QUARTERLY MONITORING REPORT

DIRECTORATE: **Corporate and Policy Directorate**

SERVICE: **Exchequer and Customer Services**

PERIOD: **Quarter 3 to period end 31st December 2008.**

1.0 INTRODUCTION

This Monitoring Report covers the Exchequer and Customer Services second quarter period up to period end 31st[th] September 2008. It describes key developments and progress against <u>key</u> objectives and performance indicators for the service.

The way in which traffic light symbols have been used to reflect progress is explained within Appendix 5.

2.0 KEY DEVELOPMENTS

Revenues & Benefits

Employment Support Allowance (ESA) will replace Incapacity Benefit, Severe Disablement Allowance and Income Support from October 2008. This change meant that significant changes were required to the Benefits system in order to facilitate correct assessments of Housing and Council Tax Benefit for those customers in receipt of the new ESA. In addition staff required a significant amount of extra training and guidance in the handling of ESA claims with changes to stationary and application forms.

The second wave of the National Vocational Qualification roll out occurred in November 2008 when a further 11 candidates were enrolled. This second wave include staff from our own Revenues and Benefits Division along with officers from ether Cheshire Local authorities, who are charged for the service.

Procurement & Finance Support

Improved Payment Terms for SME's

Following the Prime Ministers encouragement for local authorities to pay Small & Medium Enterprises (SME's) in 10 days we have reviewed our payment terms for all companies recognised as SME's and are monitoring progress.

At the end of December 44% of all applicable payments were made within 10 days. Directorates have been instructed to complete their arrangements to implement invoice scanning and matching by March 2009, in order to meet the target of 100%. Corporate & Policy and Environment Directorates have implemented this for all applicable invoices, whilst progress in other directorates is aimed to achieve full compliance by the end of the financial year. It is estimated that bringing forward payment for this group of suppliers will cost in the region of £72,000 per annum.

Electronic solutions

The Procurement Unit is in the process of initiating, testing and implementing a Contracting System to deliver a corporate solution to cover electronic Request for Quotes, Contract Advertising, OJEU Advertising, full Electronic Tendering and structured Contract Management. The Glover report requires all councils to have such arrangements in place by 2011. A cross directorate group will assist with tailoring and testing the system for implementation in 2009-10.

Reducing Transactions / Procurement Savings

We have increased the number of purchase card transactions to produce lower processing costs for the Council and better cash flow and lower collection costs, for our suppliers.
Procurement Savings. The table below shows the savings to date achieved through the introduction of corporate contracts across the Council. Projected savings for the financial year are forecast to be in the region of £300k.

Contract	YTD Contract Savings £
Agency Workers	122,442
Rail Tickets	14,728
Post	62,867
Stationery	3,162
Office Furniture	23,721
PPE - Personal Protective Equipment New Contract commences January 09	-53
Civic Newspaper	11,692
In-Touch Magazine	1,856
MFD's	13,261
MFD's - Toner Savings	44,504
Total Savings Value £	274,593

Customer Services

Customer Service Excellence Accreditation.

The Council has decided to look at a corporate initiative across all Directorates with HDL and Revenues & Benefits acting as the pilot to gain accreditation. Work has commenced within HDL to examine the areas for development required to gain CSE.

Contact Point HDL has started working with Children & Young People to help deliver the public facing element of this new initiative.

3.0 EMERGING ISSUES

<u>Customer Services</u>

Telecommunications.

This was reported in the previous report. The current telephone infrastructure is now some 15+ years old and a program of work is being put together with the objective of ensuring the system is fit for purpose and to examine other new and emerging technologies to see if we can make better use of our telephone and data networks and improve efficiencies whilst delivering cost savings. Work has now started to evaluate options and a visit has already taken place to a neighbouring authority to discuss how they are migrating to a replacement infrastructure.

<u>Short Messaging Service (SMS)</u>

SMS is text messaging. A work stream has been set up to examine how we can utilise this technology across the authority to improve customer service.

<u>Revenues & Benefits</u>

KLOE/ Audit Commission Inspections - The Audit Commission has taken over the role of inspecting Benefits services. This has meant a change in the way in which the Service is measured, monitored and inspected with the introduction of a Benefits KLOE. The new regime is much tougher and requires substantially more work to achieve the same level of standard that would have been achieved under the previous inspection regime. The emphasis has also changed and the Section needs to carry out an extensive initial self- assessment to identify the areas where more work is needed. Although this is an assessment of the Benefits Service it has references and requirements to a number of other areas within the Council that will impact on the assessment and measurement of the Benefits Service.
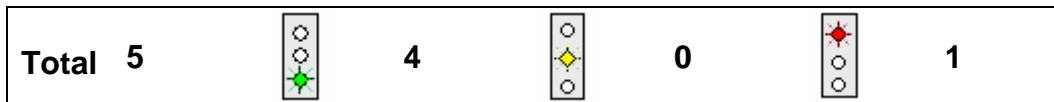
4.0 PROGRESS AGAINST SERVICE OBJECTIVES / MILESTONES

Total	9		9		0		0
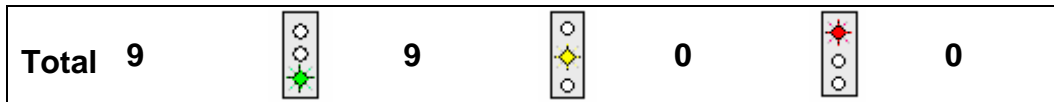
All of the objectives for the service are proceeding as planned and additional details are provided within Appendix 1.

5.0 SERVICE REVIEW

There are no issues to report concerning service review this period.

6.0 PROGRESS AGAINST KEY PERFORMANCE INDICATORS

Total	5		4		0		1

With the exception of payment of invoices, which is marginally below the 98% target, all key performance indicators are achieving or exceeding targeted level at half year, additional details are provided within Appendix 2.

6.1 PROGRESS AGAINST OTHER PERFORMANCE INDICATORS

Total	1		1		0		0
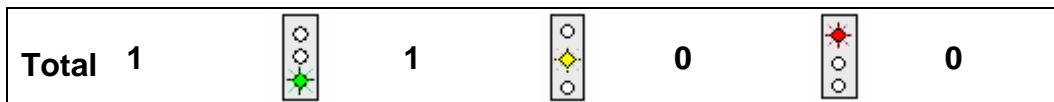
The one remaining indicator for the service that can be reported is presently on track and does not require reporting by exception at this time.

7.0 DATA QUALITY

The author provides assurance that the information contained within this report is accurate and valid and that every effort has been made to avoid the omission of data. Where data has been estimated, has been sourced directly from partner or other agencies, or where there are any concerns regarding the limitations of its use this has been clearly annotated.

8.0   APPENDICES

Appendix 1 - Progress against Objectives/ Milestones
Appendix 2 - Progress against Key Performance Indicators
Appendix 3 - Financial Statement
Appendix 4 - Debtor Summary Statistics
Appendix 5 - Use of traffic light symbols

Progress against service objectives

Service Plan Ref.	Objective	Key Milestone(s)	Progress Quarter 2	Commentary
ECS O1	Home working	Continue to roll out to staff where appropriate.		Home working continues to be rolled out across the Division and there are now 32 staff successfully working from home
ECS O2	Business Improvement Districts	Bill properties in BID area		Implemented on time. Business Improvement Districts were introduced in April at Halebank and Astmoor. After successful at the 15.01.09 was 97% for Halebank and 95.81% in Astmoor.
ECS O3	Implementation of Local housing allowance	Purchase new system software, install and test Staff training on both system and legislation General awareness for all key stakeholders (RSLs, local landlords, claimants etc.)		As reported previously the project completed on time.
ECS O4	Implementation of Empty Property Relief	Install new software Test and train staff on system and legislation Publicity for scheme to local businesses Bill businesses		This project was successfully implemented on time for billing in April. This has had an adverse effect on recovery, which has not been helped by the current economic climate.

APPENDIX ONE – PROGRESS AGAINST KEY OBJECTIVES/ MILESTONES (Exchequer & Customer Services)

Service Plan Ref.	Objective	Key Milestone(s)	Progress Quarter 2	Commentary
ECS O5	Move all staff to new Revenues & Benefits software (Version 6)	Plan of action for transfer Train all new staff on new version of system Assess and monitor impact of new system		Phase 1 has been completed although a further installation of version 6 onto new servers is awaited.
ECS O6	Rollout NVQ to Cheshire LAs	Carry out presentations to interested LAs Assess current Halton staff on scheme		Completed. The Division is an accredited NVQ assessment Centre for the Institute of Revenues Rating and Valuation. The course of study has been offered to staff within the Division. 2008 also saw this being offered to staff from other LA's in Cheshire. This has taken place and staff from various authorities are studying at Halton.
ECS O7	To continue to promote and introduce more effective procurement	Further develop ongoing spend analysis identifying for potential saving		Quick wins previously highlighted have already delivered the savings to date, and should result in the annual projected amounts shown in the body of the report. Further categories for savings will be identified for attention in the coming year.
ECS O8	Continue to develop appropriate e-solutions in conjunction with ICT / Directorates to further enhance service delivery through HDL	Review available service options Continue BPR		This is an ongoing project as the teams are continuing to examine service delivery options to free back office resources through business process re-engineering.

APPENDIX ONE – PROGRESS AGAINST KEY OBJECTIVES/ MILESTONES (Exchequer & Customer Services)

Service Plan Ref.	Objective	Key Milestone(s)	Progress Quarter 2	Commentary
ECS O9	Examine implications/implementation of "Government Gateway"	Feb 08 - Undertake risk analysis		Government Connect is a centrally driven common national infrastructure for government that HBC will be connecting into. It will allow the authority to securely share, transfer and receive data. It mandates a set of guidelines that define how we will use, access and store data within HBC. "If" we wish to interact with any Government bodies into the future. A risk analysis has been undertaken and a working party led by IT heading the project.

APPENDIX ONE – PROGRESS AGAINST KEY OBJECTIVES/ MILESTONES (Exchequer & Customer Services)

Progress against Key Performance Indicators.

Ref	Description	Actual 2007/8	Target 08/09	Quarter 3	Progress	Commentary
Corporate Health						
ECSLI 01 (BVPI 8)	The percentage of undisputed invoices which were paid in 30 days	96.80	98. 00	97.69	🔴	Directorate Performance C&YP 93% C&P 98% Environment 98% H&C 99%
ECSLI 02 (BVPI 9)	Proportion of Council Tax collected	96.41	96. 85	85.24	🟢	Qtr 3 shows an increase of 0.45% on the corresponding period last year
ECSLI 03 (BVPI 10)	The percentage of Business Rates which should have been received during the year that were received	99.93	98. 85	88.89	🟢	Qtr 3 collection is slightly lower 0.78% than the corresponding period last year. This is due to introduction of the empty rate charge effective from April this year.
Service Delivery						
ECSLI 05 (BVPI 78a)	Average time for processing new claims (Housing & Council Tax Benefit)	17.77	23 Days	15.66	🟢	Performance is ahead of target
ECSLI 06 (BVPI 78b)	Average time for processing notifications of changes in circumstances	3.99	6 Days	5.75	🟢	Performance is ahead of target

APPENDIX TWO– PROGRESS AGAINST KEY PERFORMANCE INDICATORS (Exchequer & Customer Services)

Financial Statement

<u>Revenue Budget as at 31st December 2008</u>

	Annual Revised Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000	Actual Including Committed Items £'000
<u>Expenditure</u>					
Employees	5,740	4,287	4,270	17	4,270
Premises	553	113	97	16	110
Supplies & Services	967	724	546	178	566
Telephone System Costs	76	57	124	(67)	124
Insurance	1,954	1,838	1,908	(70)	1,908
Transport	103	77	71	6	71
Charitable Relief	103	0	0	0	0
Concessionary Travel	1,975	1,202	1,202	0	1,214
Asset Charges	272	0	0	0	0
Council Tax Benefits	9,430	9,430	9,529	(99)	9,529
Support Services	3,467	0	0	0	0
Non HRA Rebates	168	126	30	96	30
Total Expenditure	**24,808**	**17,854**	**17,777**	**77**	**17,822**
<u>Income</u>					
Sales	-12	-9	-45	36	-45
Halton Housing Trust	-19	-11	-48	37	-48
Fees & Charges	-2	-2	-20	18	-20
Support Service Recharges	-5,228	0	0	0	0
SLA to Schools	-46	-35	-33	(2)	-33
Telephone Recharges	-338	0	0	0	0
Insurance Recharges	-2,437	-640	-640	0	-640
NNDR Administration Grant	-169	0	0	0	0
Hsg Ben Administration Grant	-1,479	-1,109	-1,109	0	-1,109
Concessionary Travel Grant	-300	-225	-301	76	-301
Council Tax Benefits Grant	-9,251	-6,935	-7,008	73	-7,008
Liability Orders	-574	-419	-252	(167)	-252
Non HRA Rent Rebates	-168	-126	-60	(66)	-60
Total Income	**-20,023**	**-9,511**	**-9,516**	**5**	**-9,516**
Net Expenditure	**4,785**	**8,343**	**8,261**	**82**	**8,306**

<u>Comments on the above figures:</u>

In overall terms spending is currently below the budget to the end of the third quarter. With regards to expenditure, there are savings being made in Supplies and Services. There is also additional income being received from the Halton Housing Trust for services provided by the HDL's. It is expected that the overall total net spending will be below budget at the year end.

APPENDIX THREE – FINANCIAL STATEMENT
(Exchequer & Customer Services)

Local Strategic Partnership expenditure to 31st December 2008

	Annual Budget	Budget to Date	Actual to Date	Variance to Date
	£000	**£000**	**£000**	**£000**
Local Strategic Partnership				
Benefits Bus	150	112	51	61
Net Expenditure	**150**	**112**	**51**	**61**

Regular monitoring reports are sent to the Local Strategic Partnership (LSP) in respect of all LSP projects and any areas of concern are dealt with throughout the year by the LSP support team and individual project managers. Some variances against the budget to date are expected, as the LSP have deliberately over-programmed in order to ensure that the full allocation of Working Neighbourhood Fund grant is spent during the year.

Analysis of Outstanding Debts

Department/Directorate	Arrears b/f	Raised in Year			Total Debits	Receipts / Refunds in Year		Total Receipts	Manual Adjustments	Other Adjustments	Balance Outstanding
		Debits	Credit Notes	Write-Offs		Payments	Refunds				
Education	522,931	2,943,130	-72,059	-3,882	3,390,120	-3,072,701	10,824	**-3,061,877**	-11,229	0	**317,014**
Children & Young People	**522,931**	**2,943,130**	**-72,059**	**-3,882**	**3,390,120**	**-3,072,701**	**10,824**	**-3,061,877**	**-11,229**	**0**	**317,014**
Benefits	808,590	305,015	-20,292	-6,516	1,086,797	-126,581	3,448	**-123,133**	-4,318	-30	**959,315**
Executives	6,894	207,660	-6,946	-40	207,567	-190,367	0	**-190,367**	-20	0	**17,181**
Legal	34,123	17,845	-1,873	-3,633	46,462	-1,676	57	**-1,619**	-2,054	0	**42,789**
Resources	722,509	2,974,160	-140,637	-21,078	3,534,953	-2,488,058	8,565	-2,479,493	-119,682	-2,528	933,250
Corporate & Policy	**1,572,115**	**3,504,679**	**-169,748**	**-31,267**	**4,875,779**	**-2,806,682**	**12,071**	**-2,794,611**	**-126,074**	**-2,558**	**1,952,535**
Environment	431,177	1,875,047	-76,820	-11,708	2,217,697	-1,724,678	1,859	**-1,722,819**	-17,710	-318	**476,850**
Neighbourhood Services	320,647	2,813,693	-133,537	-7,457	2,993,346	-2,421,440	7,634	**-2,413,805**	-4,363	-239	**574,939**
Regeneration	-50,000	5,059	0	0	-44,942	-4,059	0	**-4,059**	50,000	0	**1,000**
Environment	**701,824**	**4,693,798**	**-210,357**	**-19,165**	**5,166,101**	**-4,150,176**	**9,493**	**-4,140,683**	**27,927**	**-557**	**1,052,788**
Culture & Leisure	195,692	1,526,621	-103,038	-533	1,618,743	-1,503,889	55	**-1,503,833**	-263	0	**114,647**
Social Care & Housing	336,986	4,425,034	-8,196	-3,426	4,750,398	-4,217,425	1,520	**-4,215,905**	-565	-5	**533,923**
Social Services	825,460	2,949,942	-221,868	-9,708	3,543,825	-2,562,480	24,648	**-2,537,833**	-25,407	-1,450	**979,136**
Health & Community	**1,358,139**	**8,901,597**	**-333,103**	**-13,667**	**9,912,966**	**-8,283,794**	**26,223**	**-8,257,571**	**-26,235**	**-1,455**	**1,627,706**
Suspense	-15,752	0	0	0	-15,752	-68,343	0	**-68,343**	92,363	4,095	**12,364**
Grand Total	**4,139,256**	**20,043,205**	**-785,267**	**-67,981**	**23,329,213**	**-18,381,695**	**58,610**	**-18,323,085**	**-43,247**	**-474**	**4,962,407**

The traffic light symbols are used in the following manner:

		Objective	**Performance Indicator**
Green		Indicates that the <u>objective is on course to be achieved</u> within the appropriate timeframe.	Indicates that the <u>target is on course to be achieved</u>.
Amber		Indicates that it is <u>unclear</u> at this stage, due to a lack of information or a key milestone date being missed, <u>whether the objective will be achieved</u> within the appropriate timeframe.	Indicates that it is either <u>unclear</u> at this stage or too early to state whether the target is on course to be achieved.
Red		Indicates that it is <u>highly likely or certain that the objective</u> will not be achieved within the appropriate timeframe.	Indicates that the <u>target</u> will not be achieved unless there is an intervention or remedial action taken.