

Scrutiny Overview Report (2009/10 YTD)

Corporate, Adult Services and Social Inclusion Select Committee (CASSI)

Resources Service Overview

The following services are all within Resources' remit:

There are four main service areas within Resources and an outline of their specific responsibilities is given below:

Finance

The **Finance Service** is focused on safeguarding and maximising financial resources, supporting the strategic aims and objectives of the Authority. The Service also includes responsibilities for Corporate Procurement and Land and Property to ensure a wider deployment of resources as a whole and greater integration of the strategic planning process. Services provided are: Strategic Financial advice; Financial support; Land & Property; Capital Planning; Asset Management; Financial Planning, Risk Management & Insurance; Corporate Procurement and Internal Audit. It also maintains direct links on financial issues with Xentrall Shared Services

Human Resources

The **Human Resources Service** is integral to the continued success of the Council, through its role in the development of a skilled, committed and well-managed workforce. The Service endeavours to build organisational capacity, through effective workforce planning, and enable employees to perform their duties more effectively, develop their personal potential and equip them with the knowledge, understanding, skills and awareness they need to achieve the Council's objectives. It also assists the Council in the provision of a safe working environment, in line with Health & Safety legislation. In addition training and welfare programmes are provided, through this service, to the general public. Services provided are: Organisational Development; Diversity; Advisory Services and Health & Safety. Like Finance, it also maintains links with Xentrall Shared Services.

Customer Services & Taxation

The **Taxation Service** is responsible for the administration of local taxation - Council Tax and Non-Domestic Rates (NNDR) and for cashiering functions. It fulfils the requirements placed on the Council by the 1988 and 1992 Local Government and Finance Acts, the Local Government Act 2003 and hundreds of statutory instruments associated with these Acts.

Customer Services is responsible for the development and implementation of the Council's corporate "Customer First" programme and more latterly the Customer Service Excellence Programme, which defines standards and promotes a customer-focussed culture for the whole authority. The Customer Services Team is also developing and delivering the Council's Access to Services programme, which aims to make it easier for customers to get in touch with the services they require, through a range of access channels. They operate the corporate contact centre for incoming telephone enquiries for a wide range of services, and the Thornaby Customer Service Centre, which is the first of three planned service centres to cater for face-to-face enquiries.

The **Administration Service** provides central support services to all the service groupings of the Council. The duties of the Administration Team are very varied, requiring interaction with all other Council Service Groupings and involvement in a range of corporate initiatives. Services provided are: Courier, Administration (office services) Land Ownership and Gazetteer.

Xentrall Shared Services

Xentrall Shared Service is a partnership with Darlington Borough Council for the delivery of a number of “back-office” services.

The Partnership, which went live on 1 May 2008, includes the following services:

Xentrall ICT Services

The Service guides and advises on the strategic direction of ICT services and is proactive in identifying opportunities to exploit information and communication technologies. In addition, it ensures that solutions are made available and maintained to their optimum capability and it maintains a service that responds and adapts quickly to change. Services provided are: Business Account Support; Service Centre; ICT Training; End User Support; Server Support; Network Support, Systems Support; Systems Development; Member’s ICT Services; Strategic Services including Information Security Management; Information Governance; Project Management; Technology and Process Excellence.

Xentrall Design & Print Service

The **Design and Print Service** offers a range of design and print solutions. It has a range of different print equipment and is capable of producing high quality print solutions. In addition to the design and print services, it also delivers a purchasing service, which can be used to procure externally for any work that can’t be undertaken by the in-house team.

Xentrall Transactional Finance Service

The **Transactional Finance Service** provides efficient and effective transactional services to its customers. It embraces new technology maximising benefits from it and ensuring a smooth interface with operational/front line services. Services provided are: Creditors, Debtors, Banking, Income, Car Mileage processing and the development and support of the Financial Management System, Agresso.

Xentrall Transactional HR Service

The **Transactional HR service** provides efficient and effective transactional services to its customers. It embraces new technology maximising the benefits from it and ensuring a smooth interface between operational and frontline services. Services provided are: Payroll, Recruitment, Contracts, Absence Reporting, and the development and support of the HR Management System, PSE.

What has been achieved?

Finance

- Under the Corporate Performance Assessment (CPA) regime, the Council achieved the maximum rating of '4' for Use of Resources each year from 2006 to 2008. For the latter two years, the Council also scored maximum ratings of '4' across all sub-categories of Use of Resources. This consistent high-scoring has successfully continued into the new, tougher Comprehensive Area Assessment (CAA) regime as Stockton is one of only three authorities in the country to achieve a maximum score of '4'. The Audit Commission said that:

“The Council is excellent at managing finances, with a strong value for money culture, excellent financial management practice and timely and reliable external financial reporting. The Council can demonstrate efficiencies and improved performance as a result of investment into services. There are high and sustained levels of satisfaction with services.”

- A Workwise Strategy has been developed outlining the Council's approach to flexible working, ICT infrastructure and accommodation.
- The Council's financial position has been regularly reviewed and assessed in light of the changing financial climate.
- The Finance service has been instrumental in the development of a proposal to develop an Integrated Health Facility in Billingham and secure £35m PFI funding credits. It has also been instrumental in the development of the business case and affordability model for the Building Schools for the Future Programme.
- Finance also facilitated the sale of the Alma centre site to North Tees Primary Care Trust to allow development of a new health facility linked to the momentum project.
- In September 2009, Internal Audit retained its ISO:9001 Systems Standards certification - this was also upgraded to the new 2008 standard.
- The Council's External Auditor reported to the Audit Committee that the Internal Audit service meet all eleven standards set by CIPFA in the Code of Practice for Internal Audit.
- The Sustainable Procurement and Commissioning Strategy 2009-12 has been successfully developed and rolled out across the Council. A key priority is to maximise spend within the local Tees Valley economy through smarter procurement.
- Procurement activity initiated by Resources has saved £678,901 across the Council in the first half of 2009/10 including £57,690 through the new agency staff framework agreement, which commenced in May 2009. Work on the North East Recruitment Portal has enabled a restriction on advertising, saving £150,000 a year. Indicative savings from the re-tendering of the rock salt contract are likely to be in the region of between £9k and 27K per year depending on weather conditions and buying patterns. Moving to the regional contract for the supply of food for schools and other establishments in January 2010 will save the effort of re-contracting, allow the completion of the purchase card programme and could achieve savings of approximately £40k per annum based on current prices, however prices are subject to change.
- The service has developed a multi-layered efficiency approach to the Council's Medium Term Financial Plan.

Human Resources

- New flexible working practices were rolled out in May 2009 to all Council departments, where it was possible to do so.
- The new Health and Well-being Policy was launched across the Council in April alongside a programme of events and workshops scheduled to run throughout 2009. The implementation of this policy has had a significant impact on the reduction of sickness absence across the authority.

- A planned progression framework for Leadership and Management Development has been developed that aims to build organisational leadership and management capacity at all levels across the organisation, building on the success of the previous Management Development Programme. The scheme offers various modules, including: Manager's Induction, People Management Skills, Stepping into Management and a Middle Manager Development Programme.
- The Council was awarded 'silver' status in July 2009 following the Investors in People re-accreditation review. The Council was also assessed under new Health and Well being standards and was 'commended' for its commitment to employee well being as a result of the workforce Health and Wellbeing Strategy (which assessors described as the best Health and Wellbeing Strategy they had ever seen). Stockton is the first local authority in the North East to apply for accreditation at the higher levels of the new Investors In People framework and also the first local authority in the UK to be assessed against the new Health & Wellbeing at work standards.
- The results of the Employee Survey, which was carried out last year, have been shared and discussed with Heads of Service at Service Group Management Teams (SGMTs). Corporate and Service Group action plans are currently being developed.
- Workforce development and planning has continued to be a high priority in 2009/10, with the following developments: successful completion of a Council-wide skills audit, implementation of a recruitment and retention strategy for Hard to Reach groups, development of long-term action plans to meet future workforce needs and a comprehensive review of all Human Resources policies.
- Following the successful implementation of the Council's Single Status Agreement, which ensures a fair, equal and non-discriminatory structure that complies with equal pay legislation, the job evaluation review process is on schedule to be completed by December 2009. It is also expected that the job evaluation appeals process will be completed on target by June 2010.

Customer Services and Taxation

Customer Services and Administration

- The Council's vision for customer service is to provide residents and customers easy access to services through multi-service contact centres, providing a single point of telephone contact and 24 hour Internet access. Following the successful opening of the telephone contact centre in Municipal Buildings, the Thornaby Customer Services Centre was officially opened on time and within budget on 12 May 2009. Customer First Stage Two has been successfully rolled-out across the Council, with all services now achieving the standard.
- The Customer Services and Administration teams achieved ISO9001:2008 re-certification for another 3 years.
- The corporate submission for the Customer Service Excellence Standard was successful. A programme of assessments for all Council services against the Customer Service Excellence Standard has also been submitted to the assessing body and the Council has a target for achievement of the standard by all services by August 2010. To date customer Services have supported 13 service "blocks" through the assessment process and all have achieved the standard.
- At the National Land and Property Gazeteer Exemplar awards in November 2009, Stockton's Local Land and Property Gazeteer was awarded 'Best in North East Region'.

Taxation

- Following 14 years of Charter Mark excellence, the service achieved a successful transition from Charter Mark to Customer Service Excellence. The external assessment in September 2009 reported the service as fully compliant across all the Customer Service Excellence criteria.

- In June 2009 the 2008/9 collection performance figures were released, showing that Stockton's in-year performance for both Council Tax and Business Rates was the best in the Tees Valley and above the unitary authority average.
- During September and October 2009, the NNDR team successfully processed 356 applications for the business rates deferral scheme. The scheme was introduced at short notice in addition to the team's normal workload.
- The service has taken a pro-active approach to helping customers that have been affected by the recession/credit crunch. The service attended three SBC credit crunch events to increase awareness of Council Tax discounts and reliefs and also reviewed enforcement processes to introduce a home visit where appropriate.

Xentrall

- All Xentrall services now have the Customer First Stage 2 accreditation;
- ICT has retained its ISO:27001 certification in Information Security Management;
- Creditors, Debtors and Payroll services have been benchmarked through CIPFA showing improved value for money;
- Strategies have been produced for the development of the Financial and Human Resources systems (Agresso and PSE respectively);
- Internal communications have improved with the launch of an internal newsletter and a new employee bulletin;
- Xentrall took part in an on-line reverse auction for replacement PC's and Laptops saving Stockton and Darlington Councils in region of £600k;
- The re-designed Stockton Council website was launched on schedule in May 2009;
- The Phase One records work management was agreed during the first quarter of 2009/10.
- Xentrall has developed an approach to supporting businesses in financial difficulties by helping in their transactions with the Council.

Corporate

- The level of on-contract spend for corporate contracts has continued to improve, with performance of 99.56% in quarter two, which is well above the target of 97.50% for 2009/10.
- Sickness Absence levels for 2008/9 were the lowest ever recorded in Stockton, with 10.14 days lost per Full Time Employee (FTE). Stockton is now below the Tees Valley average, which for 2007/8 was 10.3 days. The 2008/9 target of 10.43 days per FTE was achieved, which demonstrates the success of new approaches to absence management and the new Health and Well-being Team. Outturn figures show that Sickness Absence levels continue to improve, with 3.92 days lost per Full Time Employee (FTE) for the first half of 2009/10. It is currently projected that this will reach 8.65 days per FTE for the full year, which is well within the 2009/10 target of 9.64 days.
- Performance of payment of invoices has improved significantly from 65.25% in 2008/9 to 92.9% paid within 30 days for the first two quarters of 2009/10; however this figure is subject to verification.

What has proved more difficult / not been achieved?

Xentrall

- The new computer room, which is located at the Town Hall in Darlington, is now under construction. This work was delayed because of the procurement process but is expected to be complete by the end of this year.
- Although continuing to make a profit, the Design and Print Service has seen a sharp decline in usage since the economic downturn. The projected outturn is therefore not as anticipated. Action is being taken both within the service and via implementation of the

recommendation from the EIT review of communications. It is not anticipated, however, that the service will be able to recover in-year.

Emerging Issues

Customer Services and Taxation

- The number of arrangements and volume of correspondence for Council Tax and Business Rates has been 20% higher during 2009/2010 than it was prior to the start of the region's economic problems. It is expected that this additional workload will continue during the current economic climate and two temporary members of staff have been appointed to assist. The service has been able to reduce the backlog of work that had built up and introduce improved methods of enforcement. Consequently, at the end of October 2009, collection performance was slightly above the previous year's level.

Finance

- Finance and Procurement have been supporting a number of Efficiency, Improvement and Transformation (EIT) Reviews, which has placed pressure upon Resources.