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Oxford City Council – Finance and Corporate Services

Directorate Plan April 2007 – March 2008

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1. How the Finance and Corporate Services Directorate supports the Corporate Priorities

Introduction by Mark Luntley:

The Finance and Corporate Services directorate is diverse, it provides several key services to the public paying £50 million housing benefits. However most of its services are support ones which help front line managers deliver effective services and support wider “governance” or statutory reporting activities.

- The gross General Fund Expenditure for Directorate in 2007/08 (including capital charges but excluding benefit payments) is £15.3m Total income is £9.4 million - of which £6.3 million are commercial rents from our investment portfolio and £1.8 million income from grants for running housing benefit services.
- The number of employees at April 2007 is 291 FTE's

Summary of performance in 2006/07

The Directorate has made progress in the last year. Seven years' outstanding financial statements were finally signed off by the Audit Commission and those accounts formally certified as accurate; a culmination of several year's work. We completed an internal review of our budgeting processes following the Audit Commission “World Class Financial Management” review. Based on this and best practice from other authorities we then comprehensively updated our budget processes and developed our first medium term financial strategy.

We completed a major review of costs across the authority, helping managers to look at the efficiency of their services. The Directorate has benchmarked most of its key activities.

We had two major audits of services in the last year - with the corporate Direction of Travel and Use of Resources audits both pointing to steady improvements. The finance and strategy teams also worked together to both provide/commission evidence to build a robust case for a unitary Oxford.

The internal audit function became better embedded with key systems subject to a second year of robust internal reviews. We undertook our first set of computer audits and Value for Money reviews. KPMG have also told us our Audit and Governance Committee is one of the very best of its type.

The revenue and benefit service improved its debt collection; in-year council tax collection rates being the highest ever at 96.3% with arrears from previous years reduced by over 10%. General debt collection rates also improved, with a lot of work done to ensure benefit overpayments were collected - where over 80% of debts raised in the year were recovered.

The benefit service also improved with new claims dealt with in under 30 days (compared with 38 the year before) but crucially by the end of the year claims were being dealt with in 24 days - the target we have set for this year.

The improved benefit processing and overpayment recovery meant we were able to reduce our spend on local cost of benefit by over £700,000.

We've updated and simplified our constitution - halving its length and making for a plain English version, whilst the Legal team are on their way to achieving the "Lexcel" Legal Quality accreditation.

We developed the procurement function over the year - and were short-listed for sustainable procurement team of the year, our procurement team was also praised for its work to help small businesses deal with councils.

We appointed new Managers to our IT and Human Resources services. In both cases the appointments were made after an extended search, but having a team of excellent managers in place is one of the crucial ways of delivering improving services.

We've almost completed the first stage of single status project - after several years of limited progress.

As always there are areas where we still need to do more. We need to do more to embed our risk management processes, we need to strengthen our basic Human Resources processes, we need to use the data on value for money to make further step changes to the quality and outcomes of the directorate. Completing the single status project is also an urgent priority.

Key issues in 2007/08

The service faces a range of external demands and pressures, the list is not exhaustive

Regulatory pressures	<ul style="list-style-type: none"> • The government is about to launch a replacement to the CPA regime, and its increasingly clear it will be a lot more demanding both on finance and other corporate services. • Governance requirements are increasing substantially - with new duties on Finance and other managers. • The accounting regime has been overhauled - with new reporting requirements. • We will consider reapplying for a new CPA assessment (which will require substantial preparatory work) as well as working to further improve our existing Use of Resources ratings.
Accommodation	<ul style="list-style-type: none"> • The department must both plan for and take account of the likely demotiltion and redevelopment of a city centre office. IT facilities will have to be relocated, and several groups of staff re-accommodated.
Equalities	<ul style="list-style-type: none"> • We need to complete the single status project by April 2008 reaching an agreement which is both fair and affordable. We need to complete the long delayed update of our staffing policies. We need to make progressto ensure our workforce and services reflects and is relevant to the community it serves.
Financial	<ul style="list-style-type: none"> • We must plan to meet the budget pressures on the department and deliver savings already agreed.
IT	<ul style="list-style-type: none"> • We need to deliver the IT improvements which flow from the budget agreed by council. • We need to upgrade our HR and Payroll systems - both of which are not working as well as they should.

Overview of services The following Business Units form part of the Finance and Corporate Services Directorate:

Finance and Asset Management

Gross Expenditure £3.1m. Net Income £2.2m. Income is £5.3m, which comes from rents

Robust financial management information underpins all of the council's work. The aim of the service is to make sure Members and Managers get up to date financial information so they can make appropriate decisions. The service produces a set of accounts that are audited and published. The internal audit function reviews our system of internal controls, carries out VfM studies and advises on risk issues. The accountancy team also manages our different insurance contracts. The asset management team looks after our £150m of commercial and operational properties.

Legal and Democratic services

Gross Expenditure £2.0m with a £0.4m income from fees and charges resulting in a net expenditure of £1.6m.

Legal and Democratic Services manages 4 areas of operations: Democratic Services provides the administrative / clerking support to Council meetings and advice and support to members. Electoral Services manages local, national and European elections and the electoral register. Legal Services provides a complete in house legal service for all council activities and conduct the statutory monitoring officer role. The land charges function (and budgets) transferred from Legal and Democratic Services into Planning on 1st April. Scrutiny transferred on the same date to Legal and Democratic services.

Facilities Management

Gross Expenditure £1.4m with a £0.5m income from fees and rents resulting in a net expenditure of £0.9m

Facilities Management comprises of 4 main areas of activity: - Management of the Town Hall, Caretaking, cleaning, building security and courier service, Procurement managing £2,945,000 of purchases in 15 contracts. Central administration, Post room and Copier Unit, Reception, central switchboard and archives.

Strategy and Review

Gross Expenditure £2.6m with a £0.8m income from fees and rents resulting in a net expenditure of £1.8m

Strategy and Review delivers a range of services that provide corporate and strategic focus and co-ordination. The unit contains 5 areas of work; Strategy and Policy - the development and review of strategic and corporate policy initiatives and projects that stem from them. Partnerships - the development of strategic partnerships to meet Oxford's needs. Communications – both internal and external, and including media and consultation activities. Performance management – development of the system and support in the analysis and use of performance data. Community Safety – co-ordination and development of partnership work to reduce crime, anti-social behaviour and fear of crime. The city's Tourist Information Centre is also located within the unit.

Revenues and Benefits

Gross Expenditure £3.0m with a £1.9m income from fees and grants resulting in a net expenditure of £1.1m.

Local cost of benefits gross expenditure £49m. Income is £48.8m which comes from grants

The revenue service collects a variety of incomes under complex legislation. This includes Council Tax, National Non-domestic Rates (NNDR), Periodic Rents i.e. rents on business premises owned by the authority, sundry debts e.g. housing repairs for council tenants, overpaid housing benefit and mortgages. The service collected 96.2% of the £55 million of council tax due in the year and £2million of council tax debts owed from earlier years. The business rates team collected 99.2% of the £69 million business rates whilst the sundry debtor team collected £4.6 million of general debts from other departments around the council. The Benefits service processes claims for Housing and Council Tax benefit, making payments to individual claimants and landlords. The benefit service paid £50m of benefits dealing with 8,200 new claims in an annual average of 29 days and 19,300 renewal claims in an average of 18 days.

Business Systems

Gross Expenditure £1.4m with no income. Net Expenditure £1.4m.

The Business unit develops and maintains all of the Councils (40+) business application systems and supporting ICT infrastructure. It operates a Service Desk that manages and delivers C. 5,000 support requests a year, is responsible for all ICT Procurement across the council and manages the Council's Data Protection and Freedom of Information functions, responding to C.170 FOI requests per annum.

Human Resources

Gross Expenditure £2.1m with no income. Net Expenditure £2.1m.

Human Resources provides a comprehensive corporate human resources service. During the last 2 years the Council has moved from a devolved to a centralised approach to the provision of human resources services. With the addition in 2003 of a central learning and development function the unit is now strategically placed to drive organisational change and improvement.

The new Corporate Plan covers a period 2007-2008: The Finance and Corporate Services Directorate can make a significant contribution to some of the City Council's corporate priorities, as set out below:

Reduce inequality through social inclusion

- Develop cohesive communities and support cultural diversity.
- The £50 million paid in housing and council tax benefits helps the most needy in the community. Its crucial the right amounts are paid, in good time, and that the service is designed to be accessible to these vulnerable groups. Considerable effort has been made in improving the speed and accuracy of benefit services.
 - The equalities officer works with other managers to improve the council's equality arrangements and promotes equality awareness in the wider community.

Be an effective and responsive organisation, providing value for money services

- Improve the quality and value for money
- Complete/coordinate all the CiPFA finance statistics, and pays for a council wide subscription so all staff/councillors can access this information on-line.
 - Subscribes to the available CiPFA/IPF benchmarking groups.
- Coordinates the work of audit contractor (KPMG) who carries out three Value for Money audits each year as part of our audit programme.
- The consultation officer manages XX consultation exercises including talk-back and specific post/web consultation exercises.

Reduce and prevent crime and anti-social behaviour

- Tackle the causes of crime and anti-social behaviour in our community by providing activities and support for children, parents and young people.
- The crime reduction team (in strategy and review) works with the police and other agencies to reduce crime levels across the city. The team have: Worked with the drinks industry/police to help reduce drunken violence, Funded 15 Police Community Support Officers, Established a post to help reduce domestic violence

Tackle climate change and promote environmental resource management

- The procurement team in Facility Management have built sustainable procurement principles into its work - Organisations bidding for council contracts are appraised on their work environmental credentials. All the council's energy is purchased from zero carbon suppliers. The town hall lighting is being renewed with state of the art low energy fittings.
- The HR function have introduced sustainable travel policies, recently developing and promoting a salary deduction scheme for staff to buy push bikes.

Improve the Local Environment, Economy and Quality of Life

- The economic development officer (in strategy and review) works with local businesses to promote the area. The S&R budget also funds the start-up employment units in east Oxford.
- The tourism development function (in strategy and review) promotes the city as a key visitor destination, and works with local and regional businesses to promote their visitor facilities.

2. 2007/08 Actions and milestones

Reduce inequality through social inclusion						
Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Service Development						
Implement single status		May 08	Yes	Cost modelling July 07	Develop pay scale and grading options October 07	Consultation Dec 07
Council tax benefit take up campaign		October 2008		Milestones to be added	Milestones to be added	Milestones to be added
Introduce LHA		May 08				
OSP – develop sustainable community strategy	£20K	March 08	No – via strategy	Deliver affordable housing select committee Dates to be added	Develop Sustainable Communities Strategy for the city Dates to be added	Support OSP in delivering new activities to address key city issues. Dates to be added
Cross Cutting (director responsible for lead)						
Equalities Impact assessments and actions completed at service level	n/a	March 08	n/a	Guidance produced for BMs and SDs Dates to be added	Equalities actions included in business plans Dates to be added	Actions delivered Dates to be added

Be an effective and responsive organisation, providing value for money services

Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Service Development						
HR Policy framework (review and implement)		December 07	Yes	Organisation change policy July 07	Recruitment and flexible working Dec 07	Full framework March 08
HR payroll solution		March 08	No	Project Manager recruited June 07	Programme plan July 07	Option appraisal Oct 07
Improve use of resources scores		March 08		Milestones to be added	Milestones to be added	Milestones to be added
Embed risk management		September 08		Milestones to be added	Milestones to be added	Milestones to be added
Lexcel accreditation for legal	Existing resources	July 07	Yes	Accreditation / inspection July 07	Annual re-accreditation inspections	
Revised constitution	Existing resources	June 07	Yes	Adopted and training provided June 07	Six month review Dec 07	
Increase satisfaction with Council – staff and customers		31/03/10	No	Draw out key messages from General Survey, other external feedback and the General Survey	Identify key messages and develop project plans to address issues identified	Repeat surveys to identify trends in satisfaction
Implement technology lifecycle plan	£500,000	March 08	Yes	Outline plan – June 07	Stage 1 – Oct 07 Stage 2 - Jan 08 Stage 3 – March 08	
Data centre relocation	£100,000 external funding	December 07	Yes	Detailed plan July 07	Commence September 07	Implementation December 07
Deliver in budget and make savings		March 08		Milestones to be added	Milestones to be added	Milestones to be added

Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Meet 07/08 performance targets (including LAA)		March 08		Clear performance targets agreed April 07	Monthly / directorate monitoring	Quarterly reporting
Improve policy development / coordination		November 07		Milestones to be added	Milestones to be added	Milestones to be added
Effective monitoring of procurement savings	Existing resources	March 08	Yes	Six monthly review		
New procurement strategy to incorporate increases sustainability	Existing resources	March 08	Yes	Collaborative work SECA April 07	Draft and consultation Dec 07	
Efficiency						
Review admin and training	(£40,000)			Milestones to be added	Milestones to be added	Milestones to be added
Complete e-recruitment	(£20,000)			Milestones to be added	Milestones to be added	Milestones to be added
Use of CD to reduce paper / postage	(£20,000)			Milestones to be added	Milestones to be added	Milestones to be added
Simplify S&R management	(£60,000)	April		Achieved		
Simplify monitoring of staff budgets	(£50,000)	December 07		Milestones to be added	Milestones to be added	Milestones to be added
Reduce KPMG programme by 20 days	(£10,000)	May 07		Audit Programme at reduced number of days Dates to be added		

Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Cash office – additional savings	(£27,000)			<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Review management structure (legal and democratic)	(£53,000)	June 07		<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Vacant post removed web/egov	(£45,000)	December 06		Achieved		
Change cleaning rotas in SAC	(£10,000)	June 07	Yes	Consultation May	Change implemented June	
Collection fund est surplus	(£86,000)			Monitor collection against 2006/7	Continue implementation of revised recovery processes	
Training	(£65,000)			<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Reduce staff in ctax / insp of c tax discounts	(£45,000)	May 07		<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Targeted work on overpayments and collection rates	(£200,000)			<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Joint project lean thinking customer services	(£150,000)			<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Selective look and supplies and services	(£39,912)			<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>
Savings from negotiating supplies and services	(£55,065)			<i>Milestones to be added</i>	<i>Milestones to be added</i>	<i>Milestones to be added</i>

Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Cross Cutting (director responsible for lead)						
Equalities Standard – L3 accreditation		March 08	Via ESG and business planning	Corporate equalities equalities action planning through directorate and business plans, Dates to be added	Consultation on and completion of specific equalities schemes Dates to be added	External accreditation following peer-review Dates to be added

Reduce and prevent crime and anti-social behaviour

Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Service Development						
Deliver community safety strategy	£203,000 + partnership funds	April 09	Within the strategy	Develop city-based DV services and networks Dates to be added	Expand preventative patrolling for Nightsafe and raise profile of the scheme Dates to be added	Complete tactical assessments of the city to guide roll out of Neighbourhood Policing Dates to be added
Efficiency						
Phased implementation of PCSO budget	(£145,000)	April 2007		Achieved. Agreed with Thames Valley Police		

Improve the Local Environment, Economy and Quality of Life

Project / Action	Budget (£)	Date for achievement	Project Plan completed?	Milestone 1	Milestone 2	Milestone 3
Service Development						
Develop new TIC and TH services		November 08		Develop differentiation by increasing percentage of locally sourced products for resale July 07	Identify opportunities to increase market share September 07	
Lead on revised tourism strategy		January 08	Yes	Site visits to other historic destinations to review tourism operations July 07	Planning workshops for key stakeholders to help develop strategy Oct 07	Draft available for consultation Dec 07
Efficiency						
Oxford Inspires bid overstated	(£50,00)	April 07		Achieved		
Simplify TIC / Tourism management	(£40,000)	September 07		Review management and operational needs April	Consult on proposed changes - September	Implement changes -September
Extra income by better marketing of TIC	(£30,000)	September 07		Review working practices in light of technological opportunities - April	Guided tours, increase market share - September	Retail, review produces and sales - September
Increased Town Hall income through tours	(£5,000)	Sept 07	Yes	Order and receive equipment July 07	Start tours Sept 07	

3.

Year End 2006/07 Results and 2007/08 Targets

(Finance and Corporate Services)

Priority Aim	Measure	Year End Target 2006/07	Year End Result 2006/07	Quartile Position 2006/07	Year End Target 2007/08
Reduce inequality through social inclusion					
Develop cohesive communities and support cultural diversity.	BV002a(**) Equality Standard for Local Government level achieved	Level 3	Work in progress	N/A	Level 3
	BV002b(**) The duty to promote race equality checklist score	63.00%	Work in progress		84.21%
	BV174 Racial incidents involving the local authority	35 Incidents	Work in progress	N/A	25 Incidents
	BV175(**) Racial incidents resulting in further action	100.00%	Work in progress		100.00%
	BV011a(**) % top 5% earners that are women	28.00%	Work in progress		28.00%
	BV011b(**) % top 5% earners from BME communities	1.48%	Work in progress		2.00%
	BV011c(**) % of top 5% earners that have a disability	0.50%	Work in progress	N/A	3.00%
	BV016a(**) % employees declaring DDA	1.60%	Work in progress		5.50%
	BV017a(**) % employees from BME Communities	7.50%	Work in progress	N/A	8.00%
	BV078a(**) average time for processing claims	36.00 Days	28.71 Days	Second	24.00 Days
	BV078b(**) average time to process of change of circs	17.00 Days	17.61 Days	Third	15.00 Days
Be an effective and responsive organisation, providing value for money services					
Improve the quality and value for money	KPI01 - Average time to pay an undisputed bill	15.00 Days	13.90 Days	N/A	13.50 Days
	BV008(**) % undisputed invoices paid within 30 days	95.00%	96.12%	Second	96.50%
	BV009(**) collection rates within year for Council Tax	96.00%	96.28%	Bottom	97.00%
	BV010(**) collection rates within year for NNDR	99.20%	98.66%	Third	99.20%
	BV012 Average time (in days) per employee lost due to sickness	11.10 Days	Work in progress		10.50 Days

(**) - Indicator used as part of the Audit Commission's 'Direction of Travel' and 'CPA Recategorisation' Tools

3.

Year End 2006/07 Results and 2007/08 Targets

(Finance and Corporate Services)

Priority Aim	Measure	Year End Target 2006/07	Year End Result 2006/07	Quartile Position 2006/07	Year End Target 2007/08
	BV014 Early retirements / staff	0.60%	Work in progress		1.00%
	BV015 Ill health retirements / staff	0.07%	Work in progress		0.15%
	BV076a(**) number of claimants visited/1000 caseload	204.53 per 1000 cases	197.15 per 1000 cases	N/A	200.00 per 1000 cases
	BV076b number of fraud investigators/1000 caseload	0.38 per 1000 cases	0.37 per 1000 cases	N/A	0.35 per 1000 cases
	BV076c(**) number of fraud investigations/1000 caseload	66.59 per 1000 cases	104.52 per 1000 cases	N/A	100.00 per 1000 cases
	BV076d number of prosecutions & sanctions/1000 caseload	6.85 per 1000 cases	4.27 per 1000 cases	N/A	5.20 per 1000 cases
	BV079a(**) % cases where calculation of benefit was correct	96.00%	Work in progress		96.00%
	BV079b(i) (**) % this year's overpayments recovered	85.00%	86.98%	Top	86.00%
	BV079b(ii) (**) % this year's & all previous years' over payments recovered	45.00%	37.37%	Second	45.00%
	BV079b(iii) (**) % this year's & all previous years' overpayments written off	6.00%	6.24%	N/A	7.50%
	KPI02 - % variance forecast against the full year budget for general fund net revenue spend	2.00%	Work in progress	N/A	2.00%
	KPI03 - total variance forecast (at surplus/deficit level) as a % of the full year expenditure budget for HRA revenue spend	100.00%	Work in progress	N/A	2.00%
	KPI06 - Cash Holdings as a percentage of gross spending	25.00%	Work in progress	N/A	20.00%
Reduce and prevent crime and anti-social behaviour					
Tackle the causes of crime and anti-social behaviour in our community by providing activities and support for children, parents	BV126(**) domestic burglaries per 1000 households	19.96 per 1000 households	22.98 per 1000 households	Bottom	17.53 per 1000 households
	BV127a violent offences per 1000 population	20.93 per 1000 pop	31.82 per 1000 pop	Bottom	21.68 per 1000 pop

(**) - Indicator used as part of the Audit Commission's 'Direction of Travel' and 'CPA Recategorisation' Tools

3.

Year End 2006/07 Results and 2007/08 Targets

(Finance and Corporate Services)

Priority Aim	Measure	Year End Target 2006/07	Year End Result 2006/07	Quartile Position 2006/07	Year End Target 2007/08
and young people.	BV127b(**) Robberies per 1000 population	0.17 per 1000 pop	1.73 per 1000 pop	Bottom	1.45 per 1000 pop
	BV128(**) % vehicle crimes per 1000 population	15.54 per 1000 pop	12.59 per 1000 pop	Third	16.00 per 1000 pop
	BV225 Action against domestic violence checklist score	100.00%	Work in progress	N/A	100.00%
	[LAA TARGET] SSC1 - Number of entrants aged 10 - 17 to the criminal justice system	1177 young entrants	Work in progress	N/A	1128 young entrants
	[LAA TARGET] SSC1 - Re-offending by young offenders	152 Offences	Work in progress	N/A	148 Offences
	[LAA TARGET] SSC2 - Number of incidents of DV reported annually	5851 DV incidents	Work in progress	N/A	6207 DV incidents
	[LAA TARGET] SSC2 - Has the number of incidents of DV resulting in sanction detection increased?	Yes	Work in progress	N/A	Yes
	[LAA TARGET] SSC3 - Number of convictions resulting from charges for BCS for offenders identified as PPOs	429 Convictions	Work in progress	N/A	379 Convictions
Improve the Local Environment, Economy and Quality of Life					
Seek to sustain the city's economic and cultural status and success	[LAA TARGET] ED1 - Number of adults achieving NVQ level 1 or higher	240 adults	Work in progress	N/A	480 adults

(**) - Indicator used as part of the Audit Commission's 'Direction of Travel' and 'CPA Recategorisation' Tools