

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 13 December 2007
AUTHOR/S: Corporate Manager, Policy, Performance and Partnerships and
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INTEGRATED BUSINESS MONITORING REPORT – APRIL TO OCTOBER 2007

Purpose

1. To provide Cabinet with an opportunity to review the 2007/08 performance against budgets, performance targets and service first standards and to take appropriate actions to address issues arising.

Executive Summary

2. As at 14 November 2007 there was a current projection of a General Fund underspend of £200,600, which represents a 1.56 % variation from the original budget (Note: the annual target is to be within 3% of the original budget). Within the projected underspend total, there are sums that could potentially be used to improve performance. No service is currently requesting additional resources to enable them to achieve the priorities.
3. Included in the £200,600 projection is a potential net underspend of £26,300 on staff related costs. If the payments in respect of Milton Country Park and Local Strategic Partnership pump priming are not made this financial year, then the underspend is likely to be £550,600, mainly due to higher interest on balances of £460,000.
4. Progress in the three 2007/08 priorities areas is as follows:

Priority 1 – To Improve Customer Service

Significant improvement action has already taken place (e.g. Planning Agents Forum and Evening Cabinet and Scrutiny & Overview Committee meetings). The Service First project is well established and services trying to achieve the required standards.

The performance of the Contact Centre is causing concern, with various SLA standards not being achieved. A joint improvement team has been established with the County Council to agree and implement a three-month action plan.

Priority 2 – To achieve successful sustainable communities for Northstowe and other Growth Areas

The recent appointment of the Growth Area Project Manager has resulted in a more coordinated approach and various initiatives are moving this work forward. There is a significant work programme to deliver but whilst there are some slippages in milestone completion dates, none has been highlighted as causing any major concerns.

There are currently no clear Council Objectives or PIs for this priority but the Growth Area Project Manager is beginning to develop these. A discussion paper will be put to the Strategic Growth Area Project Team in January 2008.

Priority 3 – To increase the supply of Affordable Housing

A preferred strategic delivery partner for affordable homes has been selected and the proposed outcome was reported to and agreed by the Housing & Environmental services Portfolio Holder in September 2007. The target number of affordable home completions will not be achieved but this is largely out of our control.

Background

5. As Cabinet did not meet in November, this report provides a 7-month update.
6. The integrated report brings together the three key performance management elements of: Service First (**Appendix 1**), Finance (**Appendices 2 and 3**) and Performance (**Appendix 4**).

Considerations

Financial Position

7. Details of the 'Actual Income and Expenditure to 31 October (as at 14 November 2007)' are set out in **Appendix 2**. For the purposes of this report, the key points to note are:

General Fund

8. a) The General Fund underspend is projected to be £200,600. This represents a 1.56% variation from the original budget, which is within the annual target to be within 3% of the original budget. The projected underspend has reduced since the first quarter report, from £340,000, as decisions have been taken to reduce it e.g. the Milton Country Park Contribution & LSP Pump Priming. Within the projected underspend total, there are elements that could potentially be used to improve performance. No service has requested additional resources to enable them to achieve the priorities. The following three underspend elements that could potentially be used are:

- i) Net projected Salary related underspend - £26,300

In view of the significant underspend on departmental accounts in previous years, a budgetary control report is now being prepared on a monthly basis for SMT. That report compares the expenditure to the end of the previous month with the original budget plus approved virements and rollovers.

Staff related costs include temporary and agency staff who may be taken on whilst a post is vacant. Staff related costs do not include sheltered housing and manual workers in the Housing and Environmental Services area and depreciation, which are reversed out in the General Fund summary.

An analysis of the under/over spending areas to the end of October 2007 is attached at **Appendix 3**. If the current levels of savings are replicated for the remainder of the year then there is a potential net underspend of £26,300.

- ii) Interest on Balances - £460,000

Balances are higher than expected and interest rises have increased the expected income.

b) Uncommitted Budgets are currently £185,400, which is made up of:

- i. 2nd Tier restructuring - £74,800
- ii. Corporate Governance Inspection (CGI) – £110,600

The underspend in 2nd tier restructuring and CGI is largely the result of the later than envisaged filling of posts. Some of the underspend will be used in recruitment costs. Nevertheless an underspend will occur which will be available for spending on projects associated with the Improvement Plan

Housing Revenue Account (HRA)

c) The HRA is predicted to underspend by £98,500. The main reasons are

- i) Additional Work undertaken by The Direct Labour Organisation that is estimated to lead to a net surplus of £69,200.
- ii) The proportion of the Departmental/Overhead underspends that are estimated to be a reduction in the recharges to the HRA, which amount to £22,700.

Priority 1 – To Improve Customer Service (Appendix 4 Tables 13 to 16 refer)

9. Development Control held the second Agents Forum in October and have arranged for a third one in February 2008, which is a significant improvement on previous customer access to this important service area.
10. Further significant steps have been taken to try to improve public access to decision making through the democratic process i.e.
 - a) Cabinet met in the evening in October but no members of the public or the press were present. The February meeting will again be in the evening.
 - b) All Scrutiny and Overview Committee meetings now start at 5.30 p.m. The October meeting was held at Comberton and the November meeting was held at Foxton. Local people were present at both meetings and participated in discussions.
 - c) Planning Committee, which introduced public speaking from August 2007, is developing a customer satisfaction form which resident attendees will be asked to complete.
11. Building Control gave a presentation to its customers in September and has arranged for the first Focus Group meeting in December.
12. The new Tenant Participation Agreement has been agreed with the Tenant Participation Group, signed off by the Portfolio Holder and published on the website.
13. There are no critical delays.
14. Officers are reporting excellent progress in achieving the PI targets, which support this priority, with 11 of the 15 PIs being estimated to be on target (Appendix 4 Table's 14 and 16 refer). The four PIs, which may not achieve their target are:

SX25 – Standard search response days, received by post – Target 8 days
SX26 – Standard search response days, received electronically – Target 2 days

15. The electronic applications (SX26) are currently being processed with those received by post and the end of year estimate is 10 days for all applications.

Contact Centre – **Appendix 1** refers

SF703 - % Contact Centre callers satisfied with how call answered – Target 92%

16. The Contact Centre has not carried out the planned 3-month survey for the period July to September but is understood to be carrying one out for the 4-month period July to October. Those results will be too late for this report. Satisfaction at the three-month point was above target at 94%.

SF731 - % Contact Centre calls abandoned – Target less than 3%

17. The current performance rate is 6.55%, which is significantly above the target. The end of year estimate is 5%, which would achieve the SLA target of 5%. It should be noted that it is now considered that the SLA target is not challenging enough and the Contact Centre has been advised that we are looking for them to achieve a lower target of 3%. There are continuing Contact Centre issues with system access, lack of trained call agents and employee turnover. A newly developed short-term action plan is designed to address these issues but the target is unlikely to be achieved.
18. Key SLA targets are still not being achieved:
- a) % calls abandoned.
 - b) Average wait times
 - c) % Calls answered in 20 seconds
19. Call handling performance in September was the worst on record for the Contact Centre. The principal reasons are:
- high levels of sickness and turnover
 - the impact of requests for bus passes (has increased call volumes by some 20%).
 - Management of training. Turnover requires service specific training, which of necessity involves SCDC staff time. There have been difficulties in identifying mutually convenient times for this training.
20. The Portfolio Holder received a comprehensive report in October 'Contact Centre – Mid Term Appraisal' and a joint Improvement Team with the County Council has been set up to agree and implement a three month action plan.
21. **Calls dealt with by the Contact Centre.** The target is 80% of calls dealt with without handover to the back office and this target was achieved, with 84% of calls dealt with.
22. Call hand-offs are lower now than previously, which could indicate that those customers who are being served are receiving an improved service from the Contact Centre. There may therefore be a need to review the level of service that the Contact Centre provides to ensure the balance is right between customer satisfaction and service provided to ensure that all customers receive an acceptable level of service.

Telephone Calls at Cambourne

23. There has been an improvement since the first three months. For all calls, 99% were picked up within 20 seconds and the average response time was 3 seconds. The percentage of abandoned calls has fallen across all service areas, but is still relatively high in Planning and Housing Services.
24. It would appear that there is now a greater awareness of the importance of answering telephone calls well but Planning and Housing Services need to continue to improve.

Written Correspondence/letters

25. Revenue Collection, Benefits and Health & Environmental Services have maintained or improved on their high performance levels.
26. Affordable Homes has remained as a relatively low performer (83% drop to 82%).
27. Planning has reported a figure of 74% for this quarter, which is a significant improvement on the previous quarter performance of 59%.
28. It would appear that there is also a greater awareness of the importance of responding to correspondence but Planning and Housing Services need to continue to improve.

Personal Visits – Customer Satisfaction SCDC HQ

29. Customer satisfaction is high at 96% against the annual target of 96%. Only 28 forms were completed for the 3-month period.

DLO Personal Visits: In the tenant's home

30. Over the past 6-months, 98% of customers expressed satisfaction with their experience after a repair had been carried out. This continuing high performance level is worthy of note as these visits will be associated with members of the DLO having to carry out work, which will sometimes cause dirt etc in the household. These officers are clearly taking great care to minimise disruption to the tenants.

Complaints

31. There are a similar number of complaints as the previous quarter. Only one complaint, for Planning, needed to be passed through to Stage 2, which is encouraging. The number of Ombudsman complaints fell from 6 to 3.
32. Four complaints are recorded against ICT but all concerned Contact Centre issues.

Compliments

33. It has not been possible to gather this information for this report.

General Comment

34. The post of Customer Service Project Officer has been vacant throughout this 3-month period, which has made the task of gathering information problematical e.g. compliments and service actions to improve their performance. Other Service First projects have also not been progressed because of this vacancy. However the Inspire Project Officer has been able to offer some spare capacity and most of the information that is required for this

report has been gathered. The vacant post will not be filled until December, which will cause similar problems for the 9-month report.

Priority 2 – To achieve successful sustainable communities for Northstowe and other growth areas (Appendix 4 Table 17)

35. The Northstowe Section 106 agreement will be delayed, until June 2008, due to the need to wait for the application, which is now not expected until December 2007.
36. Cabinet will receive a report at the December meeting, which will be designed to put them in a position to make a decision on the formation of a Northstowe Trust.
37. A report on a review of progress in relation to the growth areas will be presented to the Strategic Growth Area Project Team in January 2008.
38. There are currently no clear Council Objectives or PIs for this priority but the Growth Area Project Manager is beginning to develop these. A discussion paper will be put to the Strategic Growth Area Project Team in January 2008.

Priority 3 – To increase the Supply of Affordable Housing

39. The Council's planning policy guide was completed in September and is now subject to internal consultation. The document has to be in line with the published material in the Local Development Framework and the public consultation will not be completed until March 2008, which means that the planned completion date of December 2007 cannot be met. It will however go to Cabinet for approval in April 2008.
40. A model local lettings policy has been developed, which can be used for all four growth sites. Arbury Park has been agreed with the Registered Social Landlord (RSL) consortium. Agreement on the other three is conditional on the S106 negotiations with the developers being concluded. A report will be presented to the relevant Portfolio Holder in May 2008 for all 3 sites.
41. A preferred RSL partnership has been selected, for the affordable housing at Northstowe, Cambridge Southern Fringe and North West Cambridge, and the full details were reported to the Portfolio Holder in September.
42. Consideration is being given as to whether the model Section 106 Agreement, that the Dept for Communities and Local Government produced last year, is adequate for all S106 purposes e.g. affordable housing needs. If that model is not adequate then the timetable may slip, as officers will need to develop a new SCDC model.
43. There are two main PIs for this priority area, although the one for affordable housing completions (SH311) is sub-divided into two other PIs (with and without Housing Corporation funding – SH311a and SH311b). Only one PI (SH 320) will achieve its target. The PI that will not achieve its target (Appendix 4 Table 18 refers) is:

SH311 – Total number of completed new affordable homes – Target 565

44. The target will be missed by 93 units because eight schemes (79 units) have been delayed and two others (14 units) are not progressing. Developers (possibly due to the current economic climate) decisions and planning permissions all influence the completion rate, which is beyond the Council's control.

Other Important Corporate Matters

45. The Performance Plan 2007 identifies other matters of corporate importance (e.g. Quality of Service, Cleaner Villages and Environmental Quality etc) and 58 PIs (National and local) are used to monitor progress on these. Officers are reporting that 47 (i.e. 81%) are on target and 11 (i.e. 19%) are subject to a non-critical target miss (Appendix 4 Table 'Corporately Important performance Indicator Summary' refers).
46. The other PIs that are unlikely to achieve their end of year target are:
- BV66c - % of tenants in arrears who have had notices of seeking possession served
 - BV79a - % cases for which the calculation of the amount of benefit was correct
 - BV84a – Kilograms of household waste collected per head of population
 - BV84b - % annual change in number of kilograms of household waste collected
 - BV183b – Average weeks in hostel accommodation
 - BV204 - % planning appeals allowed
 - SF713 – Average spending on training per employee
 - SX5 – % of employees leaving voluntarily
 - SX15 - % dual use strategy completed
 - SX16 – Number of village with completed Parish plans
 - SX17 – Income attracted from other funding agencies as a result of capital grants
47. None of these targets will be missed by a significant amount and officers will continue to work to achieve them.

New Performance Management Solution

48. The procurement process for selecting a new Performance Management Solution has identified a short list of two potential suppliers. A decision on the preferred supplier will be made shortly. However it is proposed to delay confirming the contract until January 2008. This proposed delay is planned to allow the County Council and Cambridge City to complete their procurement process for a similar product.
49. It is hoped that those two authorities will make the same decision as this authority or at least ensure that their product is capable of electronically communicating with SCDC. It is felt that this will be essential in view of the nature of the new National Indicators (NIs) announced by the government and if future partnership working is to be developed effectively.
50. Key elements of the new system should be in place by the end of March 2008, ready for the 2008/09 financial year. Other elements will then be rolled out during the first half of 2008/09.

Conclusions/Summary

51. The authority is on target to be within 3% of the original General Fund budget and at the present time there is projected to be a £200,600 General Fund underspend and a £98,500 underspend on the HRA. There are therefore potential resources available to be used to improve performance in priority areas. No service area is currently requesting additional resources to enable them to improve their 2007/08 performance against the three priorities.
52. There is significant progress in achieving the three priorities and whilst there are some delays, none have been identified as being critical to the overall achievement of the

priorities. There is however a need to monitor the position closely and to be prepared to make effective business decisions if performance begins to slip.

Consideration by EMT

53. Executive Management Team (EMT) considered the report on 28th November 2007 and –
- a. noted the contents of the report and in particular the actions being taken to address Contact Centre performance issues
 - b. asked Corporate Managers to put forward proposals to use current year underspends to achieve performance improvements in the performance indicators in paragraph 46 or other indicators where achievement of targets is at risk
 - c. agreed that performance on responding to telephone calls and written correspondence (paragraphs 23 – 28) are appropriate issues to include in the Corporate Briefing.
 - d. asked Corporate Managers to monitor closely the PIs in paragraph 46 and others at risk of achieving targets in the current year.

Recommendations

54. Cabinet is recommended to note that:
- (a) no service is currently requesting additional resources to enable them to achieve the priorities (para: 8a refers).
 - (b) there is a potential General Fund underspend which could be used to improve performance in priority areas (para: 8a refers)
 - (c) performance levels are generally high but there are some areas of weakness, which need to be monitored closely.

Background Papers: the following background papers were used in the preparation of this report:
The Performance Plan 2007

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