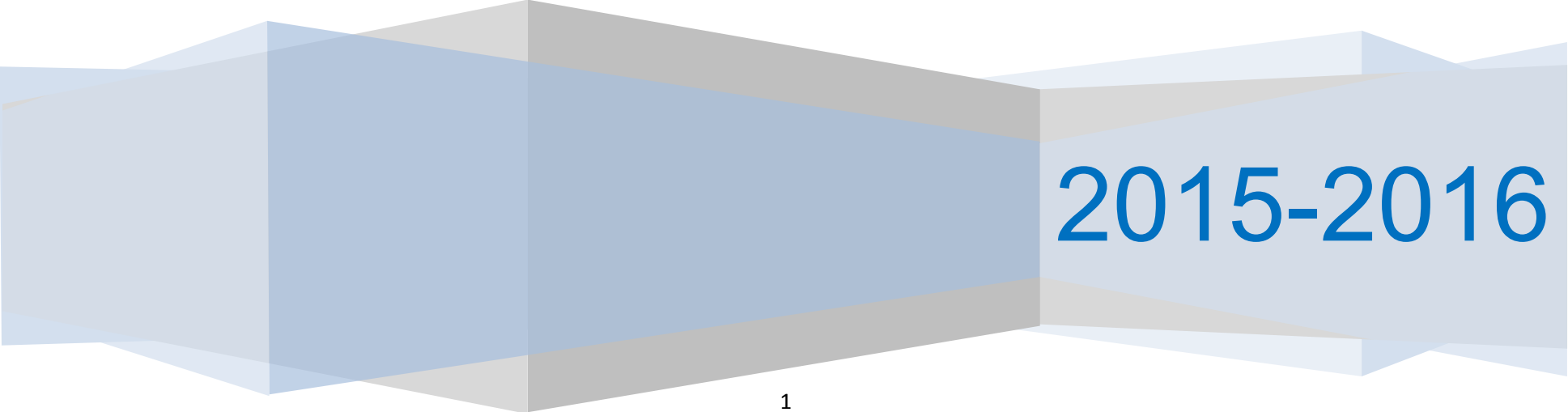


# Transformation and Resources Directorate Plan

Year End Closedown Report



2015-2016

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## 1. Introduction

This report sets out the year end position for the 2015/16 Transformation and Resources Directorate Plan. As this is the final year in the plan cycle, the report also acts as a close down report for the Directorate Plan.

The Transformation and Resources Directorate Plan was developed in early 2015 as the Directorate's contribution towards the delivery of the 2015/16 Corporate Plan as approved by Council 8 December 2014. The Directorate Plan was presented to the Transformation and Resources Policy and Performance Committee on 30 March 2015.

The Directorate Plan set out how the Transformation and Resources Directorate supported the objectives of the Corporate Plan. This included activities measured through a suite of 20 performance indicators as well as a programme of 12 Directorate Projects. This reports sets out performance against these measures as at year end 31 March 2016. For the performance indicators, a detailed commentary is only provided against those indicators rated red or amber setting out the reasons for under-performance and what is being done to address it.

## 2. Overview

### 2.1 Summary Analysis

<p style="text-align: center;"><b>PIs - RAG Rating</b></p> <table border="1"> <caption>PIs - RAG Rating Data</caption> <thead> <tr> <th>Rating</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Green</td> <td>68%</td> </tr> <tr> <td>Red</td> <td>21%</td> </tr> <tr> <td>Amber</td> <td>11%</td> </tr> </tbody> </table>	Rating	Percentage	Green	68%	Red	21%	Amber	11%	<p style="text-align: center;"><b>PIs - Direction of Travel</b></p> <table border="1"> <caption>PIs - Direction of Travel Data</caption> <thead> <tr> <th>Direction</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Green</td> <td>57%</td> </tr> <tr> <td>Orange</td> <td>29%</td> </tr> <tr> <td>Red</td> <td>14%</td> </tr> </tbody> </table>	Direction	Percentage	Green	57%	Orange	29%	Red	14%	<p style="text-align: center;"><b>Project Status</b></p> <table border="1"> <caption>Project Status Data</caption> <thead> <tr> <th>Status</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Re-defined</td> <td>57%</td> </tr> <tr> <td>Delivered</td> <td>36%</td> </tr> <tr> <td>Part delivered</td> <td>7%</td> </tr> <tr> <td>Not delivered</td> <td>0%</td> </tr> </tbody> </table>	Status	Percentage	Re-defined	57%	Delivered	36%	Part delivered	7%	Not delivered	0%
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<p>Ratings of the 19 reportable indicators:</p> <ul style="list-style-type: none"> <li>• 13 Green</li> <li>• 2 Amber</li> <li>• 4 Red</li> </ul> <p>For indicators rated Amber and Red, the responsible officer has indicated action taken to get performance back on track within the Year-end statement.</p>	<p>Of the 14 measures where it is possible to indicate the Direction of Travel:</p> <ul style="list-style-type: none"> <li>• 8 Improving</li> <li>• 2 Deteriorating</li> <li>• 4 Sustained</li> </ul> <p>Details of future monitoring of performance indicators have been included within the Year-end statement.</p>	<p>Status for the 14 Projects:</p> <ul style="list-style-type: none"> <li>• 5 Delivered</li> <li>• 1 Part Delivered</li> <li>• 8 Re-defined</li> </ul> <p>The outcomes achieved as a result of the projects, together with continued monitoring of on-going projects has been included within progress update.</p>																										

## 2.2 Achievements

- 68% of the indicators met or exceeded the target set and 57% improved during 2015/16
- Performance Appraisals completed between April 15 - Mar 2016 improved by 29% compared to the previous year.
- Performance for Suppliers paid within 30 days has improved by 12% during 2015/16, with the monthly target being exceeded from December 2015.
- There has been a 50% reduction in the number of general exception notices issued and a 37% reduction in the number of published supplementary agendas for Cabinet and Committee meetings during 2015/16, compared to the previous year.
- The monthly average number of days to accurately process benefit claims has fallen during 2015/16, with the targets being consistently met / exceeded from October 2015.

## 2.3 Challenges

- 2015/16 Sickness Absence is 1.63 days higher than target and 0.84 days higher than 2014/15.
- The calculation method used to monitor performance for spend allocation of Discretionary Housing Payment led to a Red rating, but the Department for Work and Pensions (DWP) grant funding was fully spent. It included a Local Authority contribution of £294k, which will be used to supplement the 2016/17 DWP Grant and support people who will face increasing difficulties with their housing costs. The future calculation method for monitoring performance will be reviewed for 2016/17 onwards.
- For 2015/16 targets were missed for the recovery of Council Tax (by 0.3%) and National Non-Domestic Rates (by 1.1%). The collection of these will be monitored closely during 2015/16.

### 3. Performance Reports

#### 3.1 Performance Indicator Report

2015-16 T&R DP Performance Indicators		Year End Target 2015/16	Quarter 4			Year-end Statements (Red or Amber) Context (Green/where provided)
PI Ref	PI Title		Actual	Period	DoT	
TRCP02	Projected Delivery of Council budget savings	£29.273m	£29.273m Green	Apr 15 - Mar 16		<i>This indicator will continue to be reviewed through service monitoring.</i>
TRCP03	Performance Appraisals completed by September 2015	80%	51% Red	Apr 15 - Sep 15	↑	This PI has a target completion date of September, therefore the 2015/16 out turn of 51% remains, however as at 31 March 2016 performance appraisals have been completed for 78% of all staff and 91% of managers. Performance against this measure is being reviewed by the Strategic Leadership Team in advance of the 2016 appraisals cycle. This indicator will continue to be reviewed through service monitoring.
TRCP04	Sickness Absence: The number of working days/shifts lost due to sickness absence (cumulative)	9.75	11.38 Red	Apr 15 - Mar 16	↓	The latest verified sickness forecast for 2015/16 is 11.38 (1.63 days above the 9.75 day target) and 0.84 days above 10.54 days in 2014/15. Management action continues to be taken to reduce the level of sickness absence across the Council. This includes changes to the Council's sickness policy and triggers from October 2015, Strategic Director-led sessions with managers to set expectations and the development of an employee wellbeing plan. On-going performance is being monitored closely on a monthly basis to ensure that these activities are having a positive impact. This indicator will continue to be reviewed through service monitoring.

2015-16 T&R DP Performance Indicators		Year End Target 2015/16	Quarter 4			Year-end Statements (Red or Amber) Context (Green/where provided)
PI Ref	PI Title		Actual	Period	DoT	
TRDP06	Suppliers paid within 30 days or payment terms	90.00%	95.49% Green	Mar-16	↔	<i>Business process improvements and project review has led to an increase in electronic invoicing and payments, significantly improving performance and exceeding the target for the final quarter of 2015/16. This indicator will continue to be reviewed through service monitoring.</i>
TRDP07	Local SME suppliers paid within 10 days	60.00%	N/A	N/A	N/A	<i>Following business process review and improvement, a number of issues have been identified with this measure regarding data quality and the agreed methodology currently in place. This indicator will continue to be reviewed through service monitoring.</i>
TRDP08	The total number of extraordinary Council, special cabinet and committee meetings	15	13 Green	Apr 15 - Mar 16	↑	<i>This indicator will continue to be reviewed through service monitoring.</i>
TRDP09	Reduction in the issuing of general exception notices under the Access to Information Rules	8	5 Green	Apr 15 - Mar 16	↑	<i>This indicator will continue to be reviewed through service monitoring.</i>
TRDP10	Reduction in the total number of published supplementary agendas for Cabinet and Committee meetings	25	19 Green	Apr 15 - Mar 16	↑	<i>This indicator will continue to be reviewed through service monitoring.</i>

2015-16 T&R DP Performance Indicators		Year End Target 2015/16	Quarter 4			Year-end Statements (Red or Amber) Context (Green/where provided)
PI Ref	PI Title		Actual	Period	DoT	
TRDP13	Client finance recovered by end of month following billing	80.00%	74.33% Red	Mar-16	↑	The overall 2014/15 collection is 85%. Whilst recovery in respect of 2015/16 has incrementally improved, performance has fallen short of the year-end target. This reflects introduction of charges for more services, some of which met with resistance impacting on recovery, staff resource and productivity. Management action is being taken to improve recovery and revise reporting arrangements for 2016/17 to ensure that it is properly reflective of achievement. With the implementation of new software, this work will then include focusing on developing enhanced processes which will improve workflow and improved management information through enhanced data, leading to improvements in operational strategies around the management of debt. This indicator will continue to be reviewed through service monitoring.
TRDP14	Recovery of Council Tax	95.6%	95.3% Amber	Apr 15 - Mar 16	↔	Staffing was recruited to full capacity and targeted actions implemented leading to a reduction in outstanding transactions. Business process analysis for smarter working and increased collection was undertaken as part of the Transaction Centre Review Project. These actions reduced the deficit from 0.9% to 0.2% compared to January 2016, but the Year-End target was missed by 0.3%. This indicator will continue to be reviewed through service monitoring.
TRDP15	Recovery of National Non Domestic Rates (NNDR)	98.3%	97.2% Green	Apr 15 - Mar 16	↓	<i>Collection was on or above target until the Year-End, where the target was missed by 1.1% due to being unable to collect late additional debit and early payments evening out over 12 instalments. This indicator will continue to be reviewed through service monitoring.</i>



2015-16 T&R DP Performance Indicators		Year End Target 2015/16	Quarter 4			Year-end Statements (Red or Amber) Context (Green/where provided)
PI Ref	PI Title		Actual	Period	DoT	
TRDP16	Spend allocation of Discretionary Housing Payment	100%	100% £1,036.5k Red	Apr 15 - Mar 16	↔	The 2015/16 Department for Work and Pensions (DWP) grant funding has been fully spent. The residual Local Authority contribution, £294k, will be carried forward to supplement the 2016/17 DWP Grant and support people who will face increasing difficulties with their housing costs, as Housing Benefit Reforms continue to impact on those in receipt of benefit. This indicator will continue to be reviewed through service monitoring.
TRDP17	Directorate Revenue Budget	£30.1m	£25.2m Green	Apr 15 – Mar 16	N/A	<i>The 2015/16 budget was adjusted from £31.9m to £30.1m to reflect in year revisions to the budget, which related mainly to capital financing adjustments and the allocation of remodelling savings. This indicator will continue to be reviewed through service monitoring.</i>
TRDP18	Directorate Capital Programme	£5.7m	£5.7m Green	Apr 15 - Mar 16	N/A	<i>The 2015/16 capital programme was amended during the year to reflect the inclusion of slippage from the 2014/15 programme and adjustments / re-profiling within the 2015/16 financial year. This indicator will continue to be reviewed through service monitoring.</i>
TRDP19	Directorate Savings achieved	£3.9m	£3.9m Green	Apr 15 - Mar 16	N/A	<i>The 2015/16 budget was adjusted to £3.9m to reflect the reallocation of the £22k alley gating saving to the Transformation &amp; Resources Directorate. This indicator will continue to be reviewed through service monitoring.</i>

2015-16 T&R DP Performance Indicators		Year End Target 2015/16	Quarter 4			Year-end Statements (Red or Amber) Context (Green/where provided)
PI Ref	PI Title		Actual	Period	DoT	
TRDP20	Number of Information Governance Incidents (including reported vulnerabilities which could potentially result in a breach)	30	38 Amber	Apr 15 - Mar 16	N/A	There have been no breaches which required reporting to the Information Commissioner's Office during 2015/16. The Council encourages staff to report Information Governance incidents before they become reportable problems, so that any issues can be addressed and resolved to reduce the risk to the Council and its partners. This indicator will continue to be reviewed through service monitoring.
TRDP22	Average number of days to accurately process new Benefit claims	24	23 Green	Apr 15 - Mar 16	↔	<i>The 2015/16 Year-End performance was ahead of target, but the overall cumulative performance of 27 days for 2015/16 fell below the standard set, as a result of backlog at the start of the year due to the age of claims, which has now been cleared. The Department for Work and Pensions have yet to confirm final Year-End position so this return is provisional. This indicator will continue to be reviewed through service monitoring.</i>
TRDP23	Average number of days to accurately process change in circumstance Benefit claims	14	3 Green	Apr 15 - Mar 16	↑	<i>The 2015/16 Year-End performance was ahead of target, but the overall cumulative performance of 16 days for 2015/16 fell below the standard set, as a result of backlog at the start of the year due to the age of claims, which has now been cleared. The Department for Work and Pensions have yet to confirm final Year-End position so this return is provisional. This indicator will continue to be reviewed through service monitoring.</i>
TRDP24	% grant income achieved	99.99%	100.00% Green	Apr 15 - Mar 16	↑	<i>The total value of Local Authority overpayments has fallen below the lower threshold for attracting a subsidy penalty (income loss). This position is provisional, as it has still to be cleared as part of the annual audit process. This indicator will continue to be reviewed through service monitoring.</i>

2015-16 T&R DP Performance Indicators		Year End Target 2015/16	Quarter 4			Year-end Statements (Red or Amber) Context (Green/where provided)		
PI Ref	PI Title		Actual	Period	DoT			
TRDP25	£ Identification of Fraud and Error (FERIS)	£768K	£768K Green	Apr 15 - Mar 16	↑	<i>The Department for Work and Pensions (DWP) national data extracts has confirmed that the Q3 baseline was met, and it is expected that the baseline of £768k will be marginally exceeded. The DWP have yet to confirm the final Year-End position and as such this return is provisional. This indicator will continue to be reviewed through service monitoring.</i>		
Direction of Travel (DoT) Key		↑	Performance Improving		↓	Performance Deteriorating	↔	Performance Sustained

### 3.2 Projects Report

2015-16 T&R DP Projects	Status	Q4 2015/16 Progress update
Continue to transform support services, including establishing new Transaction Centre	<b>Delivered</b>	<p>The Transaction Centre structure became operational at Cheshire Lines from May 2015 and the Transaction Centre Senior Manager came into post July 2015.</p> <p>Reviews of business processes and subsequent changes implemented within the operation have streamlined support services, reduced backlogs and improved performance.</p> <p>Distribution services (mail, courier and scanning) have been under continuous review, and plans are underway for the service to move into to more suitable accommodation in Q1.</p>
Implement Strategic Asset Management Plan	<b>Re-defined</b>	<p>This is on-going as the Council continues to deal with its Delivering Differently and Alternative Delivery Models. Works to Star Design and South Annexe are now complete.</p> <p>The overall programme of Office Rationalisation works has delivered more efficient working space, maximising building occupancy and helping to reduce running costs. Surplus buildings have produced Capital Receipts and in some cases the added bonus of New Housing developments.</p> <p>The Demolition of Acre Lane will be completed on 12th May 2016. The Consultant has been appointed for undertaking condition surveys and the survey format agreed. It is anticipated to commence surveys of Leisure Assets in May 2016.</p> <p>This project will be taken forward as part of 'Achieving The Vision' within the Assets Transformation Programme.</p>
Review and revise the Council's Contract Procedure Rules (CPRs)	<b>Delivered</b>	<p>The revised Contract Procedure Rules have been approved, and were implemented on 1 April 2016. Briefing sessions were offered to all staff, and have been or are scheduled to be delivered to circa 300 officers. A more general procurement e-learning session is hoped to be compiled during 2016/17 and made compulsory for all officers. This will ensure that all staff are aware of the responsibilities and procedures and that the Council conforms with the appropriate regulations.</p>

2015-16 T&R DP Projects	Status	Q4 2015/16 Progress update
Develop measures to provide evidence how or where Equality Impact Assessments (EIAs) have informed our policy and decision making and improved outcomes	Re-defined	An equalities template is currently being developed, to be used as part of the business planning process. This will highlight where EIA's are being completed and what actions are required to be undertaken to improve practice / service delivery. It is anticipated that the programme will be completed and agreed by end of April 2016. The performance indicator / target setting will be taken forward as part of the Equality Plan 2016/2020.
Implementation of ModGov reports management function	Delivered	The reports Management system roll has been completed and most report authors are now using the system to submit reports, however the system will be subject to ongoing review regarding its effectiveness.
Audit & Risk Committee membership	Re-defined	The Secretary of State has extended the existing arrangements for Independent Audit Panels and the appointment of external auditors under the Local Audit Accountability Act 2014 until April 2018. As such, LA's will be required to have Panels with independent membership in place by 31 Dec 2017. The Local Government Association (LGA) is currently undertaking an exercise to evaluate levels of interest amongst Local Authorities (LAs) for national collective arrangements. Expressions of interest are required from all LAs by September 2016, Wirral have indicated an interest for this type of agreement. The LGA aim to have a mechanism in place to award contracts for external audit services by June 2017, removing the need for LAs to make their own arrangements and appoint independent Audit Panels. Progress on this project will be subject to continuous monitoring by the Audit and Risk Management Committee and the Corporate Governance Group.
Support the implementation of the Transformation Programme	Delivered	£28.5m savings were delivered for 2015/16. Proposals for key Transformation Programmes for 2016/17 have been developed. Activity is underway to assess the resources required to deliver these. Priorities for 2016/17 service reviews have been established and work is underway to develop Outline Business Cases for delivery models by June 2016.
Support robust budget setting processes to deal with financial challenges	Delivered	The accounts were completed and published by deadline of 30/09/15. Medium Term Financial Plan was reported to Cabinet 17/12/15 and updated as part of the Council Budget to Cabinet 22/02/16. Budget for 2016/17 was set by Council on 03/03/16. Future years to follow given Government announcements in March / April being in the Medium Term Financial Strategy.
		An update was reported to T&R Policy and Performance committee 22/03/16: revised and comprehensive

2015-16 T&R DP Projects	Status	Q4 2015/16 Progress update
Customer Access Strategy		<p>specification is being drafted before circulation to wider stakeholders for feedback/approval by senior leadership team and members.</p> <p>Alignment with emerging digital and customer contact strategies is also being taken into consideration before progressing to any identified procurement. This project will be taken forward as part of the Technology Strategy.</p>
People Strategy	Re-defined	<p>Work on shaping a new operating model for the Council has been carried out, based on an organisational diagnosis and feedback from the LGA Peer review (November 2015).</p> <p>In order to ensure that the strategies are developed in line with the emerging organisational structures, a short-term culture action plan has been agreed by SLT, focussing on key activities that can be delivered by April 2016, for implementation whilst a longer term action plan is developed. This will support the implementation of the new operating model, and will include developing a People Strategy to support a refreshed leadership and culture framework, linked to the Council's new operating model. The People Strategy is being developed, with input from the Workforce Equality Steering Group, and will be taken forward as part of the 'New Organisation Arrangement' project.</p>
Equality Plan - Workforce Equality Objectives	Re-defined	<p>Progress has been made on this project during 2015/16, including:</p> <ul style="list-style-type: none"> <li>• Revised reasonable adjustments policy and allocation of £25,000 budget to help staff obtain these more quickly.</li> <li>• Revised Performance Appraisal form, that includes best practice elements of the Equality Framework for Local Government and reasonable adjustments.</li> <li>• Revised equality profiling form for staff to include recent changes in the law and updated information categories, allowing us to meet the legal requirements of the Public Sector Equality Duty.</li> <li>• Wirral Council becoming one of first local authorities in the country to ensure staff are paid a Living Wage and offering companies discounted business rates if they do the same.</li> </ul> <p>Some elements of this project have been deferred until the new operating model is implemented, but the Head of Human Resources will be publishing the current workforce data as at 31st March 2016 as an interim measure. The project will be taken forward as part of the Equality Plan 2016/2020.</p>
To review Wirral's Community Safety Strategy, to ensure it meets local needs.	Re-defined	<p>Community Safety Partnership Analysts and Wirral Anti- Social Behaviour Team are being co-located with Police colleagues within Wallasey Police Station. This will ensure joint intelligence, shared priorities and overcome any duplication or gaps in delivery; supporting the Wirral Plan 2020 pledges and supporting strategies, in particular Pledge 19 and it's supporting Strategy "Ensuring Wirral's neighbourhoods are safe".</p>

### 3.3 Financial Report

#### Revenue Budget

The Transformation and Resources Directorate year end position produced an underspend of £4.9 million on the revised net budget as per the table below. In year revisions to the budget related mainly to capital financing adjustments and the allocation of remodelling savings.

	<i>Original Net Budget</i>	<i>Budget Changes In year</i>	<b>Revised Net Budget</b>	<b>Outturn</b>	<b>Variance</b>
	<i>£ms</i>	<i>£ms</i>	<b>£ms</b>	<b>£ms</b>	<b>£ms</b>
T&R	31.9	-1.8	<b>30.1</b>	<b>25.2</b>	<b>-4.9</b>

The most significant element of the underspend was from Treasury Management activity. The continued use of internal cash flow to delay external borrowing for the current and past capital programmes has resulted in approximately £4 million of savings in year. The authority temporarily substituted the 'borrowing' using cash flows derived from reserves and other balances. This policy whilst 'losing' investment interest receivable (average 0.6%), saved an average 3.5% on borrowing costs plus delayed any principal repayment.

Other underspends arose from vacancies held across a number of service areas.

Savings agreed in setting the 2015/16 budget led to £3.9 million being removed from the directorate budget. The profile delivery meant that not all of this was achieved in year in respect of libraries and asset management. But compensatory underspends from elsewhere within the directorate mitigated any shortfalls and led to an overall underspend position for the directorate.

## Capital Programme Budget

The Capital Programme was amended during the year to reflect the inclusion of slippage from the 2014/15 programme and adjustments / re-profiling within the 2015/16 financial year.

<b>Transformation and Resources</b>	<b>Capital Programme December 2015</b>	<b>Outturn March 2016</b>	<b>Variance</b>
		£ms	£ms
Transformation & Resources	7.3	5.7	-1.6

The largest element of the directorate's programme related to £2.2 million spent on refurbishing a significant number of Council properties which will lead to their more efficient use. A further £1.5 million was incurred updating information technology systems whilst a similar amount will now be re-profiled into the 2016/17 programme.