

Bolton Council

Report to: Executive Member Corporate Strategy and Finance

Date: 27 September 2006

Report of: Chief Executive

Report No:

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Report Title: **Central Departments Service and Financial Performance monitoring report, first quarter 2006-07**

Non Confidential: This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose: This report provides the Executive Member with an overview on the key financial and service performance data from the central departments following the end of the first quarter, 2006-07.

Recommendations: The Executive Member is asked to:

- Note and comment on the first quarter performance dashboard
- Endorse the updates on the improvement actions for the priority BVPIs detailed in Appendix A
- Agree to continue to receive updates on the BVPIs in appendix A

Decision:

Background Doc(s) – all enclosed:

Appendix A: Exception report of lower quartile BVPIs
Appendix B: Central Departments Revenue and Capital outturn report Q1 2006-07
Appendix C: Central Departments Q1 revenue monitor 2006-07
Appendix D: Central Departments contribution to Gershon targets
Appendix E: Central Departments capital programme 2006–09

Signed:

Leader / Executive Member

Monitoring Officer

Date:

Summary:

This report presents the key first quarter financial and service performance data for the first quarter 2006-07 from the central departments: Corporate Resources, Chief Executive's and Legal and Democratic Services.

Also enclosed are a number of appendices, which provide detailed background information and key improvement actions, including the Central Departments' Revenue and Capital outturn report, 2005-06.

Overleaf is a dashboard that provides the Executive Member with an overview of service and financial performance from the three departments, including:

- Quarterly monitored Best Value Performance Indicators (BVPIs)
- Progress against key tasks detailed in team Service Improvement Action Plans (SIAPs)
- Revenue and Capital expenditure to date
- Anticipated Gershon efficiency performance

More information about each can be found in the enclosed appendices.

Central Departments' Financial and Service Performance Dashboard 2006-07, first quarter

All quarterly monitored BVPIs

Period	No. of BVPIs	On target ↑	DoT	Quartile (2004-05)			
Q1 06-07	22	45%	45%	17%	50%	17%	17%
Q1 05-06	16	69%	62%	36%	36%	19%	9%
Q1 04-05	14	50%	54%	8%	25%	33%	33%

Directly comparable BVPIs

Period	No. of BVPIs	On target ↑	DoT	Quartile (2004-05)			
Q1 06-07	12	33%	50%	18%	45%	27%	9%
Q1 05-06	12	58%	75%	18%	45%	36%	
Q1 04-05	12	50%	58%	18%	36%	27%	18%
Q1 03-04	12	66%	n/a	9%	36%	36%	18%

Top	Second	Third	Bottom
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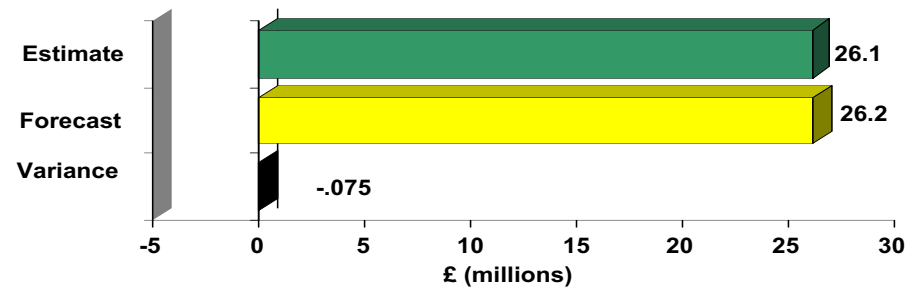
DoT: Direction of Travel, showing how many indicators have improved performance compared with same period the previous year

Q1 Service Improvement Action Plan monitoring

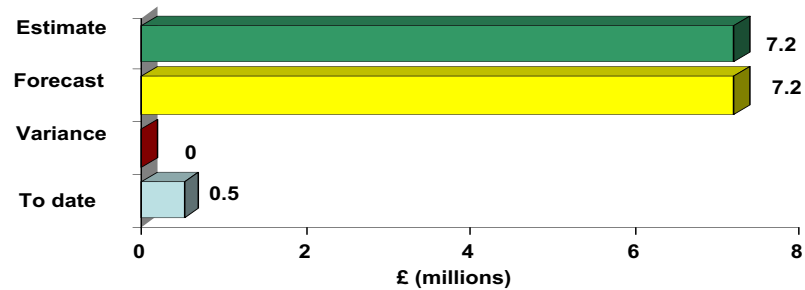
Key Tasks / milestones	Achieved	Not Achieved
Chief Exec's	39	4
Corporate Resources	33	6
Legal and Democratic	16	12*

TOTAL Q1 2006-07	88 (80%)	22 (20%)
TOTAL Q1 2005-06	58%	42%

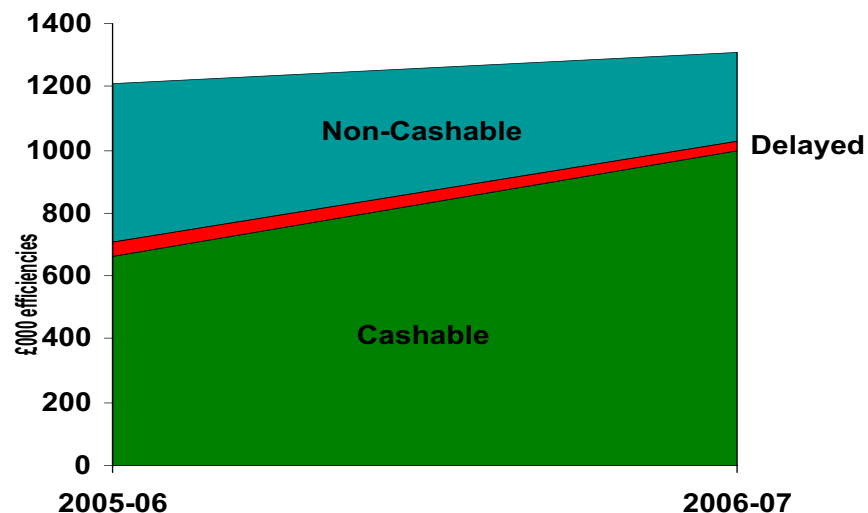
* Includes a number that have not been monitored



Revenue expenditure 2006-07
Capital expenditure 2006-07



Gershon efficiency performance forecast at end of Q1 2006-07



COMMENTARY

All quarterly monitored BVPIs

Improvements to quarterly monitoring means that 22 BVPIs within the central departments are now monitored quarterly, up from 16 in 2005-06.

Of this number, just under half are on target, while a similar number have improved performance when compared with the previous year.

Two quarterly BVPIs sit below the lower 2004-05 metropolitan quartile:

- BV 2b: Duty to promote race checklist
- BV 8: Invoices paid within 30 days

Improvement actions for these indicators have already been outlined in the year end 2005-06 report, presented to the Executive Member in August. These improvement actions are reviewed and updated in appendix A.

Directly comparable BVPIs

This shows performance across a total of 12 BVPIs within the central departments. Each indicator has:

- Been monitored quarterly by Bolton Council since Q1 2003-04
- Seen no changes to its definition in this time

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The indicators are:

BV8: Invoices paid within 30 days BV9: Council tax collected

BV10: Non domestic rates collected	BV14: Early retirements
BV15: Ill health retirements	BV76a: Housing benefit (HB)
	claimants visited
BV76b: HB investigators	BV76c: HB investigations
BV78a: Speed of new claims processing	BV78b: Speed of processing changes of circumstance
BV79a: Accuracy of benefit claims	

After successive years of improvement, a slight fall in performance against BVPI quartiles is noted for the first quarter of 2006-07. This is reflected in the drop in the number of BVPIs showing a positive direction of travel (compared to the same period the previous year) to 47%.

Work is ongoing with colleagues from other departments to draw together long-term trend data around BVPIs and other key indicators to evidence direction of travel in Bolton Council's services.

Service Improvement Action Plan (SIAP) monitoring

A new online system has allowed more effective monitoring of progress against the key tasks detailed in service improvement action plans.

Work is ongoing to improve performance where Q1 key tasks and milestones have not been achieved – this will be kept under review in subsequent quarters.

Work is ongoing to improve monitoring of SIAPs in Legal and Democratic Services.

Revenue expenditure, Q1 2006-07

Revenue expenditure is largely on track. The only major adjustment to the base budget has resulted from the transfer of staff from Children's Services to the HR Centre of Excellence.

As in 2005-06, it is expected that land charges will under-recover by around £75,000, as a result of the increasing number of personal searches being made. Please see appendices B and C for more details.

Capital expenditure, Q1 2006-07

Capital expenditure is in line with forecasts, although future variances are predicted, reflecting likely slippage in the Asset Management Plan and Area Property Reviews – both are on hold pending a full understanding of accommodation needs generated by the council's change programme. Please see appendices B and E for more details.

Over £1.3mn of efficiencies are planned from the three central departments in 2006-07 – this is up from £1.2mn in 2005-06.

At present the only variance anticipated is a potential £30,000 reduction in income caused by changes to the Sanctions Reward Scheme, whereby authorities are rewarded for increasing the number of sanctions imposed for benefit fraud. A new scheme is being developed that brings no financial benefit to the council.

More information can be found in appendices B and D.

Appendix A: BVPI exception report

1. Background

As part of Bolton Council's commitment to continuous improvement of its key services, analysis was done at the end of the past financial year (2005-06) on all BVPIs that performed below their lower metropolitan council quartile. Three of these are from within the central departments.

At the August meeting of the Executive Member for Corporate Strategy and Finance, commentary and improvement actions were outlined for these three measures. The Executive Member agreed to receive updates around these improvement actions throughout year – this appendix details the first such update:

2. Summary of lower quartile performance and proposed actions

2.1 BV 2b: Duty to promote race checklist

Reporting period	Target	Actual	Lower quartile threshold	Quartile	Variance from lower quartile	Direction of Travel
Q1 2006-07	57.9	52.6	56*	Bottom	-3.4	Same
2005-06	52.6	52.6	56*	Bottom	-3.4	Same
2004-05	52.6	52.6	56	Bottom	-3.4	Improving
2003-04	n/a	37	41	Bottom	-4	n/a – new BVPI

*2004-05 quartile data used

Update on steps to improve performance:

- * Programme of information-giving based on Bolton Scene agreed, allowing us to soon claim that we have "actively communicated (our policies) to members of the public and to staff", boosting our performance against this indicator.
- * Item placed on AGMA Equal Opportunities Group meeting 5 October asking all to show what evidence they used to support their BVPI 2b scores
- * Substantial working with corporate consultation to put surveys of customer and staff attitudes in place to provide a basis of evidence. However, we cannot guarantee that the results of those surveys will support the view that satisfaction is increasing.

2.2 BV8: The percentage of invoices paid within 30 days

Reporting period	Target	Actual	Lower quartile threshold	Quartile	Variance from lower quartile	Direction of Travel
Q1 2006-07	85	82.7	85*	Bottom	-2.3	Improving
2005-06	100	81.69	85*	Bottom	- 3.21	Improving
2004-05	100	73.95	85	Bottom	- 11.05	Declining

2003-04	100	92	85	Top	+ 7	Improving
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* 2004-05 quartile data used

Update on steps to improve performance in 2006-07:

- Work ongoing to reduce the time departments hold on to invoices before sending them to Centre of Excellence.
- Ensure departments code and authorise invoices correctly.
- Ensure departments properly record invoices that are in dispute.
- Work will continue to embed use of I-Procurement to raise orders and make payments.

2.3 BV 14: Percentage of employees retiring early (excluding ill-health)

Reporting period	Target	Actual	Lower quartile threshold	Quartile	Variance from lower quartile	Direction of Travel
Q1 2006-07	0.70	0.106	0.80*	Second	n/a	Improving
2005-06	0.80	1.09	0.80*	Bottom	-0.29	Declining
2004-05	0.64	0.34	0.80	Second	+0.46	Improving
2003-04	0.5	0.38	0.76	Second	+0.38	Improving

* 2004-05 quartile data used

Update on steps to improve performance in 2006-07:

- There remain no major service restructures on the horizon in 2006-07 that could generate large numbers of early retirees – although this situation will be closely monitored throughout the year.
- All VERs are approved by the Executive Member for HR and Diversity, as well as Departmental Management Teams. Both review reports containing the reasons for the request and the financial implications.
- The council currently manages VER levels well within Bolton's allowance as stipulated by the GM local government pension scheme.
- However, budget constraints could create additional early retirements as staff levels are managed.

3.____Concluding remarks

As at the end of the previous financial year, 3 of the central departments' 29 BVPIs sat within the bottom 2004-05 metropolitan quartile. Steps to improve performance in these areas have already been agreed and are being actioned – as this report shows. One of the three indicators has moved out of the bottom quartile (BV14) and the improvement actions detailed above should ensure that the other two follow suit.

Improvements in performance are anticipated for all over the coming quarters. Performance against these measures will be updated quarterly at future Executive Member meetings.

