Metropolitan Borough of Wirral

**FINANCE
DEPARTMENT**

PERFORMANCE MONITORING REPORT

AUGUST - OCTOBER 2006

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1.	**OUR OUTCOMES IN RESPECT OF THE COUNCIL'S CORPORATE PLAN AND IMPROVEMENT AGENDA**

The Finance Department plays a key role in supporting the functions of all the other services provided by the Council. Clearly the work the Department undertakes with residents of the Borough with Housing matters fits within the corporate "**Meeting the housing needs of Wirral**". It is, however, difficult to identify the Finance Department's contribution to any other service led corporate objectives; its main impact is in the area of "**continuously improving services**". During the past quarter the Divisions of the Department have undertaken the following key activities:

Accountancy

- **1Business** - benefits of the system are becoming clearer with greater familiarity
- **Year–end accounts** - The District Auditor gave an unqualified opinion on the accounts for 2005/06. Annual Governance report together with the amendments to the accounts were both approved by Audit Committee on 28 September. The challenges of implementing the Integrated Financial System were recognised.
- **Budget 2007/08** - The detailed work on preparing the budget is now underway.

Audit

- 58 audits have been completed during the period August to October identifying 65 high and 12 medium priority recommendations to improve systems in operation that include Capital Investment Programme, Solar Campus Security, Car Parking and Adult Social Services CRB Checks. These form part of the focus of the Audit Committee Agenda.

Merseyside Pension Fund

The Fund dealt with a number of changes to legislation, including:

- **Continuation of 85 year rule**

  The LGPS (Amendment) (No 2) Regulations 2006 confirm the proposed changes to the transitional protection arrangements for the 85 year rule changes. The rule which allows members to choose to retire from age 60 with unreduced benefits is to remain until 31 March 2008. Protection is extended to those who have satisfied the 85 year rule and will be aged 60 by 31 March 2016. For existing members who would have satisfied the 85 year rule made by 31 March 2020 it is proposed to introduce more favourable actuarial reductions on a phased basis.

- **The Draft LG (Early Termination of Employment) (Discretionary Compensation) Regulations 2006**
  New draft regulations issued 8 May 2006 for implementation from 1 October 2006 remove the facility for employers to award Compensatory Added Years (CAY) on efficiency or redundancy retirement and instead provides for lump sum compensation based on age and service up to a maximum of two years pay.

Employers will still be able to award up to 6 2/3 added years by means of Augmentation provision within the main LGPS Regulations instead (Regulation 52). The objectives are:

Simplicity – removing an unnecessary provision, passing over the responsibility for the payment of the compensation to the employer,

Improving visibility of the true costs because if added years awarded using augmentation provision instead, the capital cost normally needs to be approved and paid within 1 month to the Pension Fund (unless alternative arrangements for payment within 5 years are agreed, and

Cost savings by encouraging employers to consider costs more carefully.

Revenues, Benefits and Customer Services

- **Call Centre** –handling of the Open Golf calls was a valuable part of the overall Open success with a thousand calls being handled and this work helped the local residents understand that the council was available as this massive and highly successful event went on around them.
  - has begun handling calls for Merseytravel's Smart Ticket Scheme, which is the new pass for disabled and elderly for all of Merseyside. This has been brought to Wirral as part of our 1Business Partnership with Fujitsu, who have the contract for the administration of the scheme with Merseytravel.
- **One Stop Shops** – Our first Information Point is open at Ridgeway Library which is at Noctorum High School, Noctorum Avenue. This is an exciting development as the site is fairly new and is our first linking with our colleagues in Libraries. Six more are planned around the Borough to be open over the next six months.
- **Council Tax/Housing Benefit New System** – Work is progressing but due to the amount of re-testing required we decided to delay one week the go live date which means the old systems was switched off on 15 November. Then ongoing monitoring of progress and revisions to the system are now in place.

Support Services

- A "Celebration of Success" lunch was held to congratulate over 30 members of staff who had been successful in completing a range of development activities.
- Freedom of Information requests are steady and varied covering issues such as how prepared Wirral would be for a Mosquito virus outbreak and whether Wirral has any French Drains on its road network. Several requests from research students working on final dissertations and one man who is preparing a database to assist Motor Home owners as they travel across the Country – asking for details about any restrictions on parking and overnight facilities for Motor Homes.
- A project group was established with colleagues from the Transformational Change Team to review all the processes in the "procure to pay" system. The outcome will lead to smarter working practices and alleviate current problems.

- Work is on track to ensure the Department receives ISO 14001 (Environmental Management System) accreditation by the end of December 2006.

WITS

- SOCITM survey - the results from the Customer Satisfaction Survey were received and reported to ISG in September. Presentations were also made to all Corporate ICT staff.
- Printing - The new colour copier has been installed and is giving higher quality copies. 1 of the 2 new mono copiers has been installed.
- Customer Care: training is being organised for all WITS staff including all staff from the departments who are joint the Corporate Team. It is hoped the training will start in November.
- Security Compliance: a review of WITS compliance with ISO/IEC 177999 'Information Technology – Security Techniques – Code of Practice for Information Security Management' and ISO/IEC 27001 'Information Technology – Security Techniques – Information Security Management Systems – Requirements' has being conducted.

2.   EXTERNAL CHALLENGE AND INSPECTIONS

Audit Commission

The Accounts of the Council were closedown within the revised timetable and completed by 30 June 2006. As stated above The District Auditor gave an unqualified opinion on the accounts for 2005/06. The Annual Governance report and the amendments to the accounts were both approved by Audit Committee on 28 September.

Comprehensive Performance Assessment

The audit commission forms a judgement on the council's ability to secure economy, effectiveness and efficiency. This is often referred to as the value for money judgement. This judgement is made of the basis of twelve criteria including **Use of resources**. This assessment looks at five themes: financial reporting, financial management, financial standing, internal control and value for money. The value for money element contributes to 8 of the 12 criteria for the value for money judgement. As a 2* authority the council is not required to undertake a new self-assessment, however there is a requirement to update the existing assessment. This has been completed and discussions with the Audit Commission regarding the submission are on going.

3.   REVIEW OF RISKS AND CONTINGENCIES

The Department takes a pro active approach to managing risk and keeps a departmental risk register outlining risks, control measures as well as risk scores. The departmental management team identified the following issues and managed their impact on achieving departmental objectives during this period:
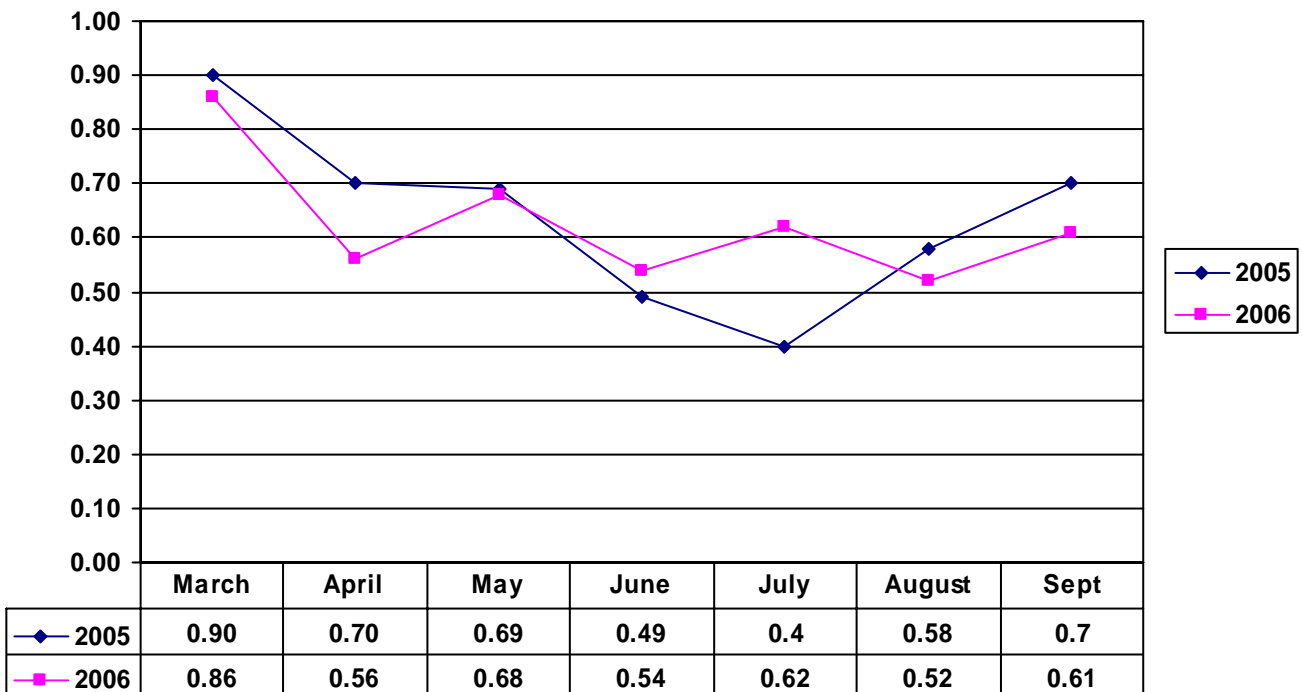
- ❖ Implementation of the 1Business programme
- ❖ Development of key IT systems, such as Revenues and Benefits

❖ Extra activity at the Call Centre due to change in contractor for the waste collection service and the Open Golf Championship

4.	MANAGEMENT OF RESOURCES, IMPROVING CUSTOMER SERVICES AND VALUE FOR MONEY

The number of day's sickness is calculated by taking the total number of day's sickness during the month divided by the number of staff employed during that month. The chart below depicts the average for March, to September for both 2005 and 2006. Whilst the averages are broadly similar a great deal of work is taking place in the Department to ensure sickness absence is managed effectively.

Average Number of Days Sickness per staff member

	March	April	May	June	July	August	Sept
2005	0.90	0.70	0.69	0.49	0.4	0.58	0.7
2006	0.86	0.56	0.68	0.54	0.62	0.52	0.61

5.   PERFORMANCE INDICATORS

There are 49 best value performance indicators, corporate plan and local indicators for the finance department. These are currently being assessed to ascertain their validity and usefulness. Due to the nature of some of the performance measures it is not possible to report on all indicators on a quarterly basis. Those that do lend themselves to quarterly reporting are listed in the annex to this appendix.

The chart below depicts the number of indicators that are considered to be above or on target. The remainder are the subject of management action to review and alleviate any identified issues. None of these will inhibit the department from achieving its overall aims as set out in the departmental plan.

Quarter 2 - Performance Indicators

(17) 34%

(11) 22%

On Target
Require Review
Above Target

(22) 44%
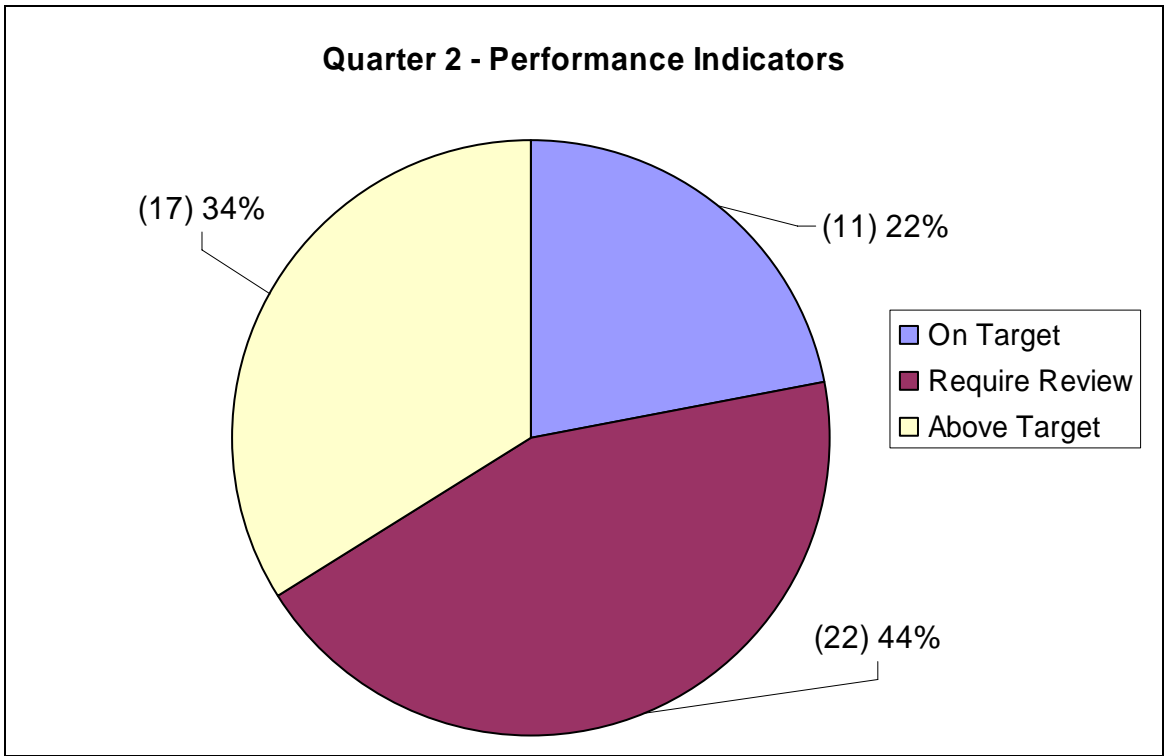
6.   SUMMARY OF NEXT QUARTER'S ACTIVITIES

The focus for the next quarter will be to:

- ensure that financial aspects of the 1Business programme are implemented to maximum efficiency and effectiveness.

- respond to Central Government's consultation and the significant changes in the Local Government Pension Scheme arrangements.

- complete the relevant elements of the job evaluation project.

- implement the Revenues and Benefits IT system.

- review the performance management and reporting arrangements in line with corporate guidelines.

- Produce the Council's budget based on information provided by service departments.

Best Value, Departmental and Local Performance Indicators for Finance Department 2006/07 for Quarter 2
CORPORATE OBJECTIVE: CONTINUOUSLY IMPROVING OUR SERVICES

PI Number	Title	Quarter 2 Actual 2005/2006	Quarter 2 Target 2006/2007	Quarter 2 Performance 2006/2007	Comments / Corrective Action
BVPI 8	The % of invoices for commercial goods and services which were paid by the authority within 30 days of such invoices being received by the authority.	75.14%	100%	n/a	Due to issues arising from the bedding in of a new system these figures require checking and verification before being published.
BVPI 9	% of Council Tax collected	57.47%	57.23%	57.27%	57.23 Target - % rate up by 0.04
BVPI 10	The % of non-domestic rates due for the financial year which were received by the authority.	58.51%	98.2%	55.75%	As 30 September 2006 internal charges have not reached targets of previous years due to catch up in the next couple of months.
DEPT 2000	% of new claims processed within 14 days	94.31%	90%	94.72%	
DEPT 2017	% of new claims paid within 14 days in quarter 1 and thereafter 7 days	87.81%	91%	80.08%	software errors have been reported & this is likely to be understated
DEPT 2018	Reply to correspondence within 10 working days of receipt	100%	100%	100%	
DEPT 2019	Percentage of District Valuer Alterations actioned within 15 days	96.46%	100%	100%	
DEPT 2020	Percentage of sundry debt arrears outstanding by year end	11.33%	11.5%	22.6%	Implementation of new system has taken resources from collection with resultant drop in performance.
DEPT 2021	Percentage of invoice requests actioned within 5 days	100%	100%	100%	
DEPT 2024	Percentage of discrepancies on cashiers totals to within £2.00 per day	96%	98%	97%	3 shorts totalling £20.00 have affected figures.
DEPT 2026	Photocopying is delivered to customer requirements	95%	97%	96%	
DEPT 2027	Printing is delivered to customers requirements	90%	75%	90%	
DEPT 2030	Problem free days/application/month	22	22	21	

DEPT 2031	Respond to operational problems within timescales defined in SLAs	91%	94%	97%	
DEPT 2032	Resolve operational problems within timescales defined in SLAs	95%	94%	96%	
DEPT 2033	Complete minor infrastructure projects within agreed timescale and costs	92%	95%	100%	
DEPT 2034	To ensure that 90% of the audit plan is completed by year end	68	95%	85	Slight under achievement owing to reduced staffing resource during school holidays and short term staffing vacancies.
DEPT 2035	All Audit reports are issued within 14 working days of the audit	100%	100%	100%	
DEPT 2036	Responses to audit customer surveys receive good or better ratings	100%	100%	100%	
DEPT 2037	Pay retirement benefits within 7 working days of receipt of all relevant information	90%	96%	92%	Software complications
DEPT 2038	Notify preserved benefit details within 22 working days of receipt of all relevant information	56%	96%	65%	Software complications
DEPT 2039	Complete transfer values out within 7 working days of receipt of all relevant information	96%	96%	97.1%	
DEPT 2040	Complete payment of refunds of contributions within 7 working days of receipt of all information	100%	96%	100%	
DEPT 2042	The percentage of contributions collected by the 19th of the month	98.44%	98.2%	99.84%	
DEPT 2043	Internal investment trades settled on time	100%	97.5%	100%	
DEPT 2046	Payment of creditors by BACS	62.60%	75%	68%	Ongoing work to ensure Suppliers are paid by bank credit.
DEPT 2052	The percentage of grant claims made on time	91.41%	95%	91%	0.2% improvement on quarter 1
DEPT 2057	Percentage of requests regarding Freedom of Information processed within 20 working days.	100%	95%	92.31%	Target level slipped due to unanticipated level and complexity of requests.

LOCAL 2006	% of residential properties within one mile of a One Stop Shop or Information Point	63.6%	95%	73.6%	Expected to reach target.
LOCAL 2010a	Improving Customer Services: Achievement of service standards in customer services strategy/pledge: Face to Face - % of appointments at OSS kept	100%	100%	100%	
LOCAL 2010b	% of people waited under 15 minutes to be seen by an adviser	90.8%	87%	100%	
LOCAL 2010c	% of people who felt that they were dealt with in a positive and in a welcoming manner	99.6%	99.30%	99%	Quarterly survey to take place week commencing 30/10/06
LOCAL 2010d	% of customer interview times within 20 mins at One Stop Shop	89%	81%	88.2%	
LOCAL 2010e	% of Council Tax queries resolved at One Stop Shop	87%	86%	82.7%	Under target due to new staff recruitment, training taking place.
LOCAL 2010f	% of Housing Benefit queries resolved at One Stop Shop	61.7%	65%	57.2%	On going training in a new Benefits and Revenues computer system. Go live date scheduled for December 06.
LOCAL 2010g	% of Regeneration queries resolved at One Stop Shop	91.8%	97.5%	97.2%	Slightly under target due to new staff recruitment, training required.
LOCAL 2010h	% of Social Service queries resolved at One Stop Shop	98.9%	98%	98.4%	
LOCAL 2010i	% of Wirral Homes queries resolved at One Stop Shop	95.7%	96%	96.2%	
LOCAL 2016a	% of calls answered through the call centre (Social Services Central Advice + Duty Team, Street Scene, Information + Advice Team)	90%	95%	89%	Call volumes remain high on Streetscene after transfer to new contact. Information and Advice team commenced Merseytravel contract
LOCAL 2016b	Average speed of answering telephone calls to call centre (seconds) (Social Services Central Advice + Duty Team, Street Scene, Information + Advice Team)	34	28	18	we have lost 4 of the temporary staff on streetscene which reflects in the increase. We plan to replace these asap as support is required with the roll out of the new recycling initiatives.
LOCAL 2016c	% Of calls answered in 15 seconds by switchboard	n/a	n/a	n/a	information hopefully available shortly as per Telecomms team 26/9/06

PI Number	Title				Comments / Corrective Action
LOCAL 2016d	% of calls answered through call centre (Revenues + Benefits)	67%	95%	69.8%	There has been an increase in the number of calls answered as our staff on long term sickness return.
LOCAL 2016e	Average speed of answering telephone calls to call centre (seconds) (Revenues + Benefits)	110	30	137	Target not reached owing to reduction of staff on team by up to 4 members as training is rolled out for change to new computer system in December
LOCAL 2016f	Average call handling time in minutes (Social services advice and duty team, Streetscene, Information and advice team)	2.29	6.4	6.11	on target
LOCAL 2016g	Average call handling times - minutes (Revenues and Benefits)	3.28	8.00	9.17	More complex enquiries received as the Academy project team are data cleansing, in anticipation of the introduction of the new computer system. This produces a requirement to amend accounts retrospectively. These adjustments often prompt the customer to seek clarification

CORPORATE OBJECTIVE: MEETING THE HOUSING NEEDS OF WIRRAL

PI Number	Title	Quarter 2 Actual 2005/2006	Quarter 2 Target 2006/2007	Quarter 2 Performance 2006/2007	Comments / Corrective Action
BVPI 78a	Speed of processing: Average time for processing new claims.	23.46	25	23.65	
BVPI 78b	Speed of processing: Average time for processing notifications of changes of circumstance.	0	10	11.09	Efforts have been put into maintaining performance on new claims as resources have been lost to training on the new system and to staff seconded to the project team. Changes in circumstances include changes of address and these will be prioritised once the system goes live so that we may put claims into payment as soon as possible and it is hoped that we will recover the situation in the final quarter.
BVPI 79a	Accuracy of processing: % of cases for which the calculation of the amount of benefit due was correct on the basis of the information available for the decision for a sample of cases checked post-decision	96%	98%	97.6%	

BVPI 79b(i)	The amount of Housing Benefit overpayments (HB) recovered during the period being reported on as a percentage of all HB deemed recoverable over-payments during that period	28.32%	65%	66.13%	
BVPI 79b(ii)	HB overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period	28.32%	30%	6.94%	Resources have been put into clearing / recovering old debts in preparation for conversion to the new benefits system and the team has been carrying vacancies for 12 months .This is being addressed with the implementation of the new structure and pro active benchmarking with other LAs to identify best practice.
BVPI 79b(iii)	Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period, plus amount of HB overpayments identified during the period	5.41%	5%	85.00%	A large data cleansing exercise has been undertaken in order to clear out old debt from the system which is statute barred , where prospect of recovery is poor , or where the debt is small and recovery would prove uneconomical.