



**South
Derbyshire**
District Council

**'Making South
Derbyshire a better place
to live, work and visit'**

South Derbyshire District Council

CORPORATE SERVICES

Service Plan 2011-2012

June 2011

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1.0 Introduction

This Service Plan brings together our priorities in relation to the Council's Corporate Plan 2009/14 and the Sustainable Community Strategy for South Derbyshire 2009/29

Our key priority outcomes in the Corporate Plan are:

- **To ensure that the Council remains financially resilient by maintaining a sustainable financial base.**
- **To lead the Council's on-going efficiency programme to achieve budget savings whilst maintaining and improving service provision.**
- **To provide strong corporate governance across the Council.**
- **To improve the experience of customers and other stakeholders who contact the Council.**

The Corporate Services Division will:

- positively contribute towards Council policies and procedures in the delivery of services
- deliver continuous improvements in the performance of the Council
- ensure compliance with relevant legislation
- have a 'customer focus' in what we do
- ensure a widespread understanding of the Council's core values, key aims, priorities and relevant performance measures, and encourage participation in their development
- ensure that data quality principles are applied in order to conduct its business effectively
- Support the Council's Investor's In People programme
- Encourage a positive health and safety culture

Kevin Stackhouse Head of Corporate Services and Chief Finance Officer

2.0 Scene Setting

2.1 Overview of the Service

Following a Senior Management Review at the Council in January 2011, a new Department of Corporate Services was established. This brought together the Finance, Property, Legal and Democratic functions under one Head of Service.

The previous Finance and Property Services Division also had responsibility for monitoring service performance within the Corporate Services Strategic Partnership. This continues and also focuses on developing the Partnership, in particular the creation of a Regional Business Centre within the District.

Under the responsibility of the Chief Finance Officer, the Division continues to be responsible for an Internal Audit function. From 1st July 2011, this will be delivered through a Central Midlands Audit Partnership in conjunction with Derby City Council.

Corporate Services Strategic Partnership (CSSP)

The Council signed a contract with Northgate Public Services (NPS) on 1st August 2010 to deliver a range of back office, support and professional services. This included:

- Financial Services
- Organisational Development, including HR
- ICT
- Central Procurement
- Revenues and Benefits
- Customer Services

Direct service provision is the responsibility of NPS and performance is monitored through a series of Key Performance Indicators. The services provided feed into the overall outcomes for Corporate Services.

Overall strategy and policy for finance, workforce development, ICT, procurement and corporate planning remains the responsibility of the Council, This is co-ordinated within the Department and NPS provide an important role in supporting this.

Through the Chief Finance Officer (CFO) the Council is responsible for setting and monitoring budgets, the Council's medium term spending plans and financial strategy. The CFO is a member of the Council's Corporate Management Team.

Key Role of the Division

The Division effectively provides a key role and lead in the Council's strategic objective of "Value for Money."

This is not just about "the money" but encompasses other resources such as staff and property, together with ensuring that the Council undertakes its activities and responsibilities in a proper manner through good corporate governance, meeting the needs of its customers and other stakeholders.

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Much of this is done through the Strategic Partnership. Although many of the services provide back office support and advice across all council functions, many others deal direct with the local community and residents contacting the Council (for examples in Revenues and Benefits) together with elected members through the democratic process.

Operational requirements are largely undertaken in accordance with statute – financial management, legal, internal audit, for example are carried out within specific points of law, together with standards contained in Codes of Practice.

The Department consists of a number of small, discrete service areas, although joint working and synergy exists between the individual areas to some extent. Specific Units are as follows:

Client Services

This team is responsible for monitoring the service delivery of NPS. In addition, it undertakes the statutory quality assurance checks required on benefit processing, together with council tax and debt collection.

The Council's fraud team is also part of the Unit and the team overall act as the Council's representatives for court action in cases of council tax and debt recovery.

By working with NPS, the team contributes to the priority outcome of "financial resilience" by maximising income due to the Council through improved collection of council tax and sundry debtors, together with identifying occupied properties to maximise income through the New Homes Bonus.

In addition, the team has a key role in improving the experience of people who contact the Council through monitoring Customer Services and the Contact Centre, together with securing improvements, in conjunction with NPS, in the time taken for processing benefit applications.

Corporate Administration

The Head of Corporate Services acts as the Council's Data Protection (DP) and Freedom of Information (FOI) Officer. In accordance with this responsibility, the team co-ordinates day to day activity associated with requests for information under DP and FOI regulations and monitors the corporate framework to ensure all services comply correctly and handle data properly.

The team also provide a range of administrative functions including secretarial support and co-ordinating complaints made against the Council.

DP and FOI are considered to be important facets in public authorities demonstrating openness and transparency. This is highlighted in the Council's Local Code of Corporate Governance.

Democratic Services

This team is responsible for managing all Committee meetings of the Council. It is also the first point of contact for elected members for advice and assistance in their

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day to day duties. This includes supporting the Chairman of the Council in their role as "Civic Leader"

The Unit is also responsible for maintaining the Electoral Register and managing all elections in the District, whether these are Parliamentary or local District elections.

As such, the team has a key role in ensuring that the Council has strong governance arrangements in place and that the democratic process is conducted in a proper and efficient manner.

Internal Audit

This team is the primary assurance that the Council maintains a sound system of internal control and this feeds into the priority outcome of "robust governance." Working under the terms of reference of the Council's Audit Committee, the team undertake audits on the main systems and processes that underpin service delivery.

With effect from 1st August 2011, the team will form part of a newly constituted Central Midlands Audit Partnership (CMAP) along with Derby City Council.

Land Charges

This team deals with all enquiries and requests for property and land searches, both commercial and residential. Although the team provide a direct service this is done in competition with private companies.

The financial aim of the service is to "break even" including the cost of overheads. The income generated by the service is not insignificant at approximately £125,000 per year and is an important indicator for the Council's Medium-Term Financial Plan.

Legal Services

This team also plays a key role in ensuring strong governance and that the Council conducts its business lawfully. The team provides a legal service to all departments of the Council on both contentious and non-contentious matters.

Resources for the team are supplemented through an agreement with Law Public, a public sector legal partnership body hosted through Geldards LLP. This allows specialist advice and assistance to be bought in as and when required. The team also provide the link with the Local Government Ombudsman in respect of complaints.

Property Services

This team is responsible for the overall strategic management of the Council's operational land and property holdings under the Asset Management Plan. This includes identifying and making recommendations regarding assets deemed "surplus to requirements."

The team play a key role in major development/regeneration projects, in particular where the Council has a property/land interest in the project. This is to ensure that the Council maximises the use of its assets to enable service provision and through

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disposal, to generate capital receipts. This is to meet the target approved in the Council's Medium-Term Financial Plan.

The team are also responsible for managing the Council's investment (property) portfolio which includes shops, industrial units and a factory.

2.2 Workforce Information

The number of full time equivalent staff in each Unit as at 31st March 2011 is as follows:

Client Services	5.0
Corporate Administration	3.0
Democratic Services	9.5
Internal Audit	3.0
Land Charges	1.5
Legal Services	3.0
Property Services	3.0
TOTAL	28.0

In addition 84 staff was transferred across to NPS with 80 employed as at 31st March 2011, with 6 of these being redeployed into the Regional Business Centre.

Apart from that, during the last 12 months staff turnover has been very low. Sickness absence is currently lower than the Council average of 9 days lost per employee, except in Legal and Democratic Services where 1 incidence of long-term sickness shows the overall figure very high at 17.13 days lost.

	New Starters 2010/11	Leavers 2010/11	Sickness 2010/11 (FTE days lost)
Finance and Property Services	0	1	5.56
Legal and Democratic Services	0	0	17.13

Workforce priorities for 2011/12:

The Client Services and Corporate Administration Units are still fairly new teams having only been set up in 2010/11 following the CSSP. Consequently, the transfer and dissemination of information is still on-ongoing. This will continue during 2011/12 to ensure knowledge and experience is shared in order to protect future service provision.

In addition, discussions with other local authorities, who buy services through the Regional Business Centre, will take place to explore the possibility of sharing client management.

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2.3 Financial Information

A summary of the costs of the services, including those transferred to NPS is showed in the following tables.

<u>Corporate Services - Contract Payment to Northgate, plus Client Unit and Retained Costs</u>	Budget 2010/11 £	Actual 2010/11 £	Budget 2011/12 £
Expenditure	3,147,396	3,122,888	3,086,464
Benefits Administration Grant	-506,959	-506,959	-485,231
Net Cost	2,640,437	2,615,929	2,601,233

<u>Other Services - Expenditure</u>			
Legal and Democratic Services	895,378	775,810	896,994
Property Services	163,632	148,295	168,356
Internal Audit	121,081	106,051	125,553
Net Cost	1,180,091	1,030,156	1,190,903

<u>Land Charges</u>			
Expenditure	101,993	100,276	92,412
Fee Income	-100,000	-114,822	-125,000
Net Cost / Surplus	1,993	-14,546	-32,588

Capital Investment

The Department is responsible for managing the Planned Maintenance (PM) Budget for Public Buildings and for replacing the Civic Car. A total of approximately £125,000 remains in the PM budget as a contingency for emergency repairs of a capital nature, together with identified repairs to community facilities as identified in the Council's Asset Management Plan.

The Civic Car was replaced in 2010/11 at a cost of approximately £15,000. A provision of £20,000 has been included in the Council's long-term capital programme in 2016 for future replacement. This will be reviewed at that time.

2.4 Summary of Assets Held

The Department is responsible for managing the following assets.

Asset	Number	Estimated Value
Investment Properties		
Commercial Units	17	£1.26m
Industrial Units (on 2 sites)	41	£0.58m
Factory	1	£1.40m
Vehicles		
Chairman's Car	1	£10,000
Other		
Members Laptops	36	£6,000
Election Booths and Equipment		Nominal

3.0 Service Performance

3.1 Key Achievements 2010/11

Corporate Services Partnership

The major piece of work during the year was the procurement of NPS as the Council's strategic partner. Although only operational for 8 months of the year following a period of transition, significant capital investment has already been made in systems for payroll, finance and procurement, together with customer services.

The scale of this investment was previously considered only aspirational for the Department and is something where the Council on its own would have found difficult to implement.

In addition, transformation work has commenced in earnest in both transferred and retained services as part of the guarantee to provide a targeted level of cashable savings for the Council over the medium-term.

Disposal of Assets

In total, £377,250 was generated from assets assessed and approved as "surplus to requirements." This was a good contribution to the projected £1.5m required over the next 5-years to meet capital commitments.

This follows on from that achieved over the previous 3 years, i.e. £267,000 in 2007/08, £34,100 in 2008/09 and £114,000 in 2009/10.

Land Charges

Following the revocation of the Personal Search Fee in August 2010 and the continuing tight market, the service managed to increase its market share and exceed its target of break-even by achieving a small surplus. This was after revising the fee structure earlier in the year and through good working relationships with local solicitors.

Fraud Investigation Unit

The Unit referred 52 cases for prosecution/sanction regarding housing benefit and council tax fraud. This compared with 41 in 2009/10 and 37 in 2008/09. The increase was due to greater working with other agencies.

The value of the overpayments identified and claimed associated with these cases was £222,000. This compared with £135,000 and £86,000 in the previous 2 years.

3.2 Challenges and Areas for Improvement

Housing Benefits

As previously reported to Committee, the net cost of housing benefits to the Council continues to increase. This is exacerbated by additional requirements for quality checks and sampling/checking as part of the Annual Audit. The potential to incur

additional audit fees and a claw back of subsidy, amounting to tens of thousands of pounds, by the DWP is now a greater risk.

The Audit Committee considered these issues and actions at its meetings in April and June 2011. The Council and NPS will need to work closely to ensure that this risk is mitigated. Some investment in software has been made and resources re-prioritised to achieve this. It will be kept under review during 2011/12 with progress being reported to the Committee.

New Systems

As planned, new systems for payroll, financial management and procurement were implemented during March to May 2011. The challenge is to ensure that they become fully integrated across the Council if the full benefits and efficiencies are to be realised.

This has proved an issue in some areas as procedures and controls have changed to strengthen the control environment and to allow greater electronic processing in workflow. This is leading to a shift in the way the Council works in the “back-office” to achieve efficiency savings and to provide better information.

The Department along with NPS will continue working to achieve this. This is a service that potentially other authorities can buy into and share as part of the Regional Business Centre.

3.2 Corporate Action Plan

The SMART Action Plan details our key actions for the year. Actions are broken down into quarters in order to enable us to monitor and manage our performance.

These actions directly contribute to our outcomes identified in the Corporate Plan, and as such are seen as essential for us to achieve if the Council is going to achieve its ambitions. Complementing these actions is a set of performance measures that are formed both from the National Indicator Set and locally agreed indicators.

Whether we achieve the targets set against these indicators will tell us whether the ‘business’ we are doing is delivering the required outcomes and providing excellent services.

In some areas because changes will take place over a period of time and not measurable in a quarter, proxy indicators will be used. These are indicators that suggest the likely progress, whilst not measuring that outcome.

The Service's key performance measures against Corporate Plan outcomes can be found at **Appendix B**. This includes the key projects that will help deliver these outcomes. Further details about each indicator and how they are compiled and monitored is shown in **Appendix C**.

3.5 Operational Action Plan

A key part of service delivery for the Department is the performance of NPS. The partnership with NPS is monitored through a series of KPI's. Progress against key projects and targets is reported to the monthly Operational Board with regular reports to the Council's Finance and Management Committee.

In addition, the performance of the Council's property (rate of return, energy efficiency and maintenance liability, etc) is monitored and reported in the Asset Management Plan (link provided below).

Internal Audit is subject to a separate set of performance indicators which are set and monitored by the Council's Audit Committee. These are designed to measure performance against the approved Audit Plan to deliver the necessary assurance for internal control purposes.

Local Performance Indicators

Besides the key performance measures identified for the Corporate Plan, the Department also uses an operational indicator. This is to measure performance in producing fixed asset data in order to meet International Financial Reporting Requirements.

This data is considered a key part of the Council's annual financial accounts and is subject to a great deal of external audit,

Statistics are also maintained locally to measure the percentage of households returning the annual Electoral Registration Form and to record the number of land charges carried out in 8 working days. These are used as local efficiency measures.

4.0 Partnerships

Further details of the NPS and CMAP Partnerships are detailed in **Appendix C**. This includes reference to how they fit into the Council's priorities and how they are governed, etc. This is in accordance with the Council's Corporate Partnership Policy.

5.0 Consultation & Communication

On behalf of the Council, the Department leads on 2 annual pieces of consultation and communication, i.e. on the main Corporate Plan priorities and Budget proposals.

In addition, following the transfer of services to NPS, some internal consultation is being undertaken in 2011/12 on functions provided which will be used by the Council and NPS to improve services. Details are provided in **Appendix D**.

Customer satisfaction for people contacting the Council is measured on an on-going basis through a monthly performance indicator (VM 07) as detailed in **Appendix B**.

Provision of information

A key function of the Department is to provide and report information to demonstrate how the Council's resources are used. The main publications are:

Annual Accounts and Financial Statements

http://www.south-derbys.gov.uk/Images/Statement%20of%20Accounts%202009-10_tcm21-152442.pdf

Monthly report of spending over £500

http://www.south-derbys.gov.uk/our_website/open_data/spend_over_500/default.asp

Asset Management Plan

http://www.south-derbys.gov.uk/Images/ASSET%20MANAGEMENT%20PLAN%202010-15%20draft_tcm21-159074.pdf

6.0 Service Review/Transformation Programme

A substantial part of the Department has undergone a review over the last 2 to 3 years and this has resulted in the creation of the CSSP and CPAM partnerships. Transformation within services transferred as part of the CSSP is on-going and is part of the contract between the Council and NPS.

A commitment within the CSSP will ensure all services participate in an efficiency review, covering all aspects of service. The reviews once completed will result in a detailed delivery plan which will be delivered through the Partnership and is included in other service delivery plans elsewhere in the Council.

The main service area within this Department still subject to review is Democratic Services. This is detailed in **Appendix E** and will be undertaken during 2011/12.

In accordance with the Council's strategic objective, the review will aim to reduce service delivery costs whilst maintaining or improving current performance via an options appraisal to identify the most appropriate service delivery model.

The expected outcome is that the service will continue to be funded, but it is expected to achieve on-going cashable savings.

7.0 Managing Risks

The process set out in Council's Risk Management Strategy, which was approved in March 2010 has been followed.

Further details can be found via this link

http://harvey/corporate/organisationaldevelopment/policy/Service_Planning/supporting_info/RiskMgtStrat/view?searchterm=risk

The risk register for the Department is detailed in **Appendix F**.

8.0 Monitoring and Review

This plan will be monitored quarterly as part of the performance management framework and will be used throughout the year to manage service delivery.