

**FINANCE
DEPARTMENT**

PERFORMANCE MONITORING REPORT

NOVEMBER 2006 to JANUARY 2007

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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

- Use of Resources - The Audit Commission has recently released the details of their judgement. The Division, and the Finance Department, have a key role in this area of work although the assessment is based upon how the whole Council performs. Once again the score was a “2”. However, after the issues in 2005 which saw us just attaining a 2 the underlying scores were more positive this time highlighting the progress made during the year.
- **Budget 2007/08** - The departmental budgets for 2007/08 were reported to Committees during January with the budget meeting of Cabinet to be held on 19 February. The final decision on the level of Government grant support for 2007/08 was communicated to the Council late in the process. Besides pressing the Government for more grant efforts to close the gap between the likely spend and the likely resources continue.

Audit

- 64 audits were been completed during the period up until the end of December identifying 56 high and 125 medium priority recommendations to improve systems in operation that include Physical Security Recruitment and Selection Community Planning Payroll – Redundancy/EVR Housing Benefits Administration Adult Social Services Electronic Records Conflict of Interest. These form part of the focus of the Audit Committee Agenda.
- 12 Schools have been reviewed this period, 6 under the recently introduced Department for Education and Science (DfES) Financial Management Standard in Schools (FMSIS), legislation that identifies a financial standard that all secondary schools must achieve regarding how they govern and manage these activities. Internal Audit are contracted to review and evaluate the performance of those schools against this standard. The 6 schools reviewed to date 3 have achieved the standard and 3 are working towards it and have until the end of the financial year to ensure that they comply or face potential sanctions. Internal Audit have to date been proactive in this area and will be working with those and all other secondary schools in an attempt to ensure that full compliance is achieved.

Merseyside Pension Fund

Key changes to legislation impacting on the Fund, include:

- Draft LGPS (Benefits, Membership and Contributions) Regulations 2007 for the New Look Scheme from April 2008 have been circulated together with a note setting out the scope of proposed regulation on Administration matters. It is confirmed the LGPS will remain a final salary scheme;
- The accrual rate would change from 1/80th to a 1/60th scheme (Option B);
- New Ill-health retirement provisions would be introduced:
 - 1st tier: those permanently incapable of their own job but capable of alternative gainful employment – immediate accrued pension only but with no enhancement;
 - 2nd tier: those permanently incapable of their own job but expected to be able to take on some form of gainful employment some time in the future – immediate pension with enhancement of 25% of period to 65;
 - 3rd tier: those permanently incapable of any other gainful employment – immediate pension with enhancement of 50% of period to 65.

But with no reviews required in any of the tiers.

- Tiered contribution rates would be introduced. Low earners i.e. on a salary up to £12,000 pa would have a contribution rate of 5.5%. Those earning above £12,000 pa would have a contribution rate of 7.5%. This would make the average contribution rate for the Scheme: 6.3%. (There are potential administration issues for payroll in implementation, particularly as regards part-timers).
- The flexible retirement options proposed in the Where Next? consultation would be implemented; (Separate employer consent for flexible retirement would not seem a requirement).
- No changes to Elected Members pensions.
- Transitional protections would continue to apply; and Members who wish to join the new look 60ths scheme will be able to retain rights to transitional protection to do so.
- A cost-sharing mechanism would be introduced - certainly by 2009 so that it could be taken into account for the 2010 actuarial valuation.
- Next Steps: Statutory consultation on draft regulations: December 2006 until 28 February 2007.
- New-look regulations to be in place 1 April 2007 for new Scheme to come into force 1 April 2008.
- AVC arrangements and trivial Commutations - A draft statutory instrument remains awaited, to introduce 50% maximum contribution to in house AVC scheme (backdated to April 2006) and relaxation of trivial pension commutation limits, for statutory consultation but in the meantime the Fund has written to DCLG.

Revenues, Benefits and Customer Services

- **Council Tax/Housing Benefit New System** – We have been live on the new Academy system since 6 December 2006. The numbers of items we have to deal with is now increasing and we are putting in place our action plan to address the situation.

Support Services

- The Procurement Unit has been involved within an electronic reverse auction, facilitated by the North West Centre of Excellence, for the provision

of IT Hardware. Results of the evaluation of the process indicate that the new contract will deliver in excess of £1m savings over three year based on previous IT demand.

- Freedom of Information requests for November received at the highest percentage since the legislation came into force. Requests since January 2005 have now hit the 300+ mark. The most popular topic for requests relates to Traffic Management and the most seasonal is the cost of Christmas Trees bought by the Authority and the amount of money spent by the Council on Staff Christmas Parties.
- Proposed changes to FOI legislation to deter serial and duplicated requests is currently in the news.
- The planned Records Management facility and Archive store at Cheshire Lines Building continues to gather pace. Staff from the current Archive Service and also 2 employees dealing with Adult Social Services Records are now directly line managed by Finance to help facilitate the New Service.

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 been conducted.
- The Department has been recommended to be awarded the ISO 14001 standard for Environmental Management Systems. This is a reflection of the way the Department deals with such issues as the use of energy and the treatment of waste.

2. EXTERNAL CHALLENGE AND INSPECTIONS

Comprehensive Performance Assessment 2006

Housing Benefits –The 2006 result was published and scored the service a Good 3. The score is the first time the service has not recorded a top score of 4 Excellent. There are clear reasons for the reduction it: the service was assessed as “excellent” in virtually every category except one. This was in regard to Appeals and the timescale for response. It was for one period of the year when we were inundated by specific appeals for one large case involving multiple claimants and was highly technical and complex needing significant dedicated time. Despite this the PI was still good for much of the year.

3. REVIEW OF RISKS AND CONTINGENCIES

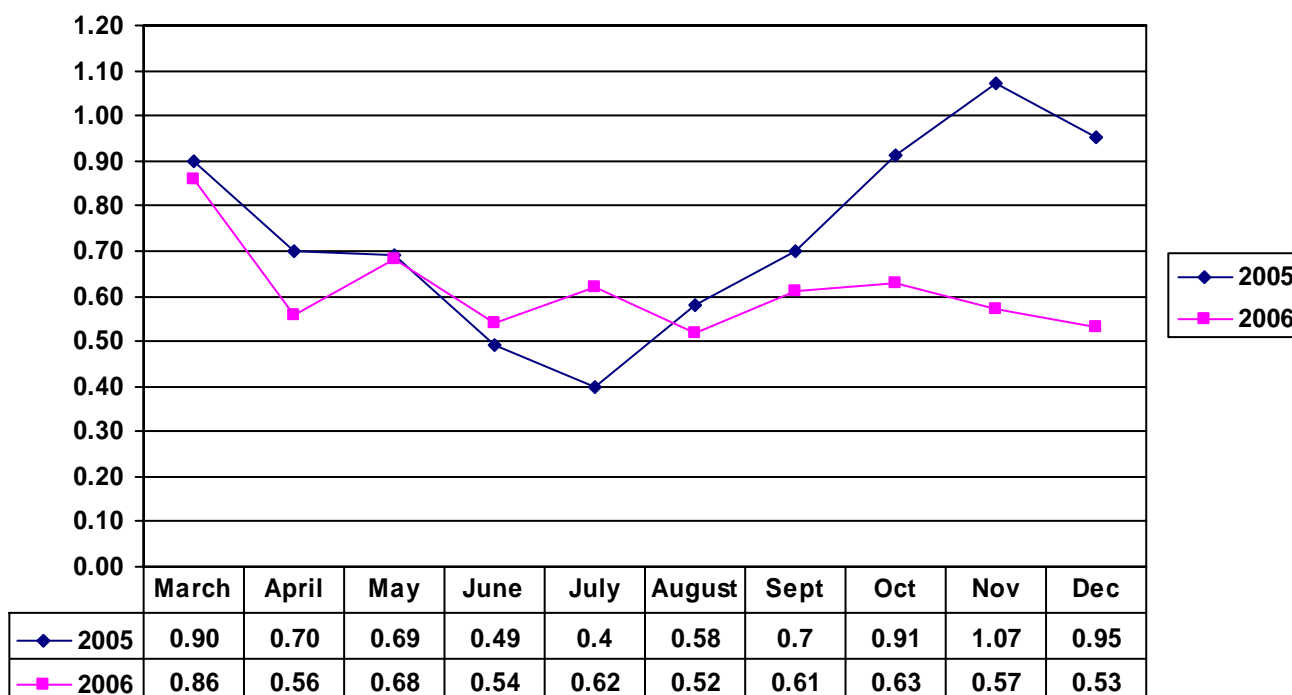
The Department takes a pro active approach to managing risk and keeps a departmental risk register outlining risks, control measures as well as risk scores. The departmental management team identified the following issues and managed their impact on achieving departmental objectives during this period:

- ❖ 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.

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 December for both 2005 and 2006. Whilst the averages are broadly similar in 2005 more days were taken off in November and December. It is anticipated that due to a number of viruses the January 2006 figures will show an average increase. Work continues in the Department to ensure sickness absence is managed effectively.

Average Number of Days Sickness per staff member

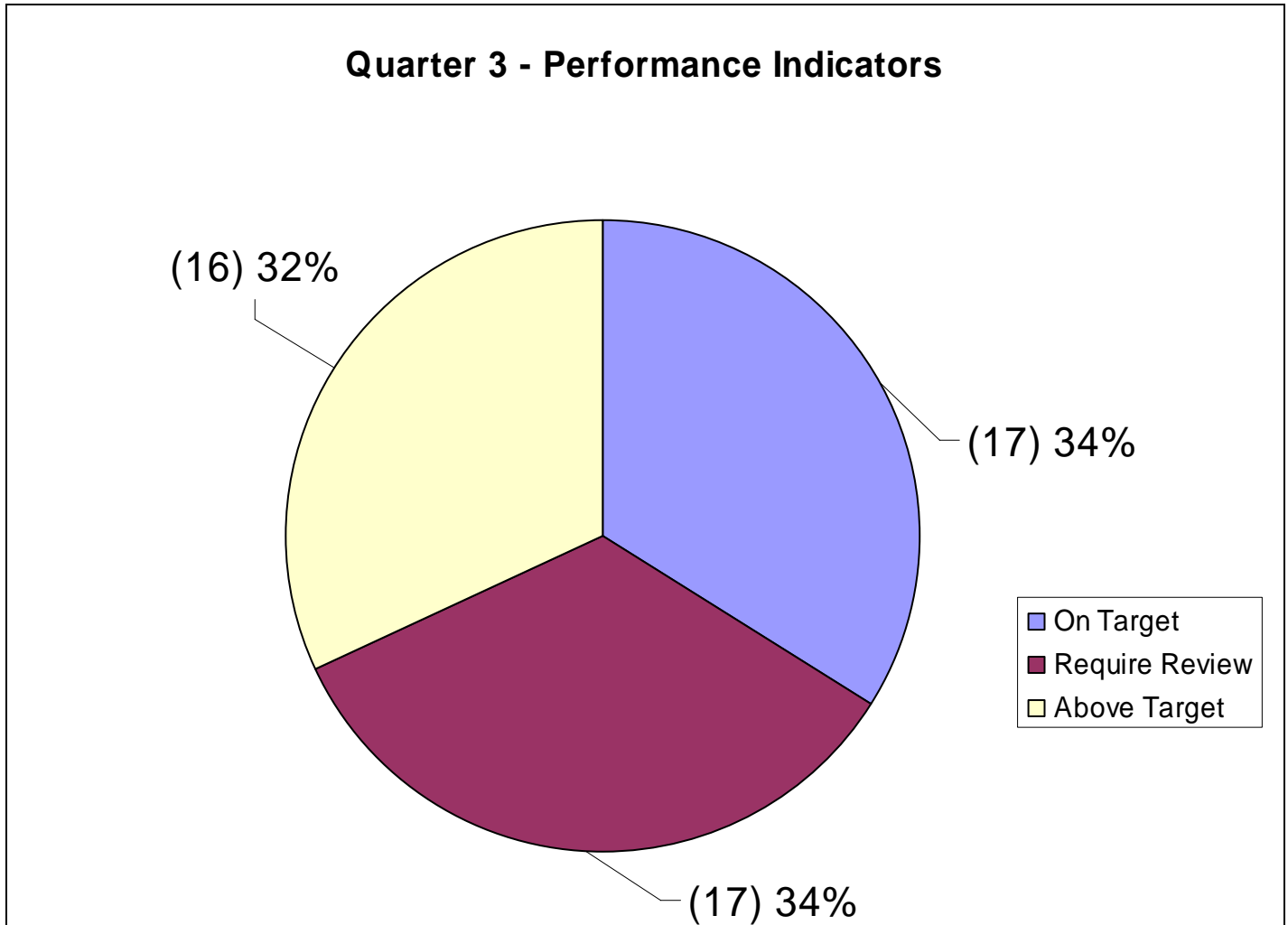


5. PERFORMANCE INDICATORS

There are 50 best value, corporate plan and local performance 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.



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.

- review the performance management and reporting arrangements in line with corporate guidelines and produce the Departmental Plan.
- 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 3**

CORPORATE OBJECTIVE: MEETING THE HOUSING NEEDS OF WIRRAL

PI Number	Title	Quarter 3 Performance 2005/2006	Quarter 3 Target 2006/2007	Quarter 3 Performance 2006/2007	Comments / Corrective Action
BVPI 78a	Speed of processing: Average time for processing new claims.	23.89	22.27	22.27	This is based on a forecast average of 55 days for the fourth quarter due to recovering our position following the implementation of the new benefits system.
BVPI 78b	Speed of processing: Average time for processing notifications of changes of circumstance.	11.78	7.26	7.26	This is based on a forecast average of 40 days for Q4 due to the recovery of processing times since the implementation of the new benefits system.
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	98.4%	100.00%	100.00%	
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 overpayments during that period	38.9%	93.57%	93.57%	
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%	6.68%	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	3.54%	3.48%	3.48%	

	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				
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Best Value, Departmental and Local Performance Indicators for Finance Department 2006/07 for Quarter 3

CORPORATE OBJECTIVE: CONTINUOUSLY IMPROVING OUR SERVICES

PI Number	Title	Quarter 3 Performance 2005/2006	Quarter 3 Target 2006/2007	Quarter 3 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.	86.75%	100%	66.69%	Progress is being made following a number of initial problems incurred with the new system. Resources are being invested to address this problem.
BVPI 9	% of Council Tax collected	85.72%	85.72%	85.32%	
BVPI 10	The % of non-domestic rates due for the financial year which were received by the authority.	86.83%	87.00%	87.47%	Awaiting £400,000 internal charges
DEPT 2000	% of new claims processed within 14 days	95.23%	90%	92.97%	
DEPT 2017	% of new claims paid within 14 days in quarter 1 and thereafter 7 days	95.44%	91%	97.6%	
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	100%	100%	100%	
DEPT 2020	Percentage of sundry debt arrears outstanding by year end	17.61%	11.5%	24.35%	Implementation of new system has taken resources from collection with resultant drop in performance. Recovery processing has now commenced so future months should see an improvement in collection performance
DEPT 2021	Percentage of invoice requests actioned	100%	100%	100%	

	within 5 days				
DEPT 2024	Percentage of discrepancies on cashiers totals to within £2.00 per day	96%	98%	98%	
DEPT 2026	Photocopying is delivered to customer requirements	97%	97%	95%	Machine malfunction and totally replaced.
DEPT 2027	Printing is delivered to customers requirements	90%	75%	95%	On target
DEPT 2030	Problem free days/application/month	19	19	18	One day interruption due to power supply issues
DEPT 2031	Respond to operational problems within timescales defined in SLAs	98%	94%	99%	On Target
DEPT 2032	Resolve operational problems within timescales defined in SLAs	91%	94%	96%	Conflicting Priorities & Unplanned Demands on Resources
DEPT 2033	Complete minor infrastructure projects within agreed timescale and costs	94%	95%	100%	On Target
DEPT 2034	To ensure that 90% of the audit plan is completed by year end	68%	95%	83%	On target to meet the year end target
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%	On target
DEPT 2037	Pay retirement benefits within 7 working days of receipt of all relevant information	96%	96%	95%	Software complications
DEPT 2038	Notify preserved benefit details within 22 working days of receipt of all relevant information	51%	96%	95%	Staffing problems and increased workload.
DEPT 2039	Complete transfer values out within 7 working days of receipt of all relevant information	97%	96%	100%	
DEPT 2040	Complete payment of refunds of contributions within 7 working days of	80%	96%	100%	

	receipt of all information				
DEPT 2042	The percentage of contributions collected by the 19th of the month	98.63%	98.2%	99.93%	
DEPT 2043	Internal investment trades settled on time	80%	97.5%	100%	
DEPT 2046	Payment of creditors by BACS	63.87%	75%	70.09%	
DEPT 2052	The percentage of grant claims made on time	90.76%	95%	93.55%	All claims in period submitted on time
DEPT 2057	Percentage of requests regarding Freedom of Information processed within 20 working days.	100%	95%	94%	Increase in seasonal requests.
LOCAL 2006	% of residential properties within one mile of a One Stop Shop or Information Point	73.6 %	95%	95%	Achieved 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	86.1%	94.6%	93.2%	
LOCAL 2010c	% of people who felt that they were dealt with in a positive and in a welcoming manner	98.2%	99%	99%	
LOCAL 2010d	% of customer interview times within 20 mins at One Stop Shop	63.9%	79.5%	80.9%	
LOCAL 2010e	% of Council Tax queries resolved at One Stop Shop	81.9%	89.9%	84.7%	With the introduction of a new intergrated Revs and Bens system, an impact is likely to be felt within the resolution of Council Tax queries.
LOCAL 2010f	% of Housing Benefit queries resolved at One Stop Shop	59.1%	66.6%	59.2%	Due to the introduction of a new intergrated Revs and Bens system and ongoing staff training, it is likely that an impact will be felt with regard to the resolution of housing Benefit enquiries.

LOCAL 2010g	% of Regeneration queries resolved at One Stop Shop	100%	96.4%	95.3%	
LOCAL 2010h	% of Social Service queries resolved at One Stop Shop	98%	95.6%	98.8%	
LOCAL 2010i	% of Wirral Homes queries resolved at One Stop Shop	94.2%	97%	96.1%	
LOCAL 2016a	% of calls answered through the call centre (Social Services Central Advice + Duty Team, Street Scene, Information + Advice Team)	89%	95%	88.7%	An average of 96.2 % of calls handled this month. 21457 calls offered across all teams. There has been a reduction of calls received on the Information and Advice Team for Merseytravel and Centralised Payments
LOCAL 2016b	Average speed of answering telephone calls to call centre (seconds) (Social Services Central Advice + Duty Team, Street Scene, Information + Advice Team)	32.4	28	24.5	The average speed of answer this month was 8.5 secs
LOCAL 2016d	% of calls answered through call centre (Revenues + Benefits)	81.5%	95%	65.6%	8260 calls offered this month and 90.8% handled. Calls have reduced substantially as reminder and summons runs have been suspended during the implementation of the new computer system. The regular issue of this correspondence generates peaks in our call volumes.
LOCAL 2016e	Average speed of answering telephone calls to call centre (seconds) (Revenues + Benefits)	63.6	30	133	Average speed of answer this month was 24 secs. This has been affected by the reduced number of calls offered due to the suspension of recovery action for Council Tax whilst the new computer system is implemented.
LOCAL 2016f	Average call handling time in minutes (Social services advice and duty team, Streetscene, Information and advice team)	6.8	6.4	6.09	on target (actual handling time 6.13 this month)
LOCAL 2016g	Average call handling times - minutes (Revenues and Benefits)	8.40	8	8.55	(Actual handling time this month 8.46) Less wrap time required as recovery action for late Council Tax payment suspended during

					implementation of new computer system. Therefore staff not required to update records with arrangements which reduces wrap time (time taken to complete enquiry when call over)
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