ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources Committee
DATE	1st February 2011
CORPORATE DIRECTOR	Stewart Carruth
TITLE OF REPORT	Corporate Governance Service – Performance Reporting
REPORT NUMBER	CG/11/007

1. PURPOSE OF REPORT

This is a report on the progress and performance of the Corporate Governance Service in implementing the approved Service Business Plan 2010/13.

2. RECOMMENDATION(S)

It is recommended that the Committee:-

  i. Note the reported progress and performance; and

  ii. Instruct such action as is considered appropriate.

3. FINANCIAL IMPLICATIONS

There are no direct implications arising from this report.

4. SERVICE & COMMUNITY IMPACT

The Corporate Governance Service's success in delivering its approved Service Business Plan will have considerable impact on the Council's services and the wider community.

5. OTHER IMPLICATIONS

None.

6.   REPORT

6.1   Background

6.1.1 The Committee, at its meeting on 17th June 2010, approved the Service Business Plan 2010/13 for the Corporate Governance Service. The Service Business Plan includes a number of actions with corresponding performance indicators which will measure the impact of the actions.

6.1.2 The Corporate Policy & Performance Committee, at its meeting on 29th April 2010, agreed that Service Committees should receive and consider quarterly performance reports from the corresponding Service. The reports to include:

- progress with actions set out in the relevant Service Business Plan;
- all Statutory Performance Indicators which fall within the committee's remit;
- other Key Performance Indicators which the Service and / or the Committee deem necessary to manage performance;
- specifically, data showing actual and projected expenditure on revenue and capital budgets, as well as delivery of agreed savings; and
- the relevant Service Risk Register.

6.1.3 This report presents the first quarterly performance pack for the Corporate Governance Service.

6.2   Ongoing Development of Performance Data and Reporting

6.2.1 Members will appreciate that the 3 year Corporate Governance Service Business Plan represents significant change. The Service is committed to implementing and monitoring this change through improved use of actionable data. Work is ongoing to put in place processes which capture the "necessary" data as opposed to the "readily available". As a result a number of our agreed performance indicators remain in development. These will quickly become populated as systems are put in place to capture the data.

6.2.2 As set out within the Service Business Plan, the Corporate Governance Service intends to move its performance reporting towards a fully "Balanced Scorecard" over the coming months. A significant element of this "Balanced Scorecard" requires both self-evaluation and external qualitative feedback to be given by the service users of Corporate Governance. The following metrics are currently being developed and will become part of the Service's performance reporting when data is available:-

    i.   *Self-evaluation*

- "How Good is Our Council?" Rating
- "How Good is Our Management?" Rating
- "How Good are Our Processes?" Rating
- "How Good is our Leadership?" Rating
- "How Well do we Meet the Needs of Stakeholders?" Rating
- "How Good are Our Key Outcomes?" Rating

ii.　　*Customer Feedback*

- Customer Satisfaction with Corporate Governance Services
- Customer Satisfaction with ICT
- Customer Satisfaction with Finance
- % staff satisfaction with the Council as an employer

6.3　Exceptional Performance At January 2011

6.3.1　Significant steps have already been taken across the Corporate Governance Service towards implementing the 2010/13 Service Business Plan. Members will appreciate that the Service Business Plan commits the Service to many new actions and performance indicators, therefore progress and trend analysis is at an early stage. There are a small number of exceptional issues which the Service would specifically highlight:

Action Exceptions

1.　　We will implement a Human Resources shared service centre

Exception Reason	Timescale	Progress	Status Note
Good progress	31 Mar 2011	75%	Phase 1 of the implementation plan has been completed with the relocation of the five service staffing teams to the AECC. The service staffing teams are co-located with the payroll team and are continuing to support their current customer group whilst the review of HR processes continues to be carried out, technology support is developed and training is provided to enable the staff to support all services. The finer detail of the structure of the HR Service Centre is being developed with a view to reporting the finished structure to committee in April 2011. Phase 2 is about the HR Service Centre becoming fully operational with the query and transactional teams in place to deal with all HR queries and handle the various HR processes. This was originally expected to happen by the end of May 2011. However, a significant element of phase 2 is being brought forward to 17January 2011 when the HR Service Centre will handle almost all HR queries and be the single point of contact for accessing HR services.

2. *We will ensure value for money by challenging spend through a Priority Based approach to budgeting and planning*

Exception Reason	Timescale	Progress	Status Note
Of exceptional current significance	31 Mar 2011	70%	The Council has now approved a number of Service Options to deliver the 5 Year Business Plan. Work continues to identify the final elements that require approval at the budget meeting in February to deliver a final 5 year plan that provides the Council with a solid financial base on which to plan and deliver Services for this business planning period. The positive steps already undertaken have led to further development work to ensure that relevant business cases are fully worked up and that a Project Management Office is set up to ensure delivery of the Service Options. The Council has also now received its grant funding for the financial year 2011/12 and this has been incorporated into the business plan.

3. *We will further develop and improve our risk management policy to better manage risk*
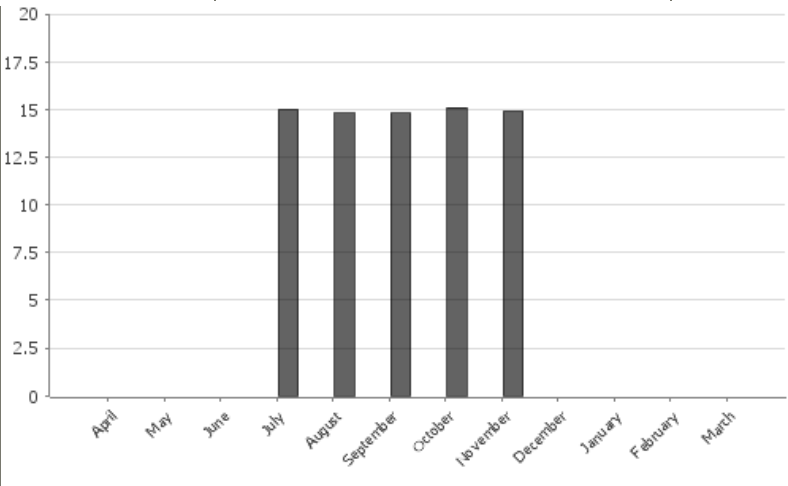
Exception Reason	Timescale	Progress	Status Note
Good progress	31 Mar 2011	50%	Significant progress has been made over the last few months. A revised draft corporate risk register was submitted to the Audit & Risk Committee in January, Services are working to review their Service Risk Registers, a Corporate Risk Management Group has been established and is meeting regularly, training has been provided to 16 elected members, the Corporate Risk Strategy and Manual have been revised. Risk will shortly be aligned and reported with Service Business Plan performance.

4. *We will modernise the Internal Audit function in partnership with an external provider to provide added value through each audit.*

Exception Reason	Timescale	Progress	Status Note
Good progress	31 Mar 2011	100%	The Internal Audit function is now provided by PWC. The contract commenced in October 2010 and during these initial months the service received has been excellent. The service is also now being provided at reduced overall cost to the Council.

Performance Indicator Exceptions

1.   *Average number of days lost through sickness absence (SPI Corporate)*

Exception Reason	Performance below target	Value	14.9	Target	10

Benchmarking	Comparison with other Scottish Councils showed the Council had higher absence rates in 2009/10.
Analysis	Figures are shown as a rolling 12 month average. Absence for the Corporate Governance Service is below the Council wide figure and is currently 11.3. The new Maximising Attendance Policy and Procedure is being implemented. This is designed to proactively manage attendance. In addition, a business intelligence approach to the better management of information on sickness absence is in development with a software supplier. The analysis resulting from this process as well as process redesign will assist services in identifying and tackling root causes and patterns of absence.

Performance Indicator Exceptions

2.   *Value of efficiencies achieved from Improved Procurement (£000)*

Exception Reason	Performance exceeding target	Value	£1.119k	Target	£1.117k

Analysis	Figure shown is that achieved this year to date as at 13.09.10 with the target already exceeded, the 3rd consecutive year the target has been exceeded.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

None

Combined Actions and PIs

Report Type: Actions Report
Report Author: Neil Buck
Generated on: 17 January 2011

1. We make best use of the financial resources available to us, delivering improvement in our service priorities in the most cost effective manner

Action	Timescale	Status	Progress		
We will ensure value for money by challenging spend through a Priority Based approach to budgeting and planning.	31 Mar 2011	▶	70%		
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Council-wide efficiencies as a percentage of revenue budget	2%	2.32%	✅	⬆	⬇
Corporate Governance Service efficiencies as a percentage of revenue budget **PI in development**	▬	▬	▬	▬	▬

Action	Timescale	Status	Progress		
We will market test and benchmark our services against best in class across a range of sectors.	31 Mar 2012	▶	15%		
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Cost of overall accountancy function per £1,000 of net expenditure **PI in development**		£6.37	▬	▬	▬
Cost of overall human resources function per £1,000 of net expenditure	£6.47	£6.24	✅	⬆	⬆

Total Cost of Ownership per ICT workstation	£1,039.00	£1,222.14	🔴	⬇️	➖
Internal Audit cost per £1m expenditure	£861.00	£664.00	✅	⬆️	⬆️
BA1: Gross administration cost per benefit case	£41.00	£41.47	🔺	⬆️	⬆️
Cost of collecting council tax per dwelling	£12.75	£12.98	🔺	⬆️	⬆️
The percentage of Council Tax collected during the year, net of reliefs and rebates (SPI)	70.73%	85.7%	✅	⬆️	⬆️
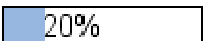
Action	Timescale	Status	Progress	
We will ensure Best Value in projects through a programme management framework.	31 Mar 2011	▶️	20%	
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
No of projects delivered where anticipated business benefits have been achieved as a % of those delivered within the time period	100%	100%	✅	⬆️	➖
No of projects delivered within agreed budget as a % of those delivered within the time period	100%	100%	✅	⬆️	➖
No of projects delivered within agreed timescale as a % of those delivered within the time period	100%	33.33%	🔺	⬇️	➖

Action	Timescale	Status	Progress	
We will review business processes to support delivery to the Council's customers.	31 Mar 2011	▶️	0%	
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
% of council spend that is "support services"	**PI in development** ➖	➖	➖	➖	➖
The percentage of all invoices paid within 30 calendar days (SPI)	88.5%	84.7%	✅	⬆️	⬆️

The percentage of residents very or quite satisfied with the council	48%	46%	⚠	▬	▬

Action	Timescale	Status	Progress
We will work with our partners to identify and deliver efficiencies from effective procurement.	31 Mar 2011	✅	100%

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Value of efficiencies achieved from Improved Procurement (£000)	£1,117,000	£1,119,000	✅	⬇	⬇

Action	Timescale	Status	Progress
We will develop and implement an approach to measuring productivity.	31 Mar 2011	▶	5%

Action	Timescale	Status	Progress
We will implement and embed a model of self-evaluation across the Council to improve understanding of our business and to co-ordinate our effort for external inspection.	31 Mar 2011	▶	20%

Action	Timescale	Status	Progress
We will modernise the Internal Audit function in partnership with an external provider to provide added value through each audit.	31 Mar 2011	✅	100%

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Satisfaction with Internal Audit	90%	88%	✅	⬆	⬆
Tangible improvements in performance resulting from Audit Recommendations **PI in development**	▬	▬	▬	▬	▬
Internal Audit cost per £1m expenditure	£861.00	£664.00	✅	⬆	⬆

Action	Timescale	Status	Progress
We will further develop and improve our risk management policy to better manage risk	31 Mar 2011	▶	50%

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend

Action	Timescale	Status	Progress
We will improve our corporate ICT infrastructure to support the business in cost effective ways.	31 Mar 2012	▶	10%

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Implementation of ICT enabled flexible working - % of Employees who have flexible working facilities as a % of total employees.	20%	6.25%	⚠	▬	▬
Total Cost of Ownership per ICT workstation	£1,039.00	£1,222.14	🛑	⬇	▬

Major computer application uptime		99.5%	99.64%	✅	⬆️	⬇️

Action		Timescale		Status	Progress	
We will implement a Human Resources shared service centre.		31 Mar 2011		▶️	75%	
Performance Measures		**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Customer Satisfaction with HR		100%	52.7%	🛑	➖	➖
Cost of overall human resources function per £1,000 of net expenditure		£6.47	£6.24	✅	⬆️	⬆️

Action		Timescale		Status	Progress	
We will implement a Finance shared service centre.		31 Mar 2011		▶️	65%	
Performance Measures		**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Cost of overall accountancy function per £1,000 of net expenditure	**PI in development**	➖	£6.37	➖	➖	➖

Action		Timescale		Status	Progress	
We will maintain strong governance and ensure the probity of all actions taken by the Council.		31 Mar 2013		▶️	0%	
Performance Measures		**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Unsuccessful Legal Challenges	**PI in development**	➖	➖	➖	➖	➖
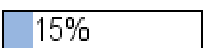
2. We have a flexible, skilled and motivated workforce

Action	Timescale	Status	Progress		
We will develop a flexible Corporate Workforce Plan which aligns our workforce with available budget and our priorities.	31 Mar 2012	▶	50%		
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Level of Staff Turnover (Corporate)	▬	0.48%	▬	⬆	⬆
Level of Vacancies (Corporate)	▬	17.61%	▬	⬆	⬇

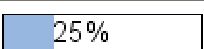| Action	Timescale	Status	Progress		
We will ensure that effective succession planning is in place.	31 Mar 2013	▶	0%		
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**
Level of Vacancies (Corporate)	▬	17.61%	▬	⬆	⬇
Number of internal candidates appointed to promoted posts (accumulative from July 10)	▬	11	▬	⬆	▬

Action	Timescale	Status	Progress		
We will review the range of skills on a service by service basis and ensure there are high skilled and motivated employees.	31 Mar 2012	⚠	0%		
Performance Measures	**Target**	**Value**	**Traffic Light Icon**	**Long Trend**	**Short Trend**

Description	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Average number of days lost through sickness absence - Corporate Governance (SPI)	10	11.3	red	up	up
Average number of days lost through sickness absence (SPI Corporate)	10	14.9	red	up	up
Level of Vacancies (Corporate)	—	17.61%	—	up	down
% appraisal development needs met	**PI in development**	—	—	—	—
% appraisal objectives met	**PI in development**	—	—	—	—
Level of ICT User Competence - Scored 1 to 7 (SOCITM 10)	5	—	—	—	—

Action	Timescale	Status	Progress
We will undertake an organisational wide review of the business needs of the new departments and allocate support staff with the right skills to each of the departments.	31 Mar 2013	▶	15%

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Headcount of Agency Staff Council wide	—	535	—	down	down
Headcount of Agency Staff - Corporate Governance	—	27	—	down	up

Action	Timescale	Status	Progress
We will develop and implement a flexible Customer Services Model to enable efficient and high quality service delivery, ensuring skilled and motivated employees.	31 Mar 2012	▶	25%

Action	Timescale	Status	Progress
We will improve knowledge management and sharing within the Directorate and with our partners.	31 Mar 2011	▶	0%

Action	Timescale	Status	Progress		
We will conduct a systematic review of structures across the component teams of the Directorate, to ensure the design and number of posts properly reflects the needs and priorities of the directorate and our customers and stakeholders.	31 Mar 2011	▶	20%		
Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
% of council spend that is "support services"　　　　　**PI in development**	▬	▬	▬	▬	▬

3. We listen to, and are responsive to, our customers, shaping our services around their needs and focusing our resources where they are most needed

Action	Timescale	Status	Progress	
We will systematically engage internal customers, external customers and our partners, embedding their feedback to shape the services we deliver.	31 Mar 2011	▶	40%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Customer Satisfaction with Corporate Governance Services **PI in development**	▬	▬	▬	▬	▬
% who feel they can influence what happens in their neighbourhood	27%	26%	🔺	⬇	⬇

Action	Timescale	Status	Progress	
We will develop a channel management strategy, routing customer facing services through the most appropriate customer contact channels to demonstrate enhanced customer service and improved efficiency.	31 Mar 2014	▶	0%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
The percentage of residents who are satisfied with the Customer Service provided by the Council	67%	67%	✅	▬	▬
Total number of enquiries across all centralised customer service channels	▬	2,649,332	▬	▬	⬇
Total number of online transactions	▬	11,832	▬	▬	⬆
% of telephony queries resolved at the first point of contact (calculated using the Customer Contact Centre data)	75%	93.6%	✅	⬇	⬇
% of face-to-face queries resolved at the first point of contact (calculated using the stats gathered by the Customer Service Centre and Customer Access Points)	75%	97.7%	✅	⬆	⬆

Action	Timescale	Status	Progress	
We will manage contracts and supplier performance to ensure we maximize value and efficiency in the goods and services we procure and to ensure they meet the needs of our customers and services.	31 Mar 2011	▶	25%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Procurement - Quality, Price, Time and Service **PI in development**	▬	▬	▬	▬	▬

Action	Timescale	Status	Progress	
We will engage with our supplier base to effectively manage relationships so that the Council is perceived as an attractive business partner.	31 Mar 2011	▶	40%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Procurement - Supplier Rating of Council as an Attractive Partner **PI in development**	▬	▬	▬	▬	▬
Procurement - Supplier Response to Tenders **PI in development**	▬	▬	▬	▬	▬

Action	Timescale	Status	Progress	
We will deliver a positive customer experience through a customer service centre at the new corporate headquarters and an improved combined telephone contact centre.	31 Mar 2012	▶	32%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
The percentage of residents who are satisfied with the Customer Service provided by the Council	67%	67%	✅	▬	▬

Action	Timescale	Status	Progress
We will continue to engage with other Services across the Council regarding Government Priorities and embed feedback to shape the Service and focus resources where needed.	31 Mar 2011	▶	25%

4. We work closely with our partners, including local communities, to deliver a single set of outcomes for all the citizens of Aberdeen

Action	Timescale	Status	Progress	
We will actively engage with existing community planning partners and build new relationships, to develop an innovative service planning and delivery model based on the Total Place movement.	31 Mar 2011	▶	30%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
Council-wide efficiencies as a percentage of revenue budget	2%	2.32%	✔	⬆	⬇
The percentage of residents very or quite satisfied with the council	48%	46%	⚠	▬	▬
% who feel they can influence what happens in their neighbourhood	27%	26%	⚠	⬇	⬇
% of adult residents stating their neighbourhood as a 'very good' or 'fairly good' place to live	90%	89%	⚠	▬	▬

Action	Timescale	Status	Progress	
We will implement our Single Equalities Scheme, embedding equalities in all the services we deliver.	31 Mar 2013	▶	30%	

Performance Measures	Target	Value	Traffic Light Icon	Long Trend	Short Trend
% of residents agreeing that they are fairly treated in their contact with the Council (+ no replies)	91%	91%	✔	▬	▬

Action	Timescale	Status	Progress	
We will develop an approach to measuring social return on investment and implement on key investment projects.	31 Mar 2011	▶	15%	

Action	Timescale	Status	Progress
We will engage with neighbouring authorities to investigate the possibility of shared legal and democratic services.	31 Mar 2012	▶	0%

Action	Timescale	Status	Progress
We will network with professionals located in other public and private bodies to share professional research and benchmarking for our organisation.	31 Mar 2011	▶	10%