

**REPORT TO: POLICY COMMITTEE ON 5 MARCH 2008**

**SUBJECT: PERFORMANCE AND SERVICE IMPROVEMENT PLAN  
MONITORING - FINANCE AND ICT SERVICES**

**BY: CHIEF FINANCIAL OFFICER**

**1. REASON FOR REPORT**

1.1 This Report has four objectives.

- (i) To invite Committee to consider the progress achieved, as at the end of Quarter 3 2007/08, in implementing the improvements identified in the Finance and ICT Service Improvement Plan 2006-2008.
- (ii) To invite Committee to consider the progress made in achieving, as at the end of Quarter 3 2007/08, the main Finance and ICT Performance Indicators.
- (iii) To invite Committee to consider the progress made, as at the end of Quarter 3 2007/08, in achieving the Finance and ICT Complaint Targets
- (iv) To seek Committee approval to adopt some new Performance Indicators and to amend some Performance Targets. These proposed changes were discussed and agreed at an informal meeting with Members of the Audit and Performance Committee on 11 January 2008 and subject to Policy Committee approval will be implemented from 1 April 2008.

1.2 This Report is submitted to Committee in terms of Section A (41) of the Council's Administrative Scheme relating to the effective contribution to the achieving the Council's objectives.

**2. RECOMMENDATION**

**2.1 That Committee consider the contents of the report, seek clarification on any points arising, and otherwise approve the report.**

### **3. BACKGROUND**

3.1 On 13 June 2007, the Policy Committee approved the adoption of the updated Finance and ICT Service Improvement Plan 2006-2008. Service Improvement Plans are a key element of the Moray Council Performance Management Framework and contain Departmental Objectives derived from a number of sources including the Efficient Government Requirements, the Best Value Review Plan, the EFQM process and the specific Corporate Development Plan objectives that impact Finance and ICT Services.

3.2 Along with the Service Improvement Plan, Service Managers within Finance and ICT have specific Section Operating targets. A set of Performance Indicators has been developed for these core operating activities and progress against target is monitored on a monthly basis.

Progress reports on both the Performance Indicators and the Service Improvement Plan for 2006/08 are presented to this Committee throughout the year. In addition, responsibility for reporting performance on Departmental complaints has been moved to Service Departments and complaints monitoring is also included in this report.

The tables used to report and monitor performance are provided as Appendices.

3.3 This report covers the period to **31 December 2007**.

3.4 **APPENDIX 1** shows the position on the 15 item Service Improvement Plan for 2006/08. As requested by Committee at the meeting on 29 August 2007, the figures shown are based on "exception reporting" and only priorities behind target at 31 December 2007 are shown. A performance summary on a service-by-service basis is provided in the text of this report at section 5 onwards.

**APPENDIX 2** shows the position on the Performance Indicators. As requested by Committee at the meeting on 29 August 2007, the figures shown are based on "exception reporting" and only indicators falling short of target are shown, in the style produced by the Covalent Reporting System. A summary is provided in the text of this report at section 5 onwards for all indicators classed as "red".

**APPENDIX 3** shows position on Complaints. A performance summary is provided in the text of this report at section 5 onwards.

3.5 A series of informal meetings involving all Council Departments has been taking place with members of the Audit and Performance Committee. The purpose of these meetings was to review the Key Performance Indicators and Service Standards reported to that Committee to clarify the purpose of the indicator/standard, review the suitability of the target and review the threshold values that will apply in determining whether performance achieved is classed

as “green/amber/red” in accordance with the Council conventions. In addition to these, one additional new Performance Indicator proposed by the ICT Service is also included.

**APPENDIX 4** summarises the proposed changes agreed on 11 January and details the proposed ICT new Indicator.

#### 4. **SUMMARY OF PERFORMANCE**

The table below summarises the main points in terms of Performance Indicator progress to 31 December 2007. The summary of performance for the period is presented within three headings:

- Green – performing well
- Amber – requires close monitoring
- Red – requires improvement action

<b>Function</b>	<b>No. of PI's with targets set.</b>	<b>Green – Performing well or not due this Q.</b>	<b>Amber – Close Monitoring</b>	<b>Red – Action Required</b>
Accountancy	20	18	0	2
Internal Audit	5 (4 not measured at present due to staff shortages)	N/A	N/A	1 (4 not measured at present)
ICT Development	10	10	0	0
ICT Support	13	12	1	0
Payments	11	11	0	0
Revenues	8	6	2	0

#### 5. **PERFORMANCE ANALYSIS**

##### 5.1 **Areas of Good Performance**

Accountancy Services

- All month end Budget Reports were issued to Services within planned timescales.

## ICT Development

- As well as contributing to the Best Value Review of the ICT Service, the ICT Development Team has one priority to deliver from the Service Improvement Plan. This is to maximise the use of ICT including the Easy Access Project and a large amount of work has taken place including the transfer of more enquiries to the Contact Centre. The project continues with Legal signature enquiries (advice to the public on what they are allowed to witness/sign) transferred in December and the licensing hotline is planned to go live in January. Initial business cases have now been prepared for a total of 15 of the 29 services identified for potential transfer to the contact centre.

## ICT Support

- The Help Desk continues to perform well with all targets being met.
- As well as contributing to the Best Value Review of the ICT Service, the ICT Support Team has two priorities to deliver from the Service Improvement Plan. The first of these is to formalise the Disaster Recovery procedures, identify improvements and then to implement the improvement plan. A draft document has been produced which summarises the current arrangements and risks. The document also includes a summary of further work required (e.g. replacement generator, improve server / system documentation) to mitigate existing risk. In addition, an initial meeting has been held with Aberdeen City and Aberdeenshire Council to discuss opportunities for a joint approach. Work is ongoing.

## Payments

- The Performance Indicator to pay creditors within 30 days is an indicator reported to Audit Scotland and the year to date performance of 87.5% is ahead of the 85% target.
- Performance of 99.74% was achieved on the indicator for Payroll staff to pay staff correctly and on time. While still fractionally short of the 99.75% target, this is improved performance.
- There are three priorities on the Service Improvement Plan for Payments and all are proceeding well. The final parts of the Single Status settlement were completed during the quarter.

## Revenues

- At an average of 30 days, the best ever performance in processing new benefit claims was achieved during the quarter. This is well inside the Department of Work and Pensions target of 36 days.
- Council tax collection rate is 84.05% at quarter end. This figure is close to the 84.08% achieved at this time last year and it is possible that the record collection rate achieved last year will again be achieved or exceeded.

- Priority 5.6 on the Service Improvement Plan is the project to implement the Local Housing Allowance by 31 March 2008. This is a legal requirement and the target date must be achieved. At 31<sup>st</sup> December, this project is on schedule.

## **5.2 Areas of Performance identified for improvement and how this will be achieved.**

### Accountancy Services

- There was 1 late Trust Fund claim processed during the quarter. This was due to the late return of the forms by a Member. The position will continue to be monitored but no further action is proposed at present.
- A total of 10 reports were issued to Committee Services one day late during Quarter 3. Committee Services were however able to include these with the papers issued to Members and the papers were not late for Committee. The internal administrative processes within Finance and ICT Services are being reviewed with a view to preventing this happening in future.
- In the Service Improvement Plan, two Priorities are behind target. One of these is to arrange and formalise a staff training programme and although training is ongoing, the Target date to formally sign off the agreed schedule with Personnel has been revised to June 2008 because of maternity leave.
- The other Priority behind target is the development of the Capital Strategy and Corporate Asset management Plan. The timetable to develop this has been revised because of significant changes in method of government funding. Revised target September 2008.

### Internal Audit

- Progress on the Audit Plan continues to be difficult for reasons that have been reported previously. Despite this, a further 26% of the planned programme was completed during the quarter. A permanent solution to the staffing position is however now in sight and a new auditor has been appointed with a starting date of late February. This will significantly improve future performance although a settling in period will be needed.
- The difficult resourcing position has meant that the other 4 performance indicators used by Internal Audit were not collected during the quarter. Collection will recommence at the first opportunity.

### Revenues

- Two Revenues priorities in the Service Improvement Plan are behind target at the end of quarter 3. The first of these is the project to reduce the cost of cash collection. The tender process is now complete and new service supplier has been appointed. The Consultation arrangements have also been finalised and were presented to the Full Council meeting on 30<sup>th</sup> January 2008 with a recommended start date of May 2008. This was approved.

- The other Priority is the North of Scotland Local Authorities Shared Service Initiative. The bid for funding from the executive to conduct a NOSLA feasibility study has been successful with the study completion now estimated for October 2008. It should be noted that this project had been placed “on hold” as a result of the Scottish Parliament elections and work recommenced in October 2007.

## **6. COMPLAINTS**

There were 12 complaints in the quarter. One of these was upheld and two were part upheld. In each of the three upheld/part-upheld cases, the service manager reviewed the case and took, as far as possible, action to avoid a recurrence. Performance in acknowledging and answering complaints was satisfactory.

## **7. GENERAL OVERVIEW**

Generally good performance achieved on the Performance Indicators during the quarter and the Service Improvement Plan is also progressing well.

Council tax collection rate is now almost identical to the record collection rate achieved last year and with more customers paying by Direct Debit over 12 months another excellent year end collection rate is expected.

Benefit processing times achieved during the quarter were the best ever and it is possible that the Department of Work and Pensions target figure of 36 days will be achieved for the full year. A strong processing performance in quarter 4 is needed to achieve this.

The main area for attention is the Internal Audit resource position and action has been taken to provide a permanent solution through the recruitment of a new auditor.

Three indicators are classed as “amber” including the year to date Council Tax Collection rate. These indicators are being carefully monitored and none of them require further action at this stage.

During the quarter, opportunity was taken to review some key Performance Indicators, associated targets and target thresholds. It is intended to implement these changes from 1 April 2008.

## **8. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Development Plan/Community Plan/Service Improvement Plan**

Comments on the Service Improvement Plan are contained within the report.

**(b) Policy and Legal**

None

**(c) Resources (Financial, Risks, Staffing and Property)**

None

**(d) Consultations**

Service managers responsible for areas reported are involved throughout the reporting process. There have been no other consultations.

**9. CONCLUSION**

**9.1 In general, performance across the range of services provided by Finance and ICT remains good and appropriate action is being taken in areas where targets are not being met.**

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Background Papers:  
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