



**South
Derbyshire**
District Council

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

South Derbyshire District Council

CORPORATE SERVICES

Service Plan 2012-2013

June 2012

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1.0 Introduction

This Service Plan brings together our priorities in relation to the Council's Corporate Plan for 2012/13. 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 2011, a new Department of Corporate Services was established. This brought together the Finance, Property, Legal and Democratic functions under one Head of Service.

Following a further restructuring which was implemented on 1st May 2012, the Licensing Function was transferred from Environmental Services into the Corporate Services Department. The restructuring also strengthened the Legal and Democratic functions by establishing a post of Chief legal Officer, together with the creation of a generic administrative function within the Department to increase capacity and resilience.

The restructure also amended some reporting lines and the overall restructure was achieved within existing resources.

The Department also has responsibility for monitoring service performance within the Corporate Services Strategic Partnership. The main aims of the Partnership are job growth through a Regional Business Centre, together with investment in services, capacity and resilience.

As part of the arrangement, the Council transferred a range of back office support services to the private sector partner in August 2010.

Under the responsibility of the Chief Finance Officer, the Department is also responsible for an Internal Audit function. From 1st January 2012, this has been delivered through the 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 (*this has since been transferred back to the Council under the direct management of the Chief Finance Officer, effective from 1st June 2012*).
- Organisational Development, including HR, Policy and Communications
- Payroll
- ICT
- Central Procurement
- Revenues and Benefits
- Customer Services

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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, reviewing the Council's medium term spending plans and its financial strategy. The CFO is a member of the Council's Corporate Management Team.

Key Role of the Department

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

This is not just about finance 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. As the Licensing Authority, the Department also has a role in helping to protect residents and members of the public.

A great deal is undertaken 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 example 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.

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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 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.

A pool of generic administrative assistants also forms part of this Unit. Besides supporting democratic functions, they also support the Legal and Licensing functions.

Internal Audit

Through the Central Midlands Audit Partnership (CMAP), internal audit is the primary assurance that the Council maintains a sound system of internal control and this feeds into the priority outcome of strong corporate governance. Working under the terms of reference of the Council's Audit Committee, CMAP undertake audits on the main systems and processes that underpin service delivery.

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.

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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 £100,000 per year and is an important indicator for the Council’s Medium-Term Financial Plan.

From 1st May 2012, this team has reported to the Corporate Asset Manager and is part of the Property Services function.

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 disposal, to generate capital receipts.

The team are also responsible for managing the Council’s investment (property) portfolio which includes shops, industrial units and a factory. This generates approximately £420,000 per year.

Following the restructure on 1st May 2012, the Unit also has responsibility for Land Conveyancing, this function having been transferred across from Legal Services so that all property related matters are contained within one specific unit.

Legal Services

This team 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.

The post of Chief Legal Officer was established in the recent restructure and this role has sole responsibility for procuring legal advice on behalf of the Council, whether internally or externally.

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.

Licensing

The Council is the licensing body for the District and the function was transferred into Legal Services on 1st May 2012. The main work areas are primarily private hire vehicles, liquor, public entertainment and food export licenses. The Unit has a key role to play in public safety by ensuring that businesses are properly licensed and are acting within the terms of that license.

Financial Services

On 1st June 2012, this service was transferred back to the Council having originally been part of the services under the Strategic Partnership. This Unit is responsible for maintaining the accounts of the Council and assisting the CFO on strategic financial issues. The operational aspects of the Unit are split into:

- **Management Accounting** – provides day to day support to Council services on managing budgets and maintaining accounts; this involves monthly reporting of financial performance.
- **Financial Accounting** – ensuring the Council complies with technical accounting standards and statutory financial reporting requirements.
- **Technical Services** – Treasury Management, Insurance, Taxation and Banking.
- **Exchequer Services** – payment of invoices and the raising of sundry debtors.

2.2 Workforce Information

The number of full time equivalent (FTE) staff in each Unit is currently as follows:

Client Services	5.0
Corporate Administration	3.0
Democratic Services	9.0
Land Charges	2.5
Legal Services	2.0
Licensing	2.0
Property Services	4.0
Financial Services	7.0
TOTAL	34.5

During 2011/12, actual staff turnover has been very low. Leavers relate to those taking voluntary redundancy as part of the departmental restructure. There was one compulsory redundancy, although that person was redeployed elsewhere in the Council.

Sickness absence was lower than the Council average of 9.3 days at 8.7 days lost per employee. However, there were 2 instances of long-term sickness during the year due to muscular/skeletal injuries which were not work-related.

	New Starters 2011/12	Leavers 2011/12	Sickness 2011/12 (FTE days lost)
Corporate Services	0	3.5	8.7

The above figures are prior to the restructure in May 2012 and the transfer of Financial Services staff on 1st June 2012.

Workforce priorities for 2012/13

The restructure implemented on 1st May was undertaken to bring about transformation in service provision. The establishment of a multi-skilled administrative team is a new way of providing services.

This will require a fairly intensive training and development programme for existing staff in order that knowledge and experience can be shared. This will be supported by the skills and experience of Northgate's transformation team.

In addition, the move towards more electronic dissemination and use of information, especially in the democratic process, will also require a robust training programme and this will also be supported by Northgate.

The transfer of Licensing into the Department will need to be implemented whilst maintaining service provision. This will be followed by working to a longer-term aim of developing the service to support local business, with enhanced enforcement through more proactive means. The revised structure of Licensing has been set up to achieve this.

Several senior managers in the Department have been given enhanced roles and greater responsibility. Any specific personal development will be supported.

Following a review of Financial Services as it is transferred back to the Council, the need for additional resources has been identified and this will be met. The current structure of the service will also be reviewed in order to better match existing resources to the requirements of the Council.

2.3 Financial Information

A summary of the costs of the services, including those transferred to Northgate 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	3,762,924	3,665,059	3,723,989
Benefits Administration Grant	-485,231	-485,466	-460,000
Net Cost	3,277,693	3,179,593	3,263,989

<u>Other Services - Expenditure</u>			
Legal and Democratic Services	583,127	536,618	542,793
Property Services	138,092	129,213	140,193
Internal Audit	153,787	124,139	136,484
Net Cost	875,006	789,970	819,470

<u>Licensing and Land Charges</u>			
Expenditure	245,497	251,959	223,565
Fee Income	-300,278	-280,259	-277,780
Net Surplus (before central costs)	-54,781	-28,300	-54,215

Capital Investment

The Department is responsible for managing the Planned Maintenance (PM) Capital Budget for Public Buildings and for replacing the Civic Car. A total of approximately £100,000 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	£1.32m
Industrial Units (on 2 sites)	41	£0.58m
Factory	1	£1.40m
Vehicles		
Chairman's Car	1	£7,000
Other		
Members Laptops	36	£2,000
Election Booths and Equipment		Nominal

3.0 **Service Performance**

3.1 **Key Achievements 2011/12**

Implementation of E-procurement

Following the upgrade of the Financial Management System, an electronic purchase to pay system was implemented. This has strengthened control and enabled a greater challenge of spend across the Council. Following the initial set-up, it has also helped to streamline the Council's payment process with 98.5% of payments made within the 30-day best practice target.

Civic Offices Accommodation Review

Working with the County Council, certain areas of the Civic Offices were reconfigured. This enabled the re-location of County Council staff from accommodation elsewhere in Swadlincote. This will generate an on-going income stream for the District Council.

Fraud Prosecutions

The Fraud Investigation Unit referred 76 cases for prosecution/sanction regarding housing benefit and council tax fraud. This compared with 52 in 2010/11, 41 in 2009/10 and 37 in 2008/09. The on-going increase is due to greater working with other agencies, with several cases also generating media coverage.

The value of the overpayments identified and claimed associated with these cases was £215,000. This compared with £222,000 in 2010/11, £135,000 in 2009/10 and £86,000 in 2008/09.

Benefits Processing

Due to improvements made by Northgate, there was a significant increase in processing for 2011/12. For new claims, this averaged 15.5 days compared to 22 days in the previous year; for changes in circumstances, these were processed in an average of 7 days (14 days in the previous year). This was despite a significant increase in caseload during the year. There was no additional cost to the Council.

Central Midlands Audit Partnership (CMAP)

In conjunction with Derby City Council, the partnership was implemented on 1st January 2012. Resources of the two councils were combined and CMAP will provide audit services under a partnership agreement, together with services under contract to other authorities in Derbyshire.

Cost savings will not be significant in the medium-term, but for South Derbyshire, CMAP will provide access to a greater resource base, specialist skills and a development in audit approach. It will also strengthen independence.

3.2 Challenges and Areas for Improvement

The implementation of the new structure in Legal and Democratic Services, together with the transfer of Financial Services back to the Council, will be the key challenges in 2012/13. This will entail a degree of transformation to realise the full efficiencies under the new structure.

In addition, the Department will play a key role in the upgrade of the Council's IT infrastructure. This will provide the basis to enable the Council to make the best use of IT and telecommunications in future years.

3.3 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.

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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**.

3.4 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 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.

The Audit Partnership is subject to a separate set of performance indicators which are 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 several operational indicators. In particular, these relate to Financial Services with requirements to produce financial information in a timely manner to satisfy both statutory and internal reporting requirements.

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, internal consultation is regularly undertaken on functions, with separate surveys undertaken on the IT service. 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 06) as detailed in **Appendix B**

Partnership Liaison Group

This is an internal working group consisting of officers of retained council services and NPS. It is a forum to discuss proposed changes in working practices and to gauge feedback on the day to day service delivery of NPS as it affects Council services.

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/council_and_democracy/council_budgets_spending/statement_of_accounts/default.asp

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://cmis.south-derbys.gov.uk/CmisWebPublic/Meeting.aspx?meetingID=1568>

6.0 Service Review/Transformation Programme

Without exception, the entire Department has now been subject to a service review over the last 2 years. This has led to significant transformation and the creation of new delivery frameworks through the Strategic Partnership with Northgate, together with the implementation of the Audit Partnership.

In addition, the re-structure of the remaining units in 2011/12 from the Legal and Democratic Services review will enable further transformation.

Therefore, 2012/13 will be a year of consolidation for the Department and no further reviews are planned at this stage, although this will be kept under review.

Welfare Reform

Over the medium-term, the Government's welfare reform programme is likely to have a significant impact upon the Department. Proposals currently being developed could see changes to, and the responsibility for, the processing of housing benefits from commencing in October 2013.

Indeed, the first part of these reforms is the abolition of council tax benefit from April 2012 with a replacement Council Tax Local Allowance Scheme. This will give greater discretion to local authorities to determine locally, how much council tax people should pay locally.

The implementation of a scheme for South Derbyshire is a key project for Corporate Services during 2012 as detailed in Appendix B.

7.0 Managing Risks

The process set out in Council's Risk Management Strategy, which was approved in March 2010 has been followed. The risk register for the Department is detailed in **Appendix F**. The 2 main risks are:

- Resilience
- Reliance on Partnerships

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.