy changes by the new coalition Government in July 2010, departments were set a further target to reduce their budgets by an additional £3.985m. Actions to address the additional targets are outlined in the relevant Directorate reports where appropriate.

However, whilst delivery plans may have been identified, an element of the savings proposed have yet to be achieved in full. Progress against each delivery plan action is closely monitored against a RAG rating. Against total delivery plans of £13.499m, £2.759m are rated as either amber or red risk.

Table 2 below summarises the progress against delivery plans as at the end of December by department.

Table 2 – Delivery Plan Summary

Department	Budget Book	Additional Savings Targets	Total Delivery Plan Actions	Green	Amber	Red
	£000	£000	£000	£000	£000	£000
Children and Young People	1,583	1,181	2,764	2,248	0	516
Community Services	5,273	1,596	6,869	4,931	1,238	700
Development & Regeneration	1,125	238	1,363	1,058	305	0
Corporate Support	460	820	1,280	1280	0	0
Chief Executive	412	150	562	562	0	0
Corporate Items	661	0	661	661	0	0
Total	9,514	3,985	13,499	10,740	1,543	1,216

4 Income Summary

4.1 The position on income collection across the Council as at 30 December 2010 is shown in table 3 below:

Table 3

Type of debt	AE Quartile	Budgeted income 2010/11	Year to date Actual % 2009/10	Year to date Actual % 2010/11	Achieved % 2009/10	Year end Target % 2010/11	Year end Projected % 2010/11
Council Tax	4	£93m	80.7	81.4	95	96.5	96.3
NNDR	2	£80m	83.9	87.1	96	97.5	97.5
Sundry Debt	n/a	£49m#	90.5*	92.5^	96^	92.5	92.5^
Commercial Rent	n/a	£5m#	87*	94.6^	98^	90	90^
Trade Waste	n/a	£1m#	93.5*	99.6^	99^	94	94^
Adult Residential Care	n/a	£9m#	91.7*	93.3^	95^	94	94^

Sundry debt fluctuates during the year. Figures shown are an average per annum for a rolling 12 month period

^ Does not include debt which has been raised in the last 30 days

* Estimated

4.2 Council Tax:

Cumulative collection at the end of December is £75.7m (81.4%) against a target of £76m (81.7%) a shortfall of £233K (0.25%).

Year to Date: Collection is £650K (0.7%) ahead of the same point last year with projected collection for 2010/11 of £89.6m (96.3%) based on current performance. A projected shortfall of £186K.

4.3 NNDR:

Cumulative collection at the end of December is £69.7m (87.1%). On target to collect £78m (97.5%).

4.4 Sundry debt:

Collection at the end of December is £33.8m (92.5%) against debt raised of £36.6m since 01 Apr 10.

Year to date: Collection is an estimated £980K (2%) ahead of the same point last year with projected collection for 2010/11 at £45.3m (92.5%) based on current performance.





11. Corporate Support

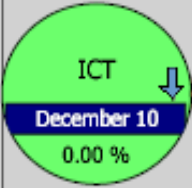
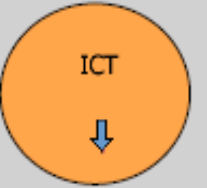
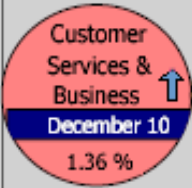



11.1 General Fund Revenue Monitoring— Forecast under spend of (£0.040m) (0.12%)

The latest forecast is £32.525m against a latest approved budget of £32.565m, representing a forecast year end under spend of (£0.040m) (0.12%).

Further explanation is reported in the scorecard.

Corporate Support Quarterly Budget & Performance Report

Budget	Performance	Comment
		<p>Performance of collection rates remains generally positive with the collection of National Non Domestic Rates (NNDR) forecast to achieve the end of year target of 97.5%. Council Tax collection within year is forecast to narrowly miss the target of 96.5% by 0.3%, however, this is still an improvement compared to the 2009/10 collection rates (3rd consecutive year of improved rates). Overall Council Tax collection rates remain on target to achieve 98.8% which is in line with unitary council average.</p> <p>According to the latest Audit report, our benefits accuracy has improved between 2008/09 and 2009/10. However, further improvement is needed along with speed of processing claims which currently stands at 22.8 days to process a claim against a local target of 20 days. In order to improve the current situation we will engage internal audit to help monitor our error rates more regularly. We will also undertake a significant staff and process restructure of the service which will commence following consultation with the Unions later this month.</p> <p>Corporate Support - the department has demonstrated good progress against the budget delivery plans set for 2010/11. Overall, the department is forecasting a small end of year underspend. This is a major achievement considering the significant reduction in revenue budget alongside the additional requirement to generate further in year savings of £820k as announced in June 2010.</p>
		<p>A new e-recruitment system is being implemented. This will offer anybody interested in working for the Council the opportunity to search all current vacancies electronically, apply online, receive vacancy alerts and make speculative enquiries. This system is currently being used for a specific Children's Social Care campaign but will be made available for all Council vacancies in the next few months.</p> <p>In times of change and significant challenges, staff members are being invited this month to apply for the Council's Leadership Programme, which starts in March and is an accredited and intensive programme. Those who attend the programme will be expected to take the business forward and make a real contribution to the Council and the city.</p> <p>A comprehensive staff survey was undertaken in November/December 2010, with an excellent response of 58%. Headline findings were shared with Team Plymouth and initial actions agreed. More detailed findings have just been circulated to Assistant Directors. These will be shared with staff and action plans out in place by the end of March 2011.</p> <p>Formal negotiations and consultation are taking place between Plymouth City Council (Management) and Trade Union (Staff side) over a wide range of issues relating to employment. The aim of the negotiations is to reach a collective agreement on options to help achieve the savings of more than £30 million over three years while minimising the impact on front line services.</p> <p>The percentage of appraisals undertaken to the end of December reached 93%. Whilst the target set is for 95% of appraisals complete it is not anticipated that performance will increase much beyond this point as there will always be a certain number of staff who are unavailable for their appraisals due to long term sick and maternity leave.</p>

Budget	Performance	Comment	2/2
		<p>Overall availability of the top 14 remains at 98% although there was a serious issue with access to the Revs and Bens system which affected 50% of users and took the availability down to 94% for the month. Changes have been implemented to ensure this does not reoccur. In December there was a major virus incident in Development affecting over 5000 files which had to be restored from backup. Investigations have shown that quick reactions from the user and Service desk avoided a much larger issue. An awareness campaign was launched to let staff know what to do in the event of a virus.</p> <p>Stronger contract management and the selling of spare Microsoft licences to neighbouring authorities is helping to address the budget shortfall.</p> <p>Freedom of Information service level compliance for 2010 figures are 1% below the national target of 90%, however are improving following awareness raising with staff. Data Protection requests by people for information held about them on file are below the target figure, as the number of requests for information exceeds current resourcing, but processes are being reconsidered in order to meet the demand .</p>	
		<p>Staffing costs have been kept at a minimum level through reduction in Pertemps staff in order to achieve the additional in-year savings target. Customer Services achieved an excellent performance on complaints, with 100% of Ombudsman and Stage 2 complaints dealt with within target timescales, with only Amey Highways missing our Stage 1 target response times due to a change in management and a programme of training has commenced to improve this situation. Our web-based map fault reporting tool 'Plymouth on a Map' has been launched without publicity to ensure the back office process is robust, and is now being used by customers - with lots of positive feedback for its ease of use.</p>	
		<p>There has been a substantial increase in legal costs recovery and legal fee income. Coroner fees are also below budget.</p>	
<p>Human Resources</p> 	<p>HR indicators have been introduced for establishment, sickness and agency spend and the RAG rating is the average of all three.</p> <p>At the end of the quarter there are;</p> <ul style="list-style-type: none"> ▪ 836.4 FTE employees against the budgeted establishment of 988.2 FTE positions as held on SAP ▪ Agency Spend was 0.30% of the monthly wage bill ▪ Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 8.37 working days per FTE for this financial year to date (April – December 2010) and 13.1 working days per FTE for the last rolling 12 months. 		

11.2 Key High Level Risks

- ICT Investment Programme ~ capacity to address the Council transformational change agenda e.g. technology required for an effective customer contact centre amongst others
- Challenge of improving support services whilst managing down spend
- HR ensuring that expertise is retained and redundancy costs are minimised
- Capacity within the department to support the Council's change agenda and challenging financial targets

11.3 Departmental Medium Term Financial issues




- The Comprehensive Spending Review (CSR) for the whole council
- Accommodation Strategy
- SLA agreements with PCH due to end on 31 March 2011 are currently being reviewed
- Increasing demand for services

12. Chief Executive

12.1 Chief Executives Departmental – Forecast is an under spend of (£0.041m)

The latest forecast is spending of £2.119m against a revised budget of £2.160m, representing a forecast year end favourable variance of (£0.041m).

Further explanation is reported in the scorecard.

Assistant Chief Executive Quarterly Budget & Performance Report		
Monthly Service Budget	Performance	Comments
		<p>Savings due to unfilled vacancies within Design Studio and Corporate Communications has been offset against a shortfall in design studio income. Corporate decision to reduce printing across the authority and utilise electronic media has resulted in large under spend against printing in Communications. This under spend has been offset against a proportion of the savings target set for the Chief Executive Department.</p> <p>Single branding Corporate Communications is implementing an updated visual identity that aims to reduce costs by streamlining different styles and identities used across the council. It is also introducing procedures to help reduce the spend on print and publicity across the council by £400,000 over the next year</p>
		<p>An adverse budget pressure due to a reduction in both the performance reward grant allocation and the voluntary sector contribution has been offset by a carry forward from previous years and a transfer from the reserve fund.</p> <p>These funds will not be available for future years so budget pressures remain from 11/12 onwards. Work is ongoing in the Civil Protection Unit to identify additional savings and costs to be recovered external service users.</p> <p>Single Data List Central Government has now released a draft 'Single Data List' for consultation. From April 2011, local authorities will only need to provide data from those listed indicators to central government which will then be open to regular review, scrutiny and challenge. This list does not replace the National Indicator Set as many of the data returns are volume data rather than performance indicators. However, included are a number of new departmental indicators which cover areas monitored by the National Indicators set which have been identified in Government departmental delivery plans. The consultation period for the Single Data List ends on the 4th February 2011.</p> <p>Plymouth 2020 priorities Three year targets are now being developed for Level 1 and 2 indicators. Any gaps identified at level 2 are now being addressed with definitions being agreed by 28 January.</p>
<p>Human Resources</p> 		<p>HR indicators have been introduced for establishment, sickness and agency spend and the RAG rating is the average of all three.</p> <p>At the end of the quarter there are;</p> <ul style="list-style-type: none"> ▪ 47.4 FTE employees against the budgeted establishment of 53.8 FTE positions as held on SAP ▪ Agency Spend was 0.36% of the monthly wage bill ▪ Sickness – the Council has set a target of 7 working days per FTE. Sickness levels at the end of the quarter are 2.98 working days per FTE for this financial year to date (April – December 2010) and 5.71 working days per FTE for the last rolling 12 months.

12.2 Key High Level Risks

The key financial risk facing Chief Executives during 20010/11 are summarised below;

- Review of Design Studio recharges to ensure that service is able to recover adequate costs in future years.
- Review of Charging to external organisations in respect of statutory duties for the Civil Protection Unit. The Civil Protection Unit needs to ensure that adequate costs are recovered to decrease reliance on services core budget.
- Completion of review of LSP and Performance & Policy. This forms part of the delivery plan actions for 2011/12.
- Completion of review of Civil Protection Unit. Proposal for Peninsula Civil Protection Unit under consideration, implications for Plymouth City Council currently unknown.

12.3 Departmental Medium Term Financial issues

The key medium term issues for the department are:

- Delivery of a challenging review of policy and performance as per the delivery plan for 2011/12.
- Review of arrangements to ensure maximum recovery of costs involved with staging short sermon exercise and services provided to external bodies for Civil Protection work.



Support Services Overview and Scrutiny Panel
Work Programme 2010/11

Proposed work programme	J	J	A	S	O	N	D	J	F	M	A
Business Transformation											
Accommodation Strategy (CIP 13)		8								10	
Office/Building rationalisation (CIP 13)						3					
Corporate Transformation Progress Review								13			
Invest to Save project										10	
Finance											
Embedding VFM ethos across the council – Quarterly report (CIP 14)	3			2		3				10	
Procure to Pay										10	
ICT											
ICT Strategy (CIP 13)		8								10	
Human Resources and Organisational Development											
People's Strategy (CIP 13)		8								10	
Appraisal Review (CIP 13)				2				13			
Democracy and Governance											
Member Learning and Development - monitor progress								13			
Generic update on success rates and work undertaken (legal services)								13			

Proposed work programme	J	J	A	S	O	N	D	J	F	M	A
Assistant Chief Executive											
Local Strategic Partnership (Support) (as referred by O&S Management Board)											
Policy and Performance											
Environment Policy 2009/2013 (CIP 14)						3					
Carbon Management Plan 2008/2013 (CIP 14)						3					
Climate Change Action Plan 2009/2011 (CIP 14)						3					
Communications											
Internal and External Communications Strategy						3					
Revenues and Benefits											
Monitor and review the Revenues and Benefits Service (referred by O&S Management Board - OSMB 67(1) refers)										10	
Other Issues											
Budget and Performance Report				2		3		13		10	
Review Data Sharing between agencies (referred by O&S Management Board – OSMB 97a (2) refers)											
City and Council Priorities											
Value for Communities											

Key:

New Item

Deleted Item
