

Performance Information Report, second half of 2009-10

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Reason for item

The Terms of Reference for Policy Overview Committees include:

“To monitor the performance of the Council services within their remit (including the management of finances and risk).”

The Quarterly Performance Information Report provides POC with an overview of the performance in **Finance & Resources**.

Options open to the Committee

1. Consider, question officers and comment on the reports, as appropriate.
2. Agree to raise any concerns with the relevant Cabinet member, or
3. Note the content of the reports.

Information

The Finance & Resources Group comprises a number of operational services that, together, keep the council organisation running in a sound and efficient manner. They ensure that high standards are maintained when administering all the council's financial affairs and when procuring goods and services across the council, and they maximise income from Council Tax and NNDR. Our ICT services provide high quality advice and professional services for the whole council, and the award winning Customer Contact Centre is the first point of contact for the public for most of the council's services.

In January 2010, the responsibility for Facilities Management passed from F&R to Planning, Environment and Community Services.

The Quarterly Performance Information Report is intended to provide a review of the actions taken to meet the Council Plan targets, the Comprehensive Area Assessment (CAA) targets and key local performance indicators that the groups use to manage and monitor their performance. This report shows the performance management actively taking place in Finance & Resources and is presented in the same format as the previous report.

Backing Documents

None

Suggested Overview Activity.

1. The Committee to question Officers about their Group's performance as set out in the QPRs.
2. Make recommendations to Cabinet or Cabinet Member as appropriate.

SECTION A – SERVING OUR COMMUNITITES AND CUSTOMERS

Council Plan Targets

Within the Council Plan, Finance & Resources (F&R) has one objective, which is “Freeze council tax for all Hillingdon residents for two years”. This objective has been successfully achieved, and has been carried forward for the second year running where Hillingdon residents have not seen an increase in their Council Tax.

Comprehensive Area Assessment (CAA) and National Indicators

F&R has a comprehensive range of Key Performance Indicators and Local Performance Indicators which are there to help managers achieve their objectives. Independent regulators review the standard of performance management within the group.

In Finance & Resources, the following relates to the theme of serving our community and customers:

NI 14 Avoidable Contact

Since 2008-09 we have been tasked with the collection of NI 14. This national indicator is aimed to reduce ‘avoidable contact’ between customers and their local authority. However as part of the Smarter Government initiative, 18 national indicators (NIs) have been removed from the national indicator set, and NI 14 is one of these. However, there is still a requirement to collect and record information for 2009/10.

National Indicator	Description	Link to Council Plan / Group Plan
NI 14	Reducing avoidable contact: minimising the proportion of customer contact that is of low or no value to the customer	Council Plan: <ul style="list-style-type: none">• Manage performance to ensure continuous service improvement.• Modernise council processes.• Listen and take account of our customers and users.

In 2009-10, two half-year sample measurements were taken in July and November. July recorded a result of 20% and November recorded a result of 24%, which gave an overall result of 22% for the whole Council. This is a reduction of 8% on the previous year’s reported figure of 30%.

It must be noted that the removal of this indicator is not a signal that this indicator is not important, and the underlying business issue to reduce avoidable contact has not gone away. Analysing customer contact is now all the more important for achieving best value with shrinking resources, and we have developed significant processes and know-how on measuring and reducing avoidable contact. This is

now realising benefits for our customers and residents, and this work will be continued.

Group Action Plan

Under the theme of serving our community and customers, F&R have two tasks which relate to creating better inter-departmental working in order to achieve more responsive and streamlined services for the public. It can be reported that all of the planned work has now been completed.

Corporate critical performance data

We still continue to measure the following key former Best Value indicators. The table below shows these critical targets which are reported to the Senior Management Team on a quarterly basis, with their results for Q3 and Q4. The table shows that Council Tax collection was slightly above its target at the end of March, whereas NNDR collection was slightly below the target (**AMBER**). However, considering the difficult general financial conditions being experienced, NNDR collection has gone very well. Hillingdon was ranked as having the 6th highest NNDR collection rates within London.

PI Code	Council Theme	Description	Out-turn at end of 2007-08	Out-turn at end of 2008-09	Target 2009-10	Out-turn at end of 2009-10
BV8	Serving Community & Customers	Percentage of undisputed invoices paid within 30 days	97.7%	98.7%	99%	99.1%
BV9	Achieving Value for Money	Proportion of Council Tax collected	96.3%	96.3%	96.30%	96.6%
BV10	Achieving Value for Money	Proportion of non-domestic rates collected	99.3%	99.3%	99.30%	98.7%

Customer Care Standards

Customer Contact Centre

The Contact Centre is most people's first point of contact with the council, and it is therefore vital that we offer a good service to customers. The Contact Centre has been able to produce excellent results in all three of their key areas.

	2007-08 average	2008-09 average	Target 2009-10	Q1 2009-10	Q2 2009-10	Q3 2009-10	Q4 2009-10
End-to-end quality of service	Not available	86%	85%	88%	89%	90%	93.1%
Resolution at first point of contact	78%	79%	80%	81%	85%	83%	85%
Customer satisfaction	95%	97%	90%	98%	98%	97%	98%

ICT

The ICT team have exceeded their targets for the year. The ICT service desk is the primary point of contact and they aim to resolve issues without the need for onward referral. The table below shows that the team has produced a positive outcome for its users.

	2008-09 average	Target 2009-10	Q1 2009-10	Q2 2009-10	Q3 2009-10	Q4 2009-10
Faults: % completed by Service Desk	50%	50%	50%	61%	63%	71%
Standard requests: % completed by Service Desk	50%	50%	n/a	60%	69%	64%

Member Enquiries and Customer Complaints

Performance on Member Enquiries has shown good progress. Unfortunately, customer complaints in quarter 4 saw a dip, and did not manage to reach the target of 95%. This has been caused by a delay in responses from the Contact Centre. Corrective action was taken to ensure a better performance the future, and this has resulted in results for Q1 2010-11 being back above the target level.

	2007-08 average	2008-09 average	Target 2009-10	Q1 2009-10	Q2 2009-10	Q3 2009-10	Q4 2009-10
Members Enquiries	94%	74%	95%	96%	96%	95%	96%
Volume of M.E.				26	23	21	24
Customer Complaints	86%	83%	95%	92%	100%	100%	83%
Volume of Complaints				28	23	14	30

SECTION B – ACHIEVING VALUE FOR MONEY

CAA – National Indicators

The other National Indicator contributes to the theme of achieving value for money:

NI 179 Value for Money

National Indicator	Description	Link to Council Plan / Group Plan
NI 179	The total net value of ongoing cash-releasing value for money gains that have impacted since the start of the 2008/09 financial year.	Council Plan: <ul style="list-style-type: none">• Review, challenge and improve the value for money provided by services.• Freeze council tax for all Hillingdon residents for two years.

This indicator covers a three year period up to the end of 2010-11 and targets are based upon 3% of adjusted baseline budgets. Hillingdon has a target of £24.596m for the three year period up to the end of 2010-11.

The 2009-10 outturn figure as at Q4, showed a cumulative result of £27.401m, and has already exceeded its three year target by £2.805m.

Group Action Plan

In this theme of achieving value for money, there are five F&R tasks that relate to restructuring changes. All five of these tasks have been completed.

F&R Group Budget Monitoring – end of year 2009-10

The final Revenue Outturn for the Finance & Resources Directorate is a net underspend of £7k, an improvement of £69k on the month 11 projection. This was due to an increased underspend on the Novell Licences and an increase in the rebate income received from Matrix re the provision of Agency staff.

The final Capital Outturn for the Finance & Resources Directorate is a net underspend of £200k.

Controlling sickness absence

Absence is closely monitored on a monthly basis within F&R, to be able to minimise high absence levels that may otherwise lead to repercussions on a team's output and productivity. The F&R absence target for 2009-10 was set at 6.5 days per person.

Absence figures this year have improved since last year, with a slight reduction in days per person. Unfortunately, the set target has not been achieved this year in part due to high absence in one area prior to out-sourcing. However, over the last 3 years there has been a downward trend in absence figures.

	2007-08 Actual	2008-09 Actual	Target 2009-10	Q1 2009-10	Q2 2009-10	Q3	Q4
F&R Average Absence Days	9.77	7.28	6.5	6.2 projection	7.89 projection	6.99 projection	7.10
% of absence that is long term	54.8%	54.2%		55%	47%	45%	49%

Reducing use of agency staff

There has been excellent progress on reducing agency spend. This year saw a reduction of agency spend of £674k (equivalent to 40%) compared to last year. More robust processes coupled with greater scrutiny of expenditure have been implemented in order to achieve this.

	No. of Vacant Posts	No. of Agency Staff Employed	Actual Cost of Agency 2008/09	Actual Cost of Agency 2009/10	Reduction from 2008-09 to 2009-10
Finance & Resources total	38	24	£1,703k	£1,029k	£674k

Electronic payments

The table below shows the amount of invoices which are processed electronically and the increase since the previous year. The aim of this indicator is to maximise payments through the BACS method, rather than by cheque, as it is quicker and the processing costs are lower.

	2008-09 Actual	Target 2009-10	Q1 2009-10	Q2 2009-10	Q3 2009-10	Q4 2009-10
Payments by BACS	88%	90%	91%	91%	92%	91%

SECTION C – STRENGTHENING PLANNING & PERFORMANCE

Achievement of HIP deliverables against quality, time & cost

All the HIP workstreams led by F&R (Estates Management, Corporate Finance, and Customer Experience) have remained on track throughout this period.

Group Action Plan

Within the theme of strengthening planning and performance, there are 9 tasks which belong to F&R. All but one of the tasks have now been completed. The task which is progressing but showing slippage is regarding the implementation of a single system for receiving payments over the internet. This task is now due to be completed in October 2010.

Corporate Critical Performance Data

F&R continuously measure the performance of their teams, and have implemented effective processes for the collection and analysis of these measurements.

The following table shows critical performance indicators which have been agreed by the Senior Management Team and are reviewed regularly with the aim of adding value to the effective management of the business. These are supplemented by a number of local performance indicators, some of which are included in section A.

PI Code	National/Key/ Local Indicator & Council Theme	Description	Actual 2007-08	Actual 2008-09	Target 2009- 10	Outturn Q1	Outturn Q2	Outturn Q3	Outturn Q4
NI14	National - SCC/AVM	Avoidable Contact; the proportion of customer contact that is of low or no value to the customer	n/a	30.00%	No target set	n/a	n/a	n/a	22.05%
NI179	National - AVM	Value for Money; total net value of on-going cash-releasing value for money gains that have impacted since the start of the 2008-09 financial year	n/a	£24,842k	£24,596k by 2010/11	n/a	Mid year published forecast is £29,264k	n/a	£27,401.00
CP	PB	Freeze council tax for all Hillingdon residents for two years.	n/a	n/a	On Target	Implemented for 09/10	Implemented for 09/10	Plans in place for 2010-11.	Put in place for 2010-11.
FR003	AVM	Service Review action plans on track	n/a		All on track	78% completed or on track	78% completed or on track	93% completed or on track	93% completed or on track
FR004	AVM	F&R Sickness absence	9.77 days	7.32 days	6.50 days	6.2 days	7.89 days	6.99 days	7.10 days
FR103	AVM	Expenditure on all F&R agency, consultancy and contract staff	£3,181k	18.67%	10% of total salaries	8.64%	8.50%	9.07%	9.4%
BV9	AVM	Proportion of council tax collected	96.30%	96.3%	96.30%	30.98%	57.1%	85.24%	96.6%
BV10	AVM	Percentage of non-domestic rates collected	99.30%	99.3%	99.30%	31.40%	59.7%	88.45%	98.7%
BV8	SCC	Percentage of undisputed invoices paid within 30 days	97.70%	98.7%	99%	99.09%	99.32%	99%	99.0%

SECTION D – BUILDING A CULTURE FOR SUCCESS

Group Action Plan

F&R and DCEO SMTs now work highly collaboratively in order to strengthen the business planning framework for the organisation. There is an embedded process in council-wide operations via the MTFF process, and monthly meetings of joint SMTs now take place.

Service Review

93%, or 14 out of 15, of the service review actions have now been completed. As reported previously, there is slippage on only one task.

Effectively, the Service Review can be regarded as completed and the F&R Group is now playing a pivotal role in BID which is the council's major transformational work programme.

Team Bonus Targets

The objective of HIP team bonus is to boost employee engagement with the work of the council, and create a culture of achievement. HIP team bonus rewards staff who have made a significant impact to the council and the residents they serve. All teams have targets, which if reached, will automatically put the team on the shortlist.

This year F&R had three teams who were short listed for the HIP Team Bonus, so congratulations go to:

- Internal Audit
- Adult Social Care Health and Housing Exchequer Team
- Contact Centre

The majority of 2010-11 team bonus targets have also now been approved by the Corporate Director and Cabinet Portfolio Holders.

Achievements

The achievements for quarters 1 and 2 were previously presented to the committee in January 2010. Quarters 3 & 4 are displayed below, and show the most significant achievements for F &R over the last two quarters.

F&R Achievements for Q3 and Q4 2009-10

	Contributing to						
	Council Plan	Community Strategy	LAA	HIP	Good News	Equalities	Value for Money
SERVING OUR COMMUNITY AND CUSTOMERS							
Facilities were responsible for enabling the opening of the new Housing Needs Reception to the public.	•	•			•		
Achieving Value for Money							
Procurement successfully completed negotiations with Manned Guarding Security supplier. Full year cashable saving of £137K achieved plus additional £26K of cost avoidance and payment of £20K refund secured.	•				•		•
Reduction of external BT lines across the Council from 1,478 in June 2008 to 1,185 in November 2009 due to increased use and deployment of IP phones across the Council.	•			•	•		•
The DWP have written to the council confirming the final settlement of the 2007/08 Housing Benefit claim which totalled £124m. The DWP letter confirms that just £32.7k will be recovered following the external audit of this claim. This is an exceptional performance by both the ASCH&H Housing Benefit and ASCH&H Finance team working closely	•				•		•
Insurance and Highways worked together to successfully defend a claim which started in 2006. The estimated claim would have been circa. £30,000	•				•		•
Professional, Technical & Administrative temporary labour - the procurement exercise, including eAuction, for this grouping of temporary labour has completed. A new contract will be awarded with a saving of 37% (£171K) on the agency management fee.	•				•		•
Strengthening Planning & Performance							
The F&R Business Support Team implemented a new centralised stationery policy whereby all orders are scrutinised and approved by Business Support. The new process has saved the council circa. £6000 up to the end of March 2010, since the implementation	•			•	•		•
Indicative budgets were issued to schools on 23rd February - 2 weeks earlier than the previous year - enabling schools to start their budget planning earlier for the next financial year. Finals were issued on 30th March, within the set deadline.	•						
Building a culture for success							
The Contact Centre has successfully incorporated the Registrar Service into its mainstream operation so that front line customer contact is now managed on behalf of that service.	•			•	•		
The Contact Centre were awarded the Global Business Excellence Award in the Outstanding Local Authority Call Centre category.				•	•		