



BROMSGROVE DISTRICT COUNCIL

PERFORMANCE MANAGEMENT BOARD

FRIDAY, 19TH MAY 2006
AT 2.00 P.M.

COMMITTEE ROOM, THE COUNCIL HOUSE, BURCOT LANE, BROMSGROVE

MEMBERS: Councillors Mrs. S. J. Baxter, A. N. Blagg, Miss D. H. Campbell JP, Mrs. J. Dyer M.B.E., Mrs. J. D. Luck, P. M. McDonald and J. A. Ruck

AGENDA

Council Agendas and Minutes are available on our website at www.bromsgrove.gov.uk/meetings

1. Election of Chairman and Vice-Chairman for the ensuing Municipal Year
2. To receive apologies for absence
3. To confirm the Minutes of the Meeting held on 21st April 2006
4. Recovery Plan Update
5. 2005/2006 Staff Survey Results
6. Procurement Update
7. Revenues and Benefits Section Performance Report
8. Corporate Health Indicators - Quarter 4, 2005-2006
9. Top 45 Indicators - Quarter 4, 2005-2006
10. Report on 'phone calls and / or complaints re: Dog Fouling
11. Annual Audit and Inspection Letter and Audit Inspection Plan

K. DICKS
Acting Chief Executive

The Council House
Burcot Lane
BROMSGROVE
Worcestershire
B60 1AA

10th May 2006

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE PERFORMANCE MANAGEMENT BOARD

Friday, 21st April 2006 at 2.00 p.m.

PRESENT: Councillors B.L. Fuller C.B.E. Q.F.S.M. (Chairman), G.N. Denaro, Mrs. J. Dyer M.B.E. and J.A. Ruck.

(NOTE: Councillor Mrs. M.M.T. Taylor was also present at the meeting).

29/05 **APOLOGIES**

Apologies for absence were received from Councillors C.B. Lanham, Mrs. J. D. Luck and P.M. McDonald

30/05 **MINUTES**

The Minutes of the Meeting of the Board held on the 20th March 2006, were submitted.

RESOLVED that the Minutes be approved and confirmed as a correct record.

31/05 **RECOVERY PLAN - UPDATE**

Consideration was given to three separate Reports on the Council's Recovery Plan, encompassing (i) a revised four month summary for the period March to June 2006; (ii) an overview of the Recovery Plan; and (iii) a detailed copy of the Recovery Plan timetable. Members raised a number of general questions to which the Assistant Chief Executive and the Corporate Director (Resources)' responded appropriately. However, a number of specific issues were raised, and it was

RESOLVED

- (i) that the Committee's appreciation and congratulations be extended to the staff on the news that 96% of the Recovery Plan was "on target";
- (ii) the Chairman, referring to paragraph 2.3.6 (Research External Funding Opportunities) expressed his concern over the "as and when appropriate" commentary. In this regard he was advised of the practice within other, neighbouring authorities of employing funding co-ordinators, and was assured that this whole issue would be addressed during the next round of budget talks;
- (iii) referring to paragraph 2.6.2 (Joint Attendance at Conferences/Seminars), it was suggested that there should be a mechanism in place to ensure that Group Leaders were aware of what was available; and
- (iv) it was further agreed that, whilst it was acknowledged that the Recovery Plan was well on target, it was nevertheless in need of an "overhaul", and, following initial discussions with the new Lead Government Official (John Edwards), this would be referred to the Senior Management Team for due consideration.

32/05

AUDIT COMMISSION - USE OF RESOURCES

A report which detailed the outcome of the Use of Resources assessment recently carried out by the Council's appointed auditors, KPMG, was submitted. In considering the report, officers indicated that (i) the Council would be putting together an Action Plan which, in essence, would become the Recovery Plan for Financial Services, and (ii) that the Asset Management Plan currently being compiled would include a full asset register listing all land and property in the Council's ownership. It was also

RESOLVED that it be formally recorded that this Board expressed their concern over the use of the word "ethical" under paragraph 4.3 of KPMG's report (Internal Control - The Council has arrangements in place that are designed to promote and ensure probity in the conduct of its business).

33/05

HUMAN RESOURCES STRATEGY

A report setting out the vision and objectives of the Human Resources and Organisational Development Department over the next two years, was submitted.

RESOLVED

- (i) that the People Strategy Document be extended to embrace Personal Development Reviews (possible amendment to Paragraph 3.9?);
- (ii) that any vacancies should be reviewed by Senior Management Team to ensure that the post was still valid;
- (iii) that the Document be further extended to embrace Continuous Professional Development (possible amendment to Paragraph 4.2);
- (iv) that progress reports on the People Management Action Plan for 2006-2008 be submitted to the Board every six months; and
- (v) that, in all other respects, the Report be noted and approved.

34/05

UPDATE ON PERFORMANCE DEVELOPMENT REVIEWS

A report setting down an update of the Performance Development Reviews completed to date, was submitted.

RESOLVED

- (i) that the Senior Management Team be requested to consider the merit of holding two "full" reviews per year rather than an annual PDR with a six month review; and
- (ii) that, in all other respects, the Report be noted and approved.

35/05

SICKNESS MONITORING

Following a request made at the last Meeting (Minute 25/05 (ii) refers), a Report analysing sickness in relation to refuse and recycling operatives and how that had been affected by the introduction of wheeled bins, was submitted.

It was noted by members that the breakdowns set out in the Report did not differentiate between injury and/or sickness, and, subject to this information being submitted to a future meeting, it was

RESOLVED that the Report be noted.

36/05

TRANSFER OF HIGHWAYS PARTNERSHIP ENQUIRIES TO CUSTOMER SERVICE CENTRE

A Report outlining the proposed transfer of the Highways Partnership Unit telephone calls to the Customer Service Centre, together with the impact of the subsequent transfer of their staff on the future use of the Burcot Room, was submitted.

RESOLVED

- (i) that the successful migration of HPU services in other areas be noted; and
- (ii) that the transfer of the HPU and its subsequent impact on the future use of the Burcot Room be referred to the Scrutiny Steering Board as a possible Task and Finish exercise.

37/05

SPOTLIGHT MEETINGS

The Assistant Chief Executive gave a verbal report on the frequency, make-up, costs and future arrangements of the Bromsgrove Spotlight meetings, and it was

RESOLVED that further talks be held with the local Police in this regard and that a Report on the outcome be submitted to the June meeting of the Group.

38/05

LOCAL GOVERNMENT ACT 1972

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the public be excluded from the Meeting during consideration of the item of business the subject of the following Minute on the grounds that it involves the likely disclosure of "Exempt Information" as defined in Part 1 of Schedule 12A to the Act, the relevant paragraph of that part being as set out below:-

<u>Minute No.</u>	<u>Paragraph</u>
39/05	14

39/05

REVENUES & BENEFITS FRAUD AND INVESTIGATION TEAM BUSINESS PLAN

Members were advised that the Department for Work and Pensions Performance Plan requires Councils Fraud Teams to have a separate Performance Plan, and, accordingly, the third Business Plan created for that Section was submitted for consideration. In this regard, members noted that there were no costs included within the Report, and therefore had no perception of value for money, and, accordingly, it was

RESOLVED that the Report be re-submitted to the Board at its June meeting, with the necessary information included.

The Meeting closed at 4.05 p.m.

Chairman

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

19TH MAY 2006

RECOVERY PLAN UPDATE - APRIL 2006

Responsible Portfolio Holder	Councillor Hollingworth, Executive Leader/Strategic Development & Partnerships
Responsible Head of Service	Hugh Bennett, Assistant Chief Executive

1. SUMMARY

- 1.1 To report to the Performance Management Board on the progress against the Recovery Plan in April 2006.

2. RECOMMENDATION

- 2.1 That Members consider the attached Recovery Plan update.

3. BACKGROUND

- 3.1 As part of the Council being in voluntary engagement a Recovery Plan was required. Part of the Performance Management Board's remit is to regularly monitor progress against the Recovery Plan.

- 3.2 To aid the monitoring process, three documents are attached which detail progress on a monthly basis. These documents are:

- Four month summary
- Recovery Plan Overview
- Detailed Recovery Plan.

4. Progress in April 2006

- 4.1 The recovery plan is 95% on target.
- 4.2 The following section reports by exception for those actions that are red or amber (the reference refers to the detailed recovery plan).

Recovery Plan No.	Action	Commentary
1.4.2	Assess use of model by meeting with other LA's who have tested the system. (Amber to Amber).	Delays re assessment and use of the model due to limited resource and budget setting process. To be reviewed in April/May.
1.4.3	Undertake a self-assessment to establish a baseline for improvement. (Amber to Amber).	The FM model includes a tool whereby assessment can be made of the authority that identifies weak areas of financial management and practices and links these with good practice statements that can be used to improve current financial activity. This will be undertaken alongside our Use of Resources assessment.
1.4.4	Identify areas that can be improved using the framework and best practice components of the model. (Amber to Amber).	The FM model is mapped to the use of resources Key Lines of Enquiry for future CPA.
1.5.4	Continual review system of internal control – internal operations and control/external audit reports. (Amber to Amber).	Commenced as part of Final Accounts process.
1.6.22	Monitor and review delivery of the 2006/07 Audit Plan. (Started Green from April).	Commenced and ongoing.
1.6.23	Audit universe risk analysis to collate the 2007/08 Audit Plan. (Started Green from April).	Commenced and ongoing.
1.7.33	CT/NDR – Introduce targets for supply of information across organisation. (Started Amber from April).	Due to issues around infrastructure and e-government implementation, the processes will be actioned as soon as the ICT projects are fully functional.
1.7.34	CT/NDR – Obtain efficiency savings through utilisation of automation. (Started Amber from April).	As above.
1.7.50	Customer Care – Introduce measurable standards of customer care and improve customer consultation. (Green from April).	Commenced and ongoing.
1.7.52	Develop system to enable remote	Development and research

	access to data. (Amber to Amber).	ongoing. Linked to IT infrastructure.
2.6.2	Joint attendance at conferences/seminars – community planning/leadership/partnership. (Amber to Amber).	Difficult to implement. Group Leaders to explore opportunities as and when they arise.
2.7.1	Production of Members' Guide to Scrutiny at BDC. (Amber from April).	Initial work completed. Further review April – June 2006. Will commence during May.
2.7.4	Further Scrutiny Training. (Amber to Amber).	Further training following implementation of Scrutiny Review. To commence after start of new municipal year.
2.8.5	Recommendations on constitution to Cabinet & Council. (Amber to Green).	On target for majority of constitution. Scheme of Delegation and financial regulations delayed due to other work, i.e. budget. Timeline revised.
3.1.1	Develop Code of Conduct for senior elected members, SMT, HOS and Officers following peer mentors proposals. (Amber to Amber).	Problems setting peer mentoring dates. New dates being considered. Timeline extended.
3.1.4	Implement and cascade awareness of code of conduct on officer/member relationship. (Amber to Green).	Aide Memoire to the constitution issued. Member/officer protocol to be developed from June.
3.3.1	Review current situation and goals – benchmark other authorities. (Green from April).	liP/Staff Survey Forum convened. Staff Forums commenced.
3.5.2	Implementation of Management Development Programme. (Green from April).	Commenced.
3.6.1	Review procedures on recruitment and retention. (Green from April).	Currently under way. Proposal to CMT on recruitment in May.
4.1.3	All Service Plans to be mapped on "Performance Plus". (Green to Amber).	One final version (with PMB amendments) outstanding.
4.3.1	Training for members. (Amber to Amber).	Delayed. To be reprogrammed.

4.5.23	To agree a suitable monitoring and review process to 'embed' RM into the culture of the Council, e.g. Business Plans, SMT, Chairman's Group, Executive Cabinet. (Green from April).	Completed.
4.5.24	Agree and timetable date for future annual reviews. (Green from April).	Completed.
4.5.25	Agree and timetable quarterly dates for future training (updates and awareness training for new staff). (Green from April).	Completed.
4.5.26	Agree and timetable future meetings of the RMSG, perhaps quarterly. (Green from April).	Completed.
4.6.3	Competencies approved and trainer procured. (Amber to Amber).	Draft framework to be approved prior to procuring trainer.
4.6.4	Training of HOS's and Team Leaders. (Amber to Amber).	Training to be implemented from June 2006.
5.1.4(a)	Consult with community partner organisations, LSP and hard to reach groups. (Green from April).	Awayday held for LSP.
5.1.8	Roll out Communications Strategy. (Green from April).	Staff forums underway and new Communications Strategy agreed.
5.	<u>Financial Implications</u>	
5.1	There are no direct financial implications.	
6.	<u>Legal Implications</u>	
6.1	There are no direct legal implications.	
7.	<u>Corporate Objectives</u>	
7.1	The Recovery Plan impacts on all corporate objectives.	
8.	<u>Risk Management</u>	
8.1	None.	

9. Corporate Governance

- 9.1 This Council is committed to addressing the changes required to exhibit good corporate governance and therefore is committed to putting into place an effective and efficient performance management framework. Good performance management requires the availability of accurate and timely performance data. The information in this report is therefore essential and should be used appropriately, re-defining its content as change is identified and thus ensuring that it remains relevant and useful.

Background Papers

- Recovery Plan Overview;
- Four month summary;
- Detailed Recovery Plan.

Report Author

Name Louise Berry, Policy & Performance Officer
e-mail l.berry@bromsgrove.gov.uk
Tel (01527) 881412

RECOVERY PLAN TIMETABLE			April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	
	G = Green, A = Amber, R = Red, Gr = Grey																				
		Expected outcomes	Lead person																		Comments / Updates
1.2.5	Full review of cash collection activities and the accounting of the cash	A streamlined and efficient way of receiving and allocating cash in line with accounting policies and the provision of accurate information to budget holders and members.	HoFS	Gr	Gr	G	G	G	G	G	G	G	G	G	G						Capital funding approved at February 06 Cabinet to improve the interface and automation of the Radius cash receiving system.
1.2.6	Reconciliation for cash to systems in place for 2003/04 accounts	Reconciled cash accounts that have are in line with audit recommendations.	HoFS	G	G	G	G	G	G	G	G	G	G	G							Achieved
1.2.7	Reconciliation for cash to systems in place for 2004/05 accounts		HoFS	G	G	G	G	G	G												Achieved
1.2.8	Reconciliation for cash to systems in place for 2005/06 accounts		HoFS	A	A	G	G	G	G	G	G										Achieved
1.2.9	Implement the bank reconciliation module within Agresso by August 2006	A streamlined and efficient way of posting cash received into BDC - in line with audit recommendations	HoFS	A	A	A	A	A	A	A	A	A	G	G	G	Gr	Gr	Gr	Gr	Gr	Implementing on-line banking to improve automation of banking procedures and accuracy of input.
1.2.10	Restructure reporting arrangements from Agresso to link with Portfolio analysis	Improved understanding by members of portfolio structure and financial position to enable strategic decisions to be made to focus resources to BDC priorities	HoFS	A	A	A	A	A	A	G	G										Achieved
1.2.11	Restructure reporting arrangements from Agresso to link with Departmental analysis	More informed decisions to be made by Officers regarding their services to enable focus on key priority areas for BDC	HoFS	G	G	G	G	G	G	G											Achieved
1.2.12	Profile budgets accurately following discussions with budget holders	Plans for the future to be based a robust financial footing as financial position statements to be more accurate	HoFS	A	A	A	A	A	A	G	G										Achieved

RECOVERY PLAN TIMETABLE			April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September		
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		Expected outcomes	Lead person																		Comments / Updates	
1.2.13	Produce timetable of deadlines re input/reconciliation of financial information	An acceptable position re reconciliations from External Audit. Operational decisions to be made on robust financial information	HoFS	G	G	G	G	G	G	G											Achieved	
1.2.14	Issue monthly reports to budget holders (identify) to detail budget v actual	Plans for the future to be based a robust financial footing as financial position statements to be more accurate	HoFS				G	G	G	G	G	G	G	G	G						Achieved	
1.2.15	Hold monthly meetings to discuss detail with budget holders and produce action plans on areas of concern	Improved understanding by officers of financial information - an improvement in the assessment of financial implications of operational projects	HoFS				G	G	G	G	G	G	G	G	G	Gr			Gr	Gr	First quarter's deadline achieved	
1.2.16	Issue budget reports to members on quarterly basis to include summary of action plans	Improved understanding by members of the financial position to enable strategic decisions to be made to focus resources to BDC priorities	HoFS	G	G	G	G	G	G	G	G	G	G	G		Gr			Gr		Business case and funding to be presented to members in April.	
1.2.17	Implement the Purchase Order Processing module within Agresso to enable more accurate financial information to be produced this will include:	e-procurement base target reached. Improved and more efficient purchase ordering process at BDC.	HoFS				G	G	G	G	G	G									Business case and funding approved at January 2006 Cabinet.	
1.2.18	- producing business case for additional resources required (POP module already in system)		HoFS	G					A	A	G	G	G									
1.2.19	- identifying external resources to support the process		HoFS	G	G	G			A	A	G	G									Identified as part of the Business Case.	
1.2.20	- implementing system and utilising maximum functionality of processes		HoFS	G	G	G	G	G	A	A	A	A	A	A	G	G	Gr	Gr	Gr	Gr	Gr	Approval for capital programme granted. Discussing options with suppliers.

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	Expected outcomes	Lead person																			Comments / Updates
1.6.3	Prepare an audit manual & develop an IA PR strategy / info pack	Improved internal audit	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G							Approved at Audit Board 28/3/06. Completed.
1.6.4	Establish a timescale for revision and update of audit plan	Improved internal audit	HoFS / PA	G	G	G	G	G	G												Audit Plan reported to Cabinet 30.11.05.
1.6.5	Develop internal audit management system to link personal level plans to service/corp/comm plans	Improved internal audit	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G	G						Ongoing.
1.6.6	Develop performance indicators, collation of data and production of monthly monitoring reports	Internal audit performance monitoring	HoFS / PA	G	G	G															Completed.
1.6.7	Develop and seek approval for the Internal Audit manual	Adopted Internal Audit Manual	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G							Written, awaiting approval by Audit Board.
1.6.8	Develop and seek approval for the Internal Audit Charter	Adopted Internal Audit Charter	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G							Written, awaiting approval by Audit Board.
1.6.9	Develop and seek approval for the Internal Audit Protocol	Adopted Internal Audit Protocol	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G							Written, awaiting approval by Audit Board.
1.6.10	Review Internal Audit in conjunction with Authorities restructure in terms of its place in auth structure	Internal Audit designed to provide added value	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G	G						Ongoing.
1.6.11	Consultation as to the creation of an Audit Panel/Committee, terms of Reference and meeting dates	Committee, Terms of Ref and meeting dates	HoFS / PA				G	G	G	G											Approved.
1.6.12	Create an Internal Audit Risk Register	Proactive monitoring of risks within Internal Audit	HoFS / PA						G	G	G	G	G	G	G						Initial work on Risk register commenced.
1.6.13	Clarification of reporting lines for draft and final audit reports and P I reports in line with new structure	Audit and PI reports issued on a timely basis	HoFS / PA						G	G	G	G									Completed.
1.6.14	Monitor and review delivery of the 2005/06 Audit Plan	2005/06 Audit Plan achieved	HoFS / PA		G	G	G	G	G	G	G	G	G	G	G						Ongoing.
1.6.15	Develop standard audit practices, procedures, working papers, files, reports and report mechanisms	Standardised audit procedures in place	HoFS / PA	G	G	G	G	G	G	G	G	G	G	G							Completed.
1.6.16	Develop individual audit testing programs	Standard testing programmes for all audits	HoFS / PA	G	G	G	G	G	G	G	G										Completed.
1.6.17	Introduction of a monitoring system to collate the Local Code of Corporate Governance data	Updated LCCG and prepared statement of Ass'ce	HoFS / PA			G	G	G	G	G											Completed.
1.6.18	Identify staff training needs and put in place arrangements for new practices & procedures	Audit team fully trained in new practices	HoFS / PA						G	G	G	G	G	G	G						Ongoing.

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	Expected outcomes	Lead person																				Comments / Updates
1.6.19	Audit universe risk analysis to collate the 2006/07 Audit Plan	Approved Audit plan 2006/07	HoFS / PA																			Completed.
1.6.20	Market Internal Audit by introducing audit quality questionnaires, leaflets, newsletters etc	Improved perception/communication of/with IA	HoFS / PA																			Achieved.
1.6.21	Introduction of Fraud newsletters and communications to raise fraud awareness	Staff made aware of current fraud issues	HoFS / PA																			Achieved.
1.6.22	Monitor & review delivery of the 2006/07 Audit Plan	2006/07 Audit Plan achieved	HoFS / PA																			Ongoing.
1.6.23	Audit universe risk analysis to collate the 2007/08 Audit Plan	Approval of the 2007/08 Audit Plan	HoFS / PA																			Ongoing.
1.7	Provide an efficient, effective & quality revenues & benefits service that performs in upper quartile parameters		CDR																			
1.7.1	Appointment of Principal Benefits Officer	Improve the benefits service	HoFS / RM	G	G	G	G															Completed
1.7.2	Debt recovery of overpaid HB	Improvement to the collection rate	HoFS / RM																			Ongoing.
1.7.3	Consider further bids to the DWP performance fund	To make funding available to appoint project managers to drive the schemes forward	HoFS / RM																			No further bids may be made at this time and for the foreseeable future - the Fund is closed.
1.7.5	Review and integrate processes for Revs & Bens(inc review of structure)	Improved R&B service	HoFS / RM	G	G	G	G	G	G	G												Achieved.
1.7.6	Consider options for County 'Shared Service' approach	To achieve an effective R&B service	HoFS / RM	G	G	G	G	G	G	G	G	G	G	G	G							Ongoing
1.7.7	Internal BFI Self Assessment-identify areas not undertaken inc in proj plan	To achieve an effective Benefits service	HoFS / RM	G	G	G	G	G														Completed
1.7.8	Identify beacon council or excellent one to assist us with recovery (benefits)	To achieve an effective Benefits service	HoFS / RM	G	G																	Blackpool gave onsite assistance with BFI Standards and recovery plan - last contact May 2005.
1.7.9	Undertake DWP Performance Standard Self Ass't	To achieve an effective Benefits service	HoFS / RM	G																		Completed
1.7.10	Benchmark areas for improvement in Revs against excellent councils (Man consort of Ccls)	To achieve an effective Benefits service	HoFS / RM	G	G	G																Completed

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	Expected outcomes	Lead person																		
2.8.1	Fundamental review of existing Constitution	CDR, Head of L&D, Exec Cab				G	G	G	G	G	G	G	G	G	G					
2.8.2	Fundamental review of existing Scheme of Delegation					G	G	G	G	G	G	G	G	G	G					
2.8.3	Research good practice with LA's rated excellent in visits/mtgs with members												G	G	G					
2.8.4	Assess & agree areas of work to include in Scheme of Delegation						G	G	G	G	G	G	G	G	G	Gr	Gr	Gr	Gr	Ongoing
2.8.5	Recommendations to Cabinet & Council											G	G	G	A	G				
2.9 Restructuring																				
2.9.1	Cabinet agreement to new structure	More robust organisational structure to deliver recovery agenda and address challenges for the future	G																	Achieved
2.9.2	Recruitment process agreed			G																Achieved
2.9.3	Recruitment to Corporate Director (Services), Assistant Chief Executive and new Heads of Service					G														

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	Expected outcomes	Lead person																				
4.5.25	Agree & timetable quarterly dates for future training (updates & awareness training for new staff).	HoFS														G						Comments / Updates Completed.
4.5.26	Agree and timetable future meetings of the RMSG, perhaps quarterly.	HoFS														G						Completed.
4.6	The development and production of an effective project management framework and project initiation document, pid.	CDR																				
4.6.1	Small Working Group/Research Best Practice/develop Proj Management Framework, PID.	CDS / CDR								G	G	G	G	G	G	G						Draft framework to be approved prior to procuring trainer.
4.6.2	Project management methodology approved and competencies developed									G	A	G	G	G	G	G						As above.
4.6.3	Competencies approved and trainer procured										Gr		A	A	A							Draft framework to be approved prior to procuring trainer.
4.6.4	Training of HOS's & Team Leaders	Head of HR							A	G	G	G	G	G	A	A						Training to be implemented from June 2006.
4.6.5	Audit review of process implementation to ensure policy effectiveness	Audit & policy Unit Mgr																			Oct-06	
5 Ministers Heading - Communication and Consultation																						
5.1	Development of an effective communications, PR & marketing strategy	ACE																				
5.1.1	Review existing practice & research best practice inc media/ptrs	ACE	G	G																		Achieved
5.1.2	Completion of Internal Communication Strategy	ACE		G	G	G	G	A	A													Re-programmed
5.1.3	Completion of PR, Marketing Strategy to complement Comm Strat	ACE		G	G	G	G	A	A													Re-programmed
5.1.4	Implementation and staff training relating to PR and Marketing Strat	ACE						A	A													Re-programmed
5.1.5	Undertake budget consultation 2006/07	ACE										G	G	G	G							Completed.
5.1.7	Agree Communications Strategy	ACE										G	G	G	G							Agreed by Cabinet.

Recovery Plan - Overview Document

G = Green, A = Amber, R = Red, Gr = Grey		July	August	September	October	November	December	January	February	March	April	May	June	July	Outcomes	Risks	Comments
1 Financial Planning																	
1.1	Develop sound, comprehensive 3 year strategic financial plan by April 05						G	G	G	G					A strategic pro-active approach to budget management over the medium term.	- Lack of staff resources - Lack of understanding of finance	Complete
1.2	Provide timely and accurate financial information to all stakeholders	G	G	G	G	G	G	G	G	G	G	Gr	Gr	Gr	A better understanding of the financial position of the Council by officers & members. To help make decisions based on robust financial information. To have a break even outturn for 2005/06or to have identified key areas to reallocate resources to improve Council Services	- Lack of staff resources - New Heads of Service / officers - Lack of understanding of finance - Lack of understanding of systems	Monitoring reports being produced. Bank reconciliation process working. Timeline to be reviewed.
1.3	Provide training and awareness at appropriate level to gain understanding of financial activities/systems in council	A	A	A	G	G	G	G							That the members and officers at Bromsgrove District Council have a sound understanding of the financial implications of their decisions and the link between operational objectives and the resources that fund the service delivery	- Lack of staff resources - New Heads of Service / officers - Lack of commitment / availability of officers / members	Delays due to lack of resources and closedown of accounts. Scheduled to be delivered in November
1.4	Have a system of financial management that meets approval of the external assessors and complies with legislative guidance and principles of good practice	A	A	A	A	A	A	A	A	A	A	Gr	Gr	Gr	To have a structured framework of financial management at BDC that complies with external assessors and follows the guidelines of best practice	- Lack of staff resources - New Heads of Service / officers - Lack of skills - Lack of understanding of requirements	Delayed due to priority being given to closedown of accounts, budget monitoring improvements and delivery of financial training. To undertake initial assessment of BDC as part of the review of the medium term financial plan.
1.5	Develop an effective system of internal control for BDC	A	A	A	G	G	G	G	G	G	G	Gr	Gr	Gr	Robust system of internal control	- Lack of staff resources - Staff changes - Lack of understanding / ownership - Lack of understanding of systems	A draft Statement of Internal control has been written for closedown of accounts 2005/06. To be discussed at CMT.
1.6	Develop internal audit service that meets the requirements of external assessors and complies with legislative guidance and direction. Monitor and review delivery of 06/07 plan.	A	A	A	G	G	G	G	G	G	G	Gr	Gr	Gr	Improved system of internal control	- Lack of staff resources - Lack of skills - Lack of understanding of role of internal audit by officers / members - Lack of ownership by services	Audit Board now in place - standards and protocols approved by this Board.
1.7	Provide an efficient, effective & quality revenues & benefits service that performs in upper quartile parameters	G	G	G	G	G	G	G	G	G	G	Gr	Gr	Gr	High quality Revenues and Benefits service	- Lack of staff resources - Lack of skills - Lack of understanding of role / importance of revenues and benefits by officers / members - Lack of ownership by services	Performance improving. Noted in Progress Assessment.
2 Strategic Leadership																	
2.1	Revise the Corporate Plan			G	G	G	G	G	G	G	G	Gr	Gr	Gr	To develop clear priorities to drive the MTFP.	- Lack of ownership by members / officers - Lack of resources - Lack of cross party agreement - Lack of focus	"Top 45" indicators will provide this update. Fuller review for 2007/08.
2.2	Agree revised vision and core values	G	G	G	G										Achieved.	Not applicable.	Achieved.
2.3	Improve and develop partnership working arrangements, including review of LSP structure, terms of reference & protocols, assessment of LSP membership needs	G	G	G	G	G	G	G	G	G					To take a lead role in focussing on the needs of Bromsgrove and stimulating partnerships to bring maximum resource to bear.	- Lack of member / officer time - Lack of resources - Lack of co-operation and commitment from partner organisations and Members of LSP	LAA response completed. Agreed approach to
2.4	Introduce and commence a member development programme to support community and leadership roles	G	G	G	G	A	G	G	G	G					To develop members to be effective in the community as recognised leaders.	- Lack of commitment by members - Time demands on Members - Lack of resources / skills within organisation to deliver training programme	

Recovery Plan - Overview Document

G = Green, A = Amber, R = Red, Gr = Grey												July	August	September	October	November	December	January	February	March	April	May	June	July	Outcomes	Risks	Comments
2.5	Introduce member development programme	G	G	G	G	A	A	G	G	G	G	Gr	Gr	Gr	Members better equipped to provide effective strategic leadership.	- Lack of ownership by members / officers - Lack of cross party agreement - Lack of focus	Initial meeting with Leaders of parties to review programme to date and development of new programme. Interim Head of HR to put together proposal for 21st April.										
2.6	Develop and agree process for cross-party working	A	A	A	G	A	G	G	A	G	G	Gr	Gr	Gr	Effective joint working leading to improved delivery.	- Lack of ownership by members / officers - Lack of cross party agreement - Lack of focus	Performance Management Board established. Audit Committee and Audit Plan agreed by Cabinet.										
2.7	Review scrutiny process	G	G	G	G	G	G	G	G						A robust and effective scrutiny process.	- Lack of ownership by members / officers - Lack of cross party agreement - Lack of focus	Completed.										
2.8	Revise the Council's constitution			G	Gr	G	G	G	G						To clarify roles and responsibilities.	- Lack of ownership by members / officers - Lack of resources - Lack of cross party agreement - Lack of focus - Lack of willingness to release control	New Articles and Council Procedure Rules approved by Council 2nd May 2006.										
2.9	Restructure of the Council	G	G	A	A	G	G	G	G						Structure that is more aligned to achieve the Council's priorities and the recovery plan	- Lack of resources - Lack of skills / competencies to achieve required outcomes - Good staff leaving during times of uncertainty	CMT completed (apart from 2 posts). Council now in consultation period with 17 staff "at risk".										
3 Organisational Development																											
3.1	Develop a BDC leadership style and code of practice	G	G	G	G	G	G	G	A	A	G	Gr	Gr	Gr	Improved working relationships and an understanding of what is normal.	- Lack of officer / member interest, fear and unwillingness to change - Lack of resources	Provisional dates for 38 peer mentoring sessions agreed.										
3.1	Procure and commence "Top Team" development programme via capacity building bid				G	G	G	G	G	G					To create a culture change of openness and trust between Members and officers and personal development	- Lack of officer / member interest, fear and unwillingness to change - Lack of resources	Procured. Dates agreed.										
3.2	Develop a HR Strategy		G	G	A	A	R	G	G	G	G				To transform the culture and capability of the workforce.	- Lack of ownership by members / officers - Lack of resources / skills	Completed. Strategy being launched.										
3.2 (a)	Develop Workforce Development Plans							G	G	G	G				To focus and commit employees to and on internal and external customers. Right staff with the right skills in the right place at the right time.	- Lack of ownership by members / officers - Lack of resources / skills	Workforce planning workshops scheduled for summer.										
3.3	Review and revise Employee Consultation Procedures									G		Gr	Gr	Gr	To ensure the Council has effective and efficient employee consultation procedures	- Lack of ownership by members / officers - Lack of resources / skills	Head of HR leading.										
3.4	Review, revise and re-launch appraisal scheme for all staff across the organisation.		G	G	G	G	A	A	G						To introduce forward problem solving performance management	- Lack of ownership by staff - Lack of resources / skills	Completed.										
3.4	Develop and implement appropriate Management Competencies to lead the programme of change								G	G	G	G	Gr	Gr	Gr	To develop all staff to possess core skills to facilitate improvement.	- Lack of ownership by staff - Lack of resources / skills - Lack of agreement from TU and staff network	Initial meeting to discuss implementation has taken place and paper to CMT on way forward in May as part of a wider OD strategy.									
3.5	Develop and launch a Middle Management Development Programme								G	G	G	G			To develop all middle managers to possess the core skills to facilitate improvement.	- Lack of ownership by members / officers - Lack of resources / skills	Head of HR leading.										
3.6	Review Recruitment and Retention procedures									G		Gr	Gr	Gr	To ensure the Council has effective and efficient recruitment and retention procedures	- Lack of ownership by members / officers - Lack of resources / skills	Head of HR leading.										
3.7	Undertake Job Evaluation exercise and complete Single Status				G	Gr	G	G	A	G	G	Gr	Gr	Gr	To ensure the Council meets its obligations under the Equal Pay Act	- Lack of ownership by members / officers - Lack of resources / skills	Second meeting has taken place and project is to plan.										
4 Performance Management, Risk Management and Procurement																											
4.1	Review and improve the council's performance management processes			G	A	G	G	G	G	G					Examples of corrective action and service improvement.	Lack of management capacity	Top 45 drafted. Business planning timetable set.										

Recovery Plan - Overview Document

G = Green, A = Amber, R = Red, Gr = Grey		July	August	September	October	November	December	January	February	March	April	May	June	July	Outcomes	Risks	Comments
4.2	Develop a process to benchmark performance by identifying areas for improvement and implementing remedial actions	G	G	G	G	G	G	G	G	G	G	Gr	Gr	Gr	To develop SMART business plans which are underpinned by embedded performance management down to individual level.	- Lack of ownership by members / officers - Lack of resources - Lack of focus - Lack of skills	Top 45 drafted. Business planning timetable set.
4.3	Develop an understanding and support processes for performance management and service improvement				G	G	G	G	G						Examples of corrective action and service improvement.	Lack of management capacity	Secondment to corporate performance team.
4.4	Develop, procure and implement procurement strategy and training	G	G	G	G	G	G	G	G	G	G				To obtain VFM within organisational discipline.	- Lack of ownership by members / officers - Lack of resources - Lack of skills	Initial phase completed.
4.5	Develop, procure, deliver and implement Risk Management Strategy and training	G	G	G	A	A	A	G	G	G	G				To embed policies to ensure the Council's ambitions are met.	- Lack of ownership by members / officers - Lack of resources - Lack of skills	Risk Strategy to December Cabinet. Training rescheduled.
4.6	Develop an effective approach to project management				A	G	A	A	G	A	A				Projects delivered on time to specification.	Lack of management capacity	Project Management Framework to go to CMT in May.
5 Communication and Consultation																	
5.1	Develop and implement Consultation, Communication and Marketing strategy	G	G	A	A	G	G	G	G	G					To gain a complete understanding externally and internally to individuals of the Council's ambitions .	- Lack of officer / member time - Lack of understanding / ownership	Re-programmed to March Cabinet.
5.2	Develop and implement Corporate Customer Service strategy	G	G	A	A	G	G	G	G	G					To develop a culture of customer care with employees committed to the concept.	- Limited staff buy in to culture change - Staff don't have tools to do the job	
6 Service improvement																	
6.1	Develop and agree Depot Strategy [subject to funding]	G	G	G	G	G	A	G	G	G	G				To provide a cost effective and efficient high performing service	- Lack of financial and performance information - Lack of clarity around priorities - Lack of finance	Budget issues from strategy being finalised. Implementation Plan budget approved. Process proceeding with street cleansing elements and re-scheduling of refuse routes. Street cleansing schedules almost completed, adverts for new posts to be placed this month, vehicle procurement process commenced.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
1. Financial Planning					
Medium Term Financial Planning	April	Discussed the service review for summer to address budget issues identified in the review of the MTFP.	JP	RT	To ensure the Council has a balanced budget that meets its corporate priorities.
	May	Plan the service review for summer to address budget issues identified in the review of the MTFP.	JP	RT	To ensure the Council has a balanced budget that meets its corporate priorities.
	June	To plan the resource allocation of the service review with departmental reps.	JP	RT	To ensure the Council has a balanced budget that meets its corporate priorities.
	July	To undertake the service review to assign resources to key priorities of the Council.	JP	RT	To ensure the Council has a balanced budget that meets its corporate priorities.
Finance Monitoring	April	Continued the preparation of 2005/06 accounts closedown with regular updates on financial position to officers.	JP	RT	To ensure the accounts accurately reflect the financial position of the Council.
	May	To continue the preparation of 2005/06 accounts closedown with regular updates on financial position to officers.	JP	RT	To ensure the accounts accurately reflect the financial position of the Council.
	June	To present the Statement of Accounts to members by the statutory deadline of 30 th June 2006.	JP	RT	To ensure the accounts accurately reflect the financial position of the Council.
	July	To enable all prepared by client papers are in a suitable format for the external auditors.	JP	RT	To ensure the accounts accurately reflect the financial position of the Council.
Financial Training	April	Planned the areas to be included in the awareness training.	JP	RT	To enable officers to understand and interpret the financial statements and appreciate the impact on their departments.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
Financial Management	May	To continue planning of training sessions for the delivery in June/July.	JP	RT	To enable officers to understand and interpret the financial statements and appreciate the impact on their departments.
	June	To deliver another financial awareness session and to continue the on-line Aggresso training with users.	JP	RT	To enable officers to understand and interpret the financial statements and appreciate the impact on their departments.
	July	To review feedback on June session with the aim to improved further training.	JP	RT	To enable officers to understand and interpret the financial statements and appreciate the impact on their departments.
	April	Reviewed the utilisation of the model to identify weaknesses within the financial management of the Council in conjunction with the Use of Resources Statement.	KD	RT	To have a structured framework of financial management at BDC that complies with external assessors and follows the guidelines of best practice.
	May	Further utilisation of the model to identify weaknesses within the financial management of the Council in conjunction with the Use of Resources Statement.	KD	RT	To have a structured framework of financial management at BDC that complies with external assessors and follows the guidelines of best practice.
	June	Further utilisation of the model to identify weaknesses within the financial management of the Council in conjunction with the Use of Resources Statement.	KD	RT	To have a structured framework of financial management at BDC that complies with external assessors and follows the guidelines of best practice.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
	July	Further utilisation of the model to identify weaknesses within the financial management of the Council in conjunction with the Use of Resources Statement.	KD	RT	To have a structured framework of financial management at BDC that complies with external assessors and follows the guidelines of best practice.
Revenues & Benefits	April	Ongoing work as detailed in the BFI action plan.	LB	RH	Improved service capability and improved PI's.
		Recruited to new structure and ensure new appointees have appropriate training plans in place to sustain improvements in service delivery.	LB	RH	Improved service capability and improved PI's.
	May	Ongoing work as detailed in the BFI action plan.	LB	RH	Improved service capability and improved PI's.
		Recruit to new structure and ensure new appointees have appropriate training plans in place to sustain improvements in service delivery.	LB	RH	Improved service capability and improved PI's.
	June	Ongoing work as detailed in the BFI action plan and the DWP bids re wireless working.	LB	RH	Improved service capability and improved PI's
		Ensure new appointees have appropriate training plans in place to sustain improvements in service delivery.	LB	RH	Improved service capability and improved PI's
July	Ensure new appointees have appropriate training plans in place to sustain improvements in service delivery.	LB	RH	Improved service capability and improved PI's	
Internal Controls	April	Reported to CMT with the aim to improve awareness and ownership of internal control.	JP	RT	Improved internal control.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
	May	Prepare SIC in line with best practice for inclusion in the Statement of Accounts 2005/06.	JP	RT	Improved internal control.
	June	Prepare Sic in line with best practice for inclusion in the Statement of Accounts 2005/06.	JP	RT	Improved internal control.
	July	Review SIC with KP<G to ensure meets criteria.	JP	RT	Improved internal control.
Internal Audit	April	Monitored and reviewed delivery of 2006/07 Audit Plan. Monitoring the 2006/07 Audit Plan commenced 1.4.06.	NS	RT	Improved Internal Audit service and thus improvements in system of internal control.
	May	Monitor and review delivery of the 2006/07 Audit Plan. Monitoring the 2006/07 Audit Plan commenced 1.4.06.	NS	RT	Improved Internal Audit service and thus improvements in system of internal control.
	June	Monitor and review delivery of the 2006/07 Audit Plan. Monitoring the 2006/07 Audit Plan commenced 1.4.06.	NS	RT	Improved Internal Audit service and thus improvements in system of internal control.
	July	Monitor and review delivery of the 2006/07 Audit Plan. Monitoring the 2006/07 Audit Plan commenced 1.4.06.	NS	RT	Improved Internal Audit service and thus improvements in system of internal control.
2006/07 Budget	April	Discussed the review of service delivery and funding implications for the summer period.	JP	RT	To ensure the resources of the Council are aligned to our Corporate Priorities and key deliverables.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
	May	Plan the review of service delivery and funding implications for the summer period.	JP	RT	To ensure the resources of the Council are aligned to our Corporate Priorities and key deliverables.
	June	To plan the resource allocation of the service review with departmental reps.	JP	RT	To ensure the Council has a balanced budget that meets its corporate priorities.
	July	Undertake service review and link funding to agreed priorities.	JP	RT	To ensure the Council has a balanced budget that meets its corporate priorities.
2. Strategic Leadership					
Capacity Building Fund (CBF)	April	Ongoing development programme.	KD	RT	
	May	See April's comment.	KD	RT	
	June	See April's comment..	KD	RT	
	July	See April's comment.	KD	RT	
Review of Scrutiny	April	Arrangements live and work programmes on target.	KD	RT	A modernised scrutiny function.
Review of Constitution	April	Work completed on revised Articles of Constitution and Council Procedure Rules. Considered by Standards Committee on 25 th April 2006.	ARB	CS	Roles and responsibilities of members and officers clarified. Streamlined processes and procedures.
	May	Revised Articles and Council Procedure Rules approved by Full Council on 2 nd May 2006; now being distributed to officers and Members.	ARB	CS	Updated and improved constitution, leading to improved governance.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
3. Organisational Development					
Restructure	April	Recruitment to vacant positions ongoing.	KD	CS	
	May	Continue to recruit to vacant posts.	KD	CS	
	June	Continue to recruit to vacant posts.	KD	CS	
	July	Vacant posts filled.	KD	CS	
ICT Training	April	ICT training completed.	KD	CS	To equip employees with the necessary ICT skills to deliver their jobs.
Employee Survey	April	Staff have received a booklet highlighting the outcomes and the way forward. Agreed to link action plan with liP assessment and working group to be set up. Action agreed by CMT.	KD	CS	Understanding of employees concerns and identification of ways to improve them in order to improve council as a whole
	May	First meeting of the working group to take place for staff survey and liP.	KD	CS	Staff involvement in the development of and delivery of actions as a result of liP/staff survey.
	June	Action plan drafted.	KD	CS	Staff involvement in the development of and delivery of actions as a result of liP/staff survey.
	July	Action plan implementation to commence.	KD	CS	Staff involvement in the development of and delivery of actions as a result of liP/staff survey.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
HR Strategy	April	HR Strategy submitted for approval by Cabinet.	KD	CS	To demonstrate how effective people management can help the Council deliver on its vision and objectives.
	May	HR Strategy implemented.	KD	CS	To demonstrate how effective people management can help the Council deliver on its vision and objectives.
	June	HR Strategy action plan being implemented.	KD	CS	To demonstrate how effective people management can help the Council deliver on its vision and objectives.
	July	HR Strategy action plan being implemented.	KD	CS	To demonstrate how effective people management can help the Council deliver on its vision and objectives.
Customer Care Training	April	Preparation for staff training on new standards, which commence in May.	KD/HB	RH	To equip employees with the necessary customer care skills to deliver an excellent customer experience to the public.
	May	Staff training to commence.	KD/HB	RH	To equip employees with the necessary customer care skills to deliver an excellent customer experience to the public.
	June	Staff training continuing.	KD/HB	RH	To equip employees with the necessary customer care skills to deliver an excellent customer experience to the public.
	July	Staff training continuing. Training supplemented by additional actions from Customer First Strategy.	KD/HB	RH	To equip employees and support this with other customer processes and initiatives.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
Member Development	April	Further work on roles/responsibility descriptions for members leading to member development programme. Peer mentor sessions held.	KD / HB	RH	To develop members to be effective in the community as recognised leaders.
	May	Top team development continues. Roles/responsibility descriptions for members agreed. Member development programme agreed.	KD / HB	RH	To develop members to be effective in the community as recognised leaders.
	June	Training continuing.	KD / HB	RH	To develop members to be effective in the community as recognised leaders.
	July	Training continuing.	KD / HB	RH	To develop members to be effective in the community as recognised leaders.
Progress Assessment	April	Recovery Plan was reported to Performance Management Board with corrective action taken where required. No Government Monitoring Board in April. Self assessment against new CPA Framework not as yet available.	HB	RH	Recovery Plan reflects identified areas for improvement and is being managed and on target.
	May	Cabinet receive Annual Audit and Inspection Letter (including direction of travel assessment). Recovery Plan updated as appropriate. Recovery Plan reported to Performance Management Board and Government Monitoring Board.	HB	RH	Recovery Plan reflects identified areas for improvement and is being managed and on target. Recovery Plan reflects identified areas for improvement and is

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
Project Management					being managed and on target.
	June	Recovery Plan reported to Performance Management Board and Government Monitoring Board.	HB	RH	Recovery Plan reflects identified areas for improvement and is being managed and on target.
	July	Updated Recovery Plan to 31st March 2007, submitted to Government Board. To be updated to reflect focus on customer, ICT, performance indicators etc.	HB	RH	Recovery Plan reflects emerging new priorities for the Council, before being replaced with a new 3-year improvement plan from 1 st April 2007.
		Cabinet/SMT away days on developing a Council Plan 2007-2010, using the balanced scorecard to have taken place.	HB	RH	Recovery Plan reflects emerging new priorities for the Council, before being replaced with a new 3-year improvement plan from 1 st April 2007.
	April	Full methodology to be approved.	CM	BF	Council wide methodology approved.
	May	Training Heads of Service on the documentation for the methodology.	DP	BF	All projects to comply with methodology.
	June	Full methodology to be approved.	DP	BF	Council wide methodology approved.
		Training Heads of Service on the documentation for the methodology.	DP	BF	All projects to comply with methodology.
		Training continues.	DP	BF	All projects to comply with methodology.
	July	Training complete and methodology rolled out.	DP	BF	All projects to comply with methodology.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
4. Performance Management, Risk Management and Procurement					
Performance Management	April	The Performance Management Board received its first report on the Council's Corporate Health Indicators and a range of other reports. There have been problems this month with data collection for the Top 45, which will need further consideration by CMT.	HB	RH	A clear focus on performance with identified improvements.
	May	The Performance Management Board will received reports in line with its agreed work programmes.	HB	RH	A clear focus on performance with identified improvements.
	June	The Performance Management Board will received reports in line with its agreed work programmes.	HB	RH	A clear focus on performance with identified improvements.
	July	The Performance Management Board will receive reports in line with its agreed work programmes.	HB	RH	A clear focus on performance with identified improvements.
Procurement	April	Review strategic policy on procurement, especially collaborative working and improving controls.	JP	RT	Efficiency in tendering practices.
	May	Continue to improve procurement procedures and monitor achievement of efficiencies. Report efficiencies to Members.	JP	RT	Efficiency in tendering practices.
	June	Review strategic policy on procurement, especially collaborative working and improving controls.	JP	RH	Efficiency in tendering practices.
	July	Continue to improve procurement procedures and monitor achievement of efficiencies.	JP	RH	Efficiency in tendering practices.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
Risk Management	April	Strategic risk register to be completed.	KD	RH	Effective risk management
		Work ongoing on departmental risk registers.	KD	RH	Effective risk management
		Further training events.	KD	RH	Effective risk management
	May	Work ongoing on departmental risk registers.	KD	RH	Effective risk management
		Event with Risk Officers to facilitate ongoing work on departmental risk registers.	KD	RH	Effective risk management
	June	Work ongoing on departmental risk registers.	KD	RH	Effective risk management
	July	Review of development of strategic and corporate risk registers.	KD	RH	Effective risk management
5. Communication and Consultation					
Communication	April	Both the Customer First Strategy and Communications Strategy action plans are on target, with the exception of the Customer Vision, which should have gone to Cabinet in April. This has been agreed with the Leader and is being used in the customer training. It will now go to Cabinet in June.	HB	RH	Action plans on target.
	May	Action plans for both strategies on target.	HB	RH	Action plans on target.

Four Month Recovery Plan: April – July 2006

Project	Month	Comments	Responsible Officer	Responsible Member	Outcome
	June	Action plans for both strategies on target.	HB	RH	Action plans on target.
	July	Action plans for both strategies on target.	HB	RH	Action plans on target.
6. Service Improvement					
Develop a strategy for delivering sustainable service improvement to the street scene environment	April	Commence strategy in line with agreed budget.	PS/KD/JP	MS	Implementation plan proceeding with routing of street cleansing element.
	May		PS/KD/JP	MS	Streets scheduling to be completed by end April. Vehicle procurement has commenced and adverts for new posts to be placed within 2 weeks. New refuse vehicle delivery expected within next month. Refuse routes rescheduling progressing at programmed rate.
	June				
	July				

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

DATE 19th May 2006

REPORT ON THE STAFF SURVEY

Responsible Portfolio Holder	Councillor C Spencer
Responsible Head of Service	Clare Armour

1. SUMMARY

- 1.1 The results of the staff survey conducted earlier this year are attached for review by the Performance Board. The actions being taken to address concerns raised by the survey are provided in Section 3 of this report.

2. RECOMMENDATION

- 2.1
1. To note the contents of the staff survey report for 2006
 2. To agree the proposed actions contained in Section 3

3. BACKGROUND

- 3.1 The Council undertook a staff survey during February 2006. This was done using a questionnaire mailed to 408 employees.
- 3.2 The response rate was 53%. Whilst this is not particularly high, it is a good response for an organisation which had just been through a restructure and which has not had a history of seeking staff views.
- 3.3 The highest response rate was for HR (100%) and the lowest was in Streetscene and Waste Management (35%)
- 3.4 One of the most notable aspects of the results is that some areas had consistent positive feedback e.g. E Government and Customer Services.
- 3.5 Seventy five percent of staff were satisfied with their job and two thirds agreed that their opinion counted in developing their job. Nearly all employees were satisfied with the working relationships they have with their colleagues and four out of five stated that their work gave them a strong feeling of achievement.
- 3.6 Feedback on communication issues was less positive with nearly 60% of staff stating that they did not feel informed about developments in the Council. Fifty seven percent of staff felt that their manager provided effective leadership. Less than half of employees agreed that they could explain the aims and objectives of the Council to someone outside the organisation.
- 3.7 Seventy one percent of staff stated that they were aware of training and development opportunities in the Council and 68% stated that they understood why they have undertaken a development activity in the last 12 months.

- 3.8 The results of the staff survey were discussed at CMT in March and it was agreed that Heads of Service should give feedback on the organisational response as well as the figures for their own service. A summary booklet was distributed to all staff including an opportunity for them to provide ideas on how to make things better. It was further agreed that a small action group should be set up to implement actions arising from this survey and the Investors in People assessment. This group has now been formed with membership from across the Authority and the first meeting is due to take place in May (chaired by the Interim Head of HR and Organisational Development). This group will also consider any suggestions put forward by staff. To date one idea has been put forward which recommends staff spend a day working in another area of the Council to remove “silos” and promote better understanding.
- 3.9 A further staff survey will take place early next year prior to a reassessment for Investors in People.

4. Financial Implications

- 4.1 There are no financial implications.

5. Legal Implications

- 5.1 There are no legal implications.

6. Corporate Objectives

- 6.1 This report relates to the “Be an Efficient and Effective Council” objective.

7. Risk Management

- 7.1 The risks of not acting to the results of the staff survey will be a loss of confidence by staff which will affect motivation and performance.

Background Papers

Staff Survey Report

Contact officer

Name Clare Armour
E Mail: c.armour @bromsgrove.gov.uk
Tel: (01527) 881479

**Bromsgrove District Council
Employee Survey 2006**

**Final Report
20 March 2006**

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APPENDIX 1: Questionnaire

APPENDIX 2: EFQM Excellence Model results

APPENDIX 2: Data tabulations

1 INTRODUCTION

Bromsgrove District Council commissioned Snap SurveyShop to carry out the data processing and reporting of their 2006 staff survey. The purpose of the survey was to measure employee satisfaction with various aspects of their daily lives at work. It should be noted that the survey was undertaken following a major organisational restructure, which may have had a negative affect on the results.

1.1 Methodology

The approach taken was postal, with a questionnaire being mailed to 408 employees using the Council's internal post. Fieldwork took place over a month, during February 2006, and an overall response rate of 53% was achieved (215 completed questionnaires). This response rate is lower than would be expected for a staff survey, however the recent organisational restructure may have impacted upon this as well as results. A copy of the questionnaire used is appended. The principal contacts for the survey were Helen Parkinson at Bromsgrove District Council and Brigitta Horup at Snap Surveys.

1.2 Analysis of results

Figures in this report are generally calculated as a proportion of respondents who answered each question – that is, excluding No Reply.

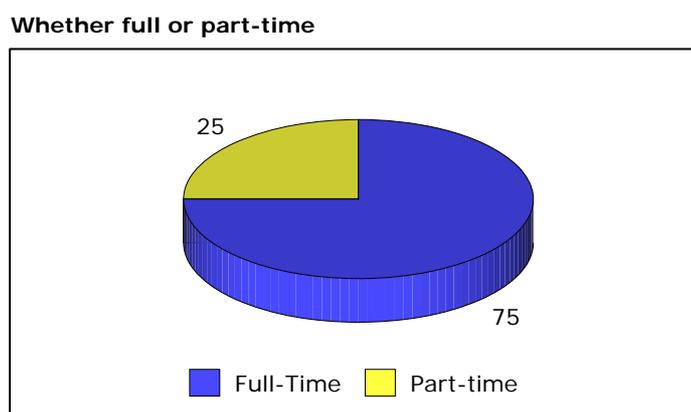
2 RESEARCH FINDINGS

2.1 Profile of Respondents

The following table shows the distribution of respondents across service area and directorate, which ranged from 4 respondents for Heads of Service to 44 in Streetscene and Waste Management Services. The response rate varied quite considerably by service area, from 355 for Streetscene and Waste Management Services to 100% for Human Resources and Organisational Development Services.

Service Area and Directorate	No. responded	Total No. in SA/D	%
Head of Service	4	7	57
Chief Executives Unit	8	16	50
Planning and Environment Services	39	65	60
Culture and Community Services	30	74	41
Legal and Democratic Services	18	36	50
Financial Services	28	48	58
E-Government and Customer Services	22	27	81
Human Resources and Organisational Development Services	10	10	100
Streetscene and Waste Management Services	44	126	35
Services Directorate	113	265	43
Resources Directorate	78	121	64

75% of respondents worked full-time and the remaining 25% part-time.

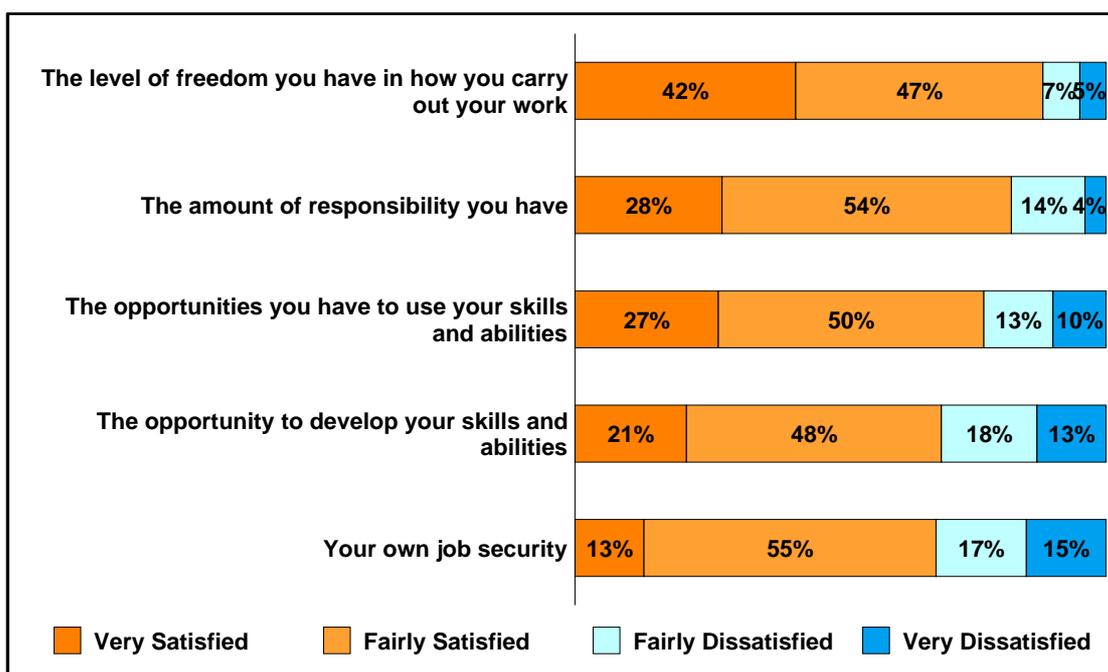


Base: All respondents (204)

2.2 Job Satisfaction

Employees were given a list of five statements in relation to their overall job satisfaction and were asked how satisfied they were with each. Satisfaction with “The level of freedom you have in how you carry out your work” and “The amount of responsibility you have” was high (88% and 83% respectively), and over three-quarters of respondents (77%) were also satisfied with “The opportunities you have to use your skills and abilities”. One in three employees were dissatisfied with “Your own job security” (32%) and “The opportunity to develop your skills and abilities” (31%) however.

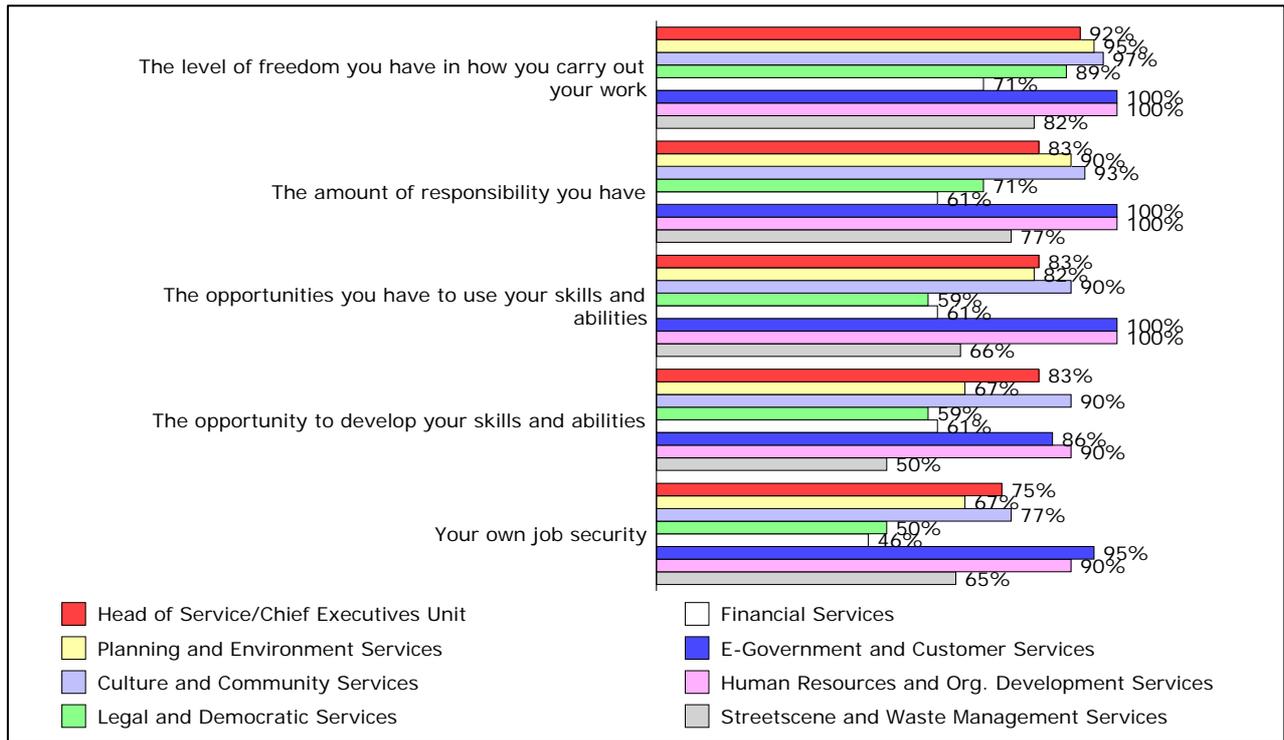
Level of satisfaction with statements on Job Satisfaction



Base: All respondents (211-215)

There were differences in levels of satisfaction by service area. Generally, employees within E-Government and Customer Services (86% to 100% satisfaction across the five measures) and Human Resources and Organisational Development Services (90% to 100% satisfaction) were most satisfied. Those in Legal and Democratic Services (50% to 89% satisfaction), Financial Services (46% to 71% satisfaction) and Streetscene and Waste Management Services (50% to 82% satisfaction) were less satisfied.

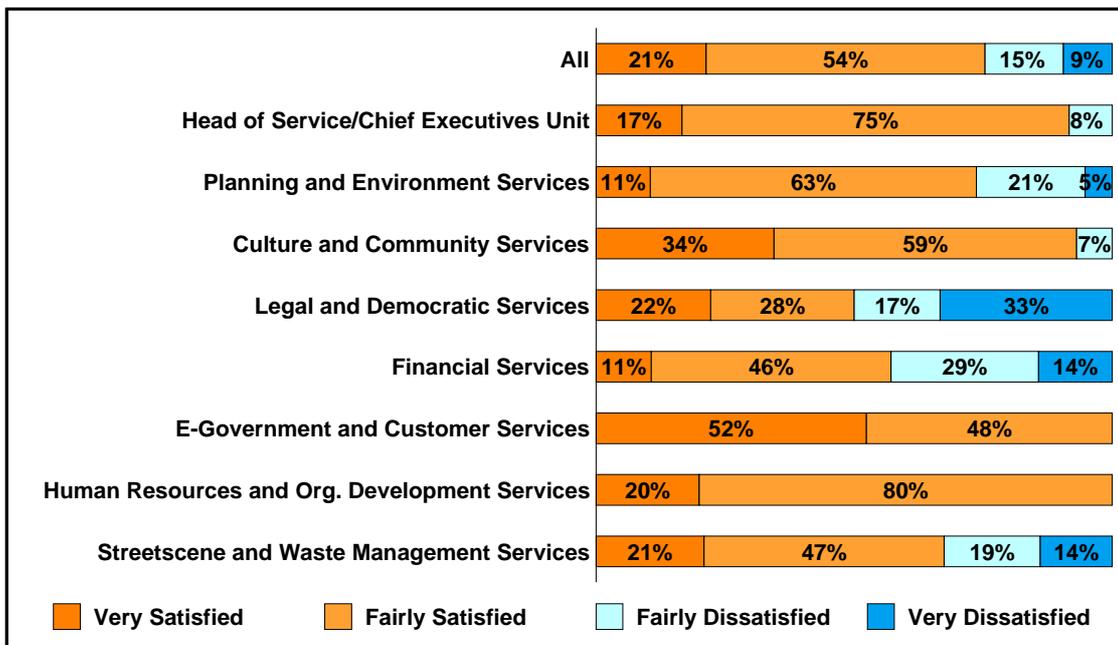
Job satisfaction - % satisfied



Base: All respondents (211-215)

Respondents were also asked how satisfied they were with their job. 75% were satisfied, rising to all employees in E-Government and Customer Services and Human Resources and Organisational Development Services. Satisfaction was lower in Legal and Democratic Services (50%), Financial Services (57%) and Streetscene and Waste Management Services (67%).

Whether satisfied with present job

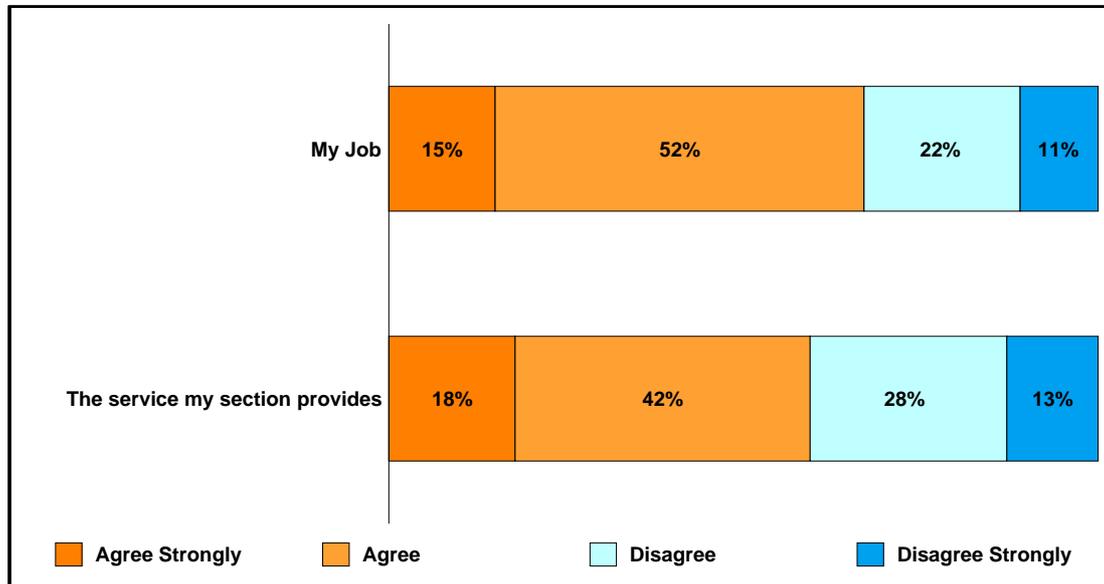


Base: All respondents (211)

2.3 Communication

Two-thirds of employees agreed that their opinion counts in developing their job (67%) and 59% felt it counted in developing the service their section provides.

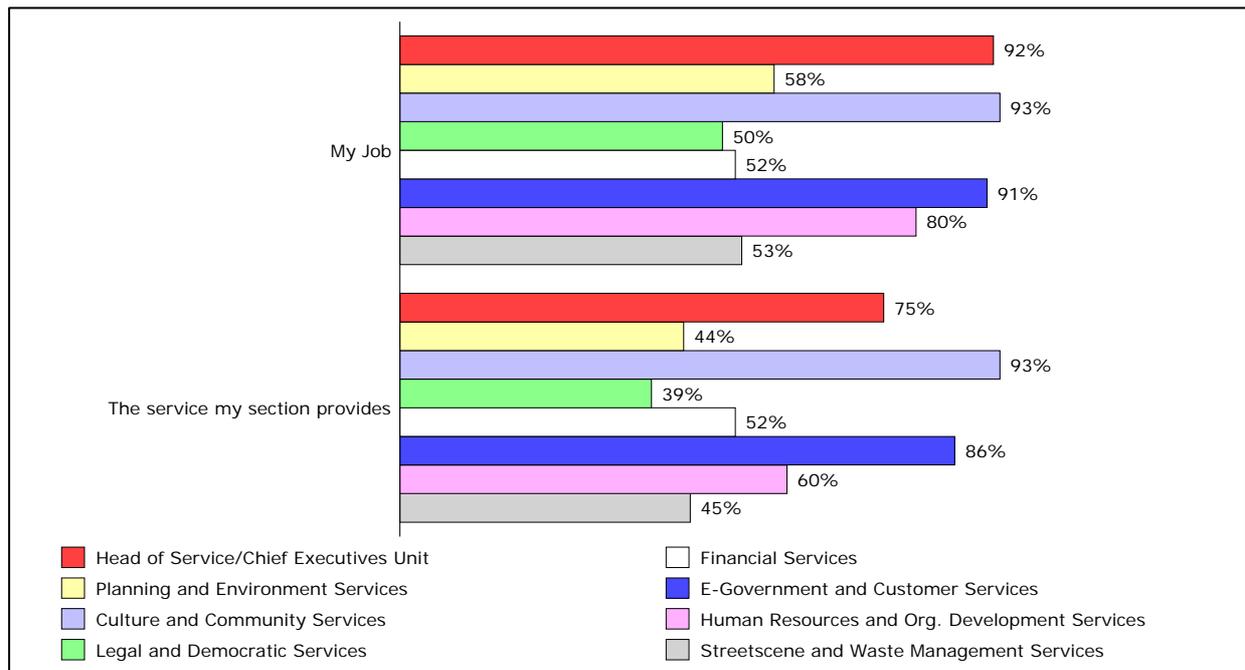
Whether opinion counts



Base: All respondents (211-212)

There were differences by service area, with Planning and Environment Services (58% and 44%), Legal and Democratic Services (50% and 39%), Financial Services (52% for both measures) and Streetscene and Waste Management Services (53% and 45%) less likely to agree that their opinion counts in developing their job and the service their section provides. This compares to approximately nine in ten employees in Culture and Community Services (93% for both) and E-Government and Customer Services (91% and 86%).

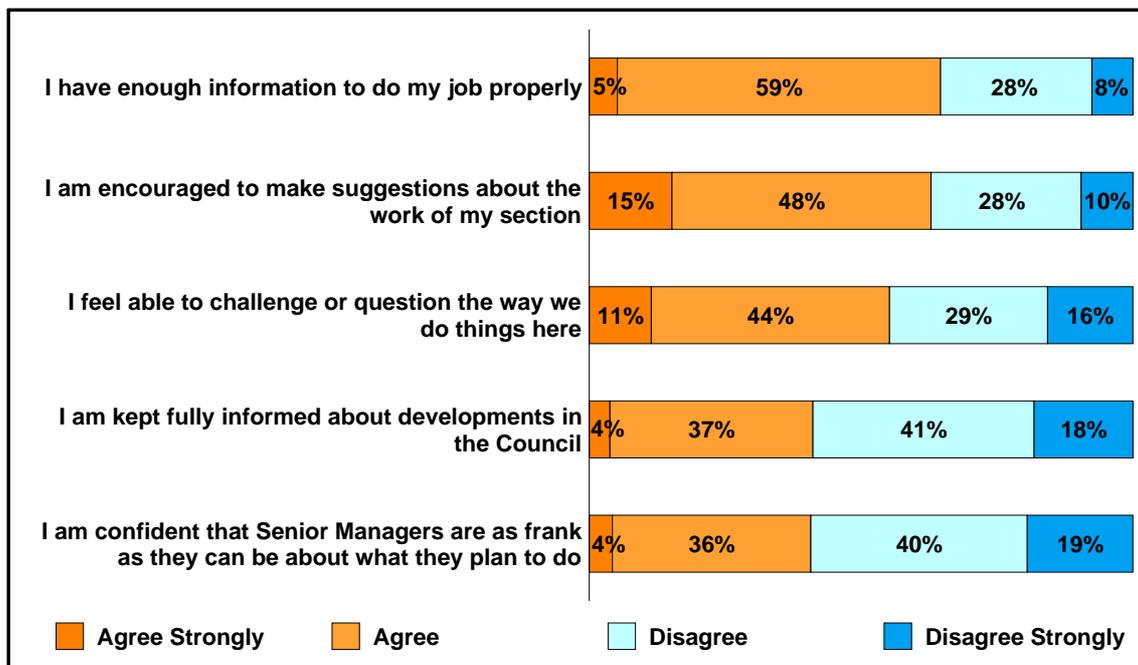
Whether opinion counts - % agreement



Base: All respondents (211-212)

Respondents were then given a list of five statements about communication and were asked to rate how strongly they agree with each. Dissatisfaction was evident across all five measures, ranging from 35% to 59% disagreement. This was particularly the case for “I am confident that Senior Managers are as frank as they can be about what they plan to do” (59% disagreement), “I am kept fully informed about developments in the Council” (59% disagreement) and “I feel able to challenge or question the way we do things here” (55% disagreement).

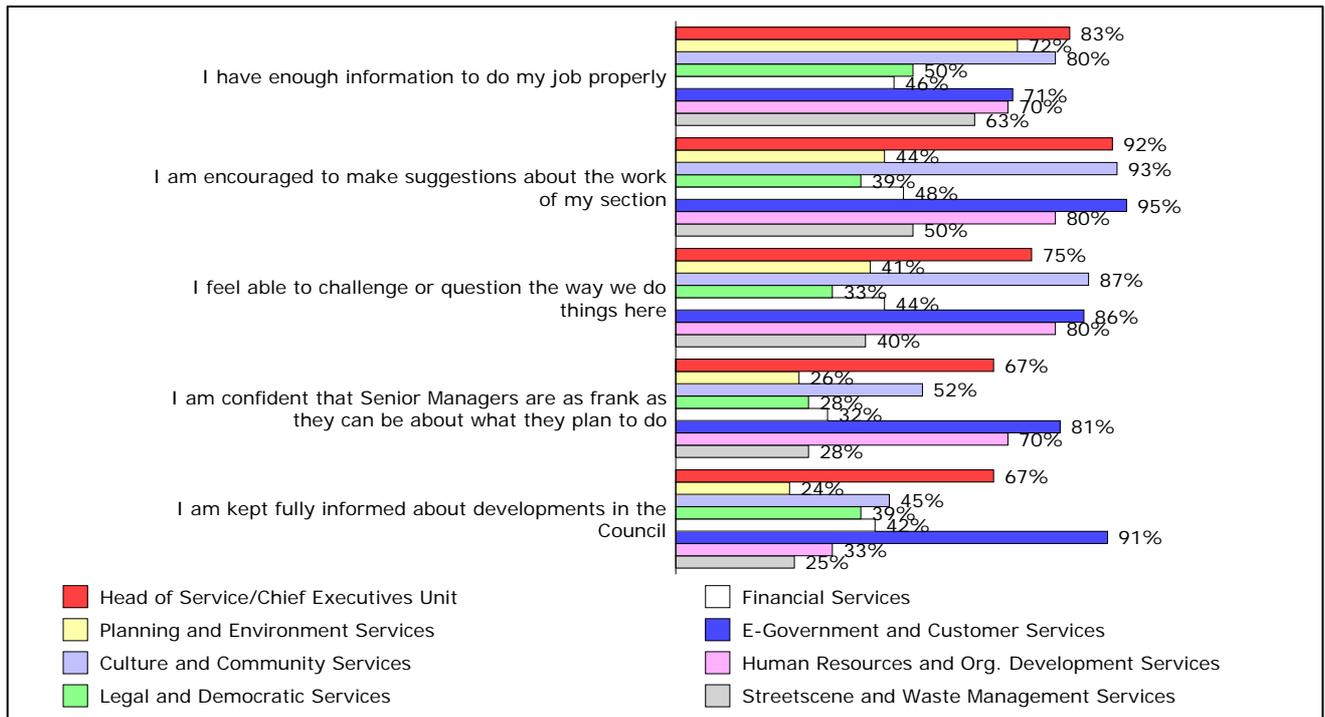
Level of agreement with statements on Communication



Base: All respondents (209-212)

Again there were differences in satisfaction by service area. Head of Services/Chief Executives Unit and E-Government and Customer Services had consistently higher ratings for communication. The other service areas received lower ratings, in particular Streetscene and Waste Management Services (25% to 63% agreement), Financial Services (32% to 48% agreement), Legal and Democratic Services (28% to 50% agreement) and Planning and Environment Services (24% to 72% agreement).

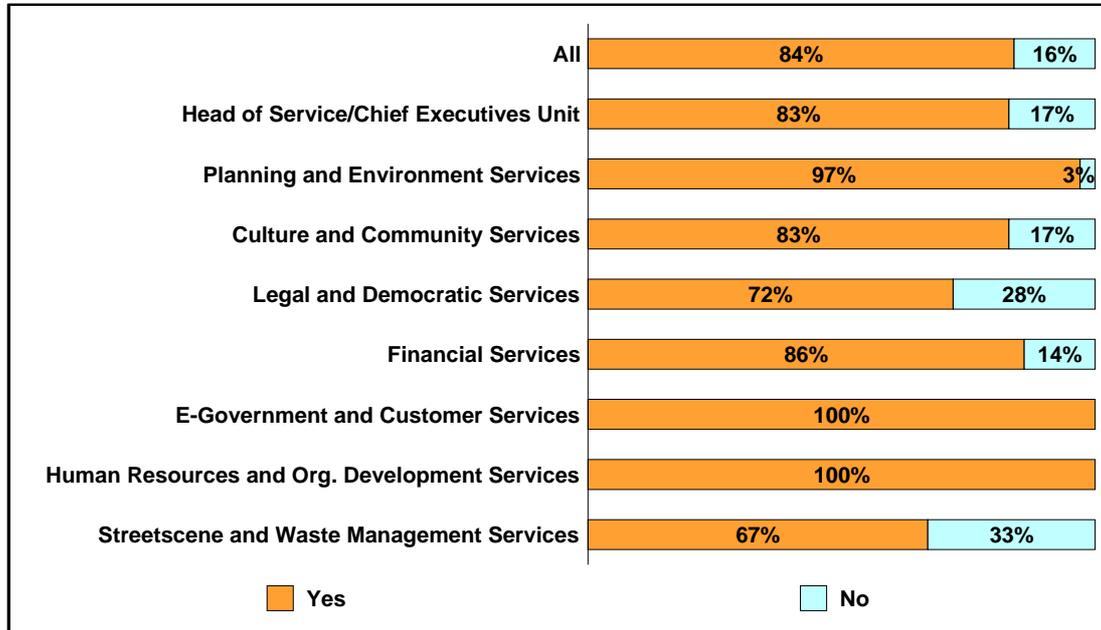
Communication - % agreement



Base: All respondents (209-212)

Turning to the core brief issued by CMT, 84% of employees said they receive it from their manager. This ranged from 67% of employees in Streetscene and Waste Management Services to all employees in Human Resources and Organisational Development Services and E-Government and Customer Services.

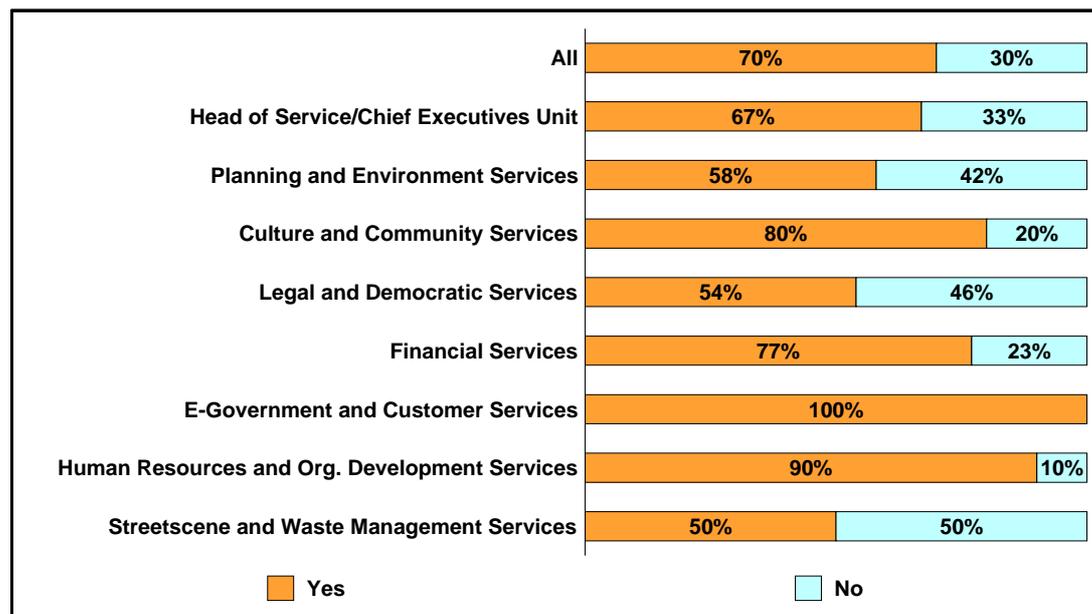
Whether receive the core brief issued by CMT



Base: All respondents (210)

Respondents who said they receive the core brief were asked if they find it useful and informative. 70% stated that they do, ranging from half of employees in Streetscene and Waste Management Services to all those in E-Government and Customer Services.

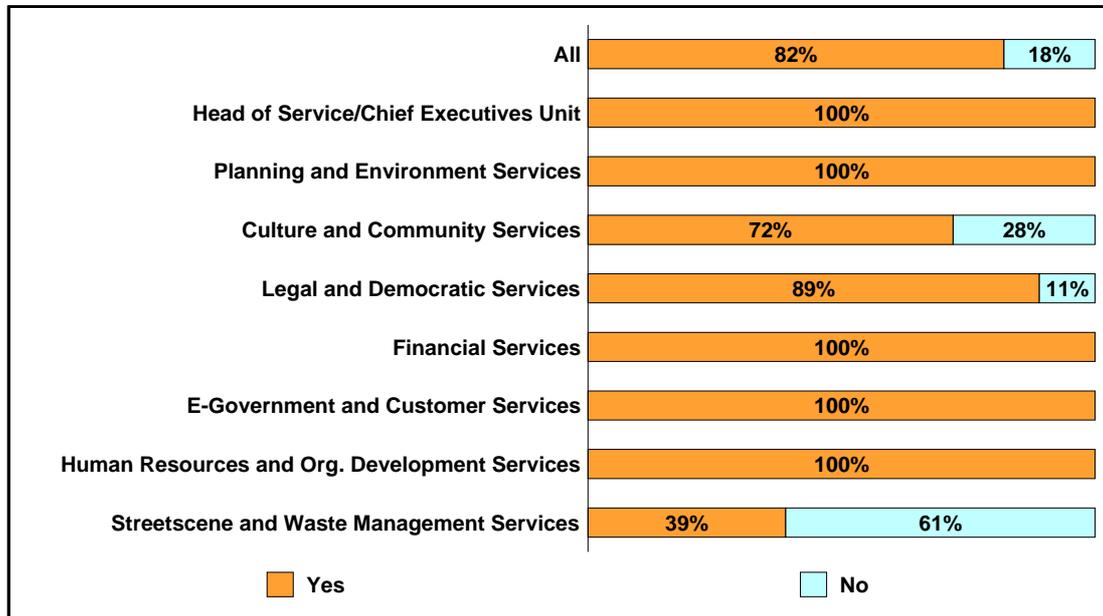
Whether core brief useful and informative



Base: Respondents who receive the core brief (171)

Respondents were also asked if they receive the Chief Executive Bulletin. 82% overall said they do, although this dropped considerably among Streetscene and Waste Management Services employees (39%).

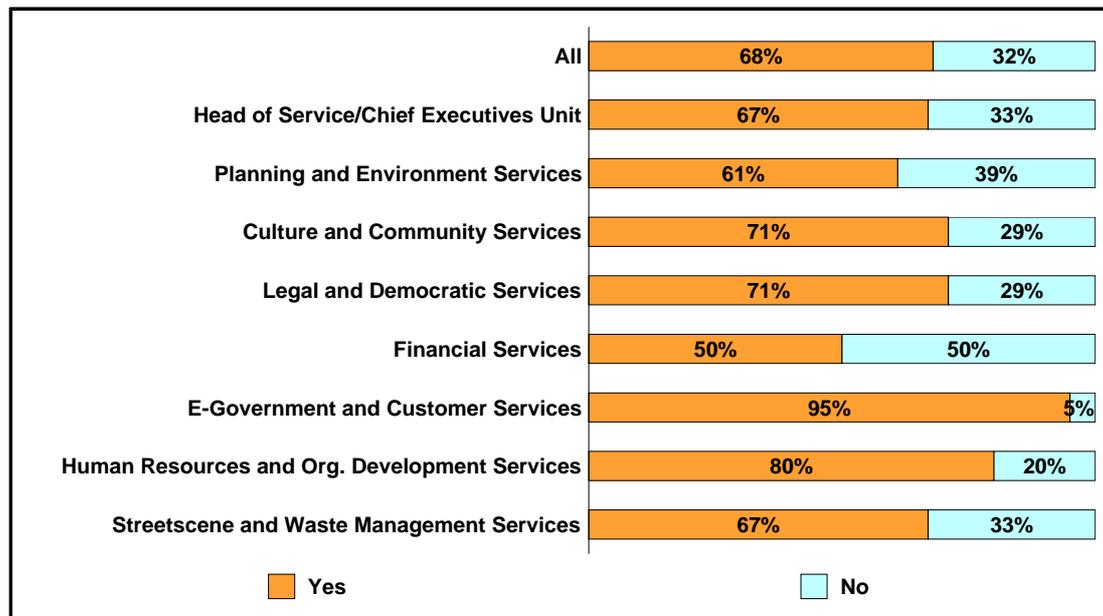
Whether receive the Chief Executive Bulletin



Base: All respondents (205)

68% of respondents who receive the Chief Executive Bulletin said they find it useful and informative. This ranged from half of those in Financial Services to 95% of those in E-Government and Customer Services.

Whether Chief Executive Bulletin useful and informative

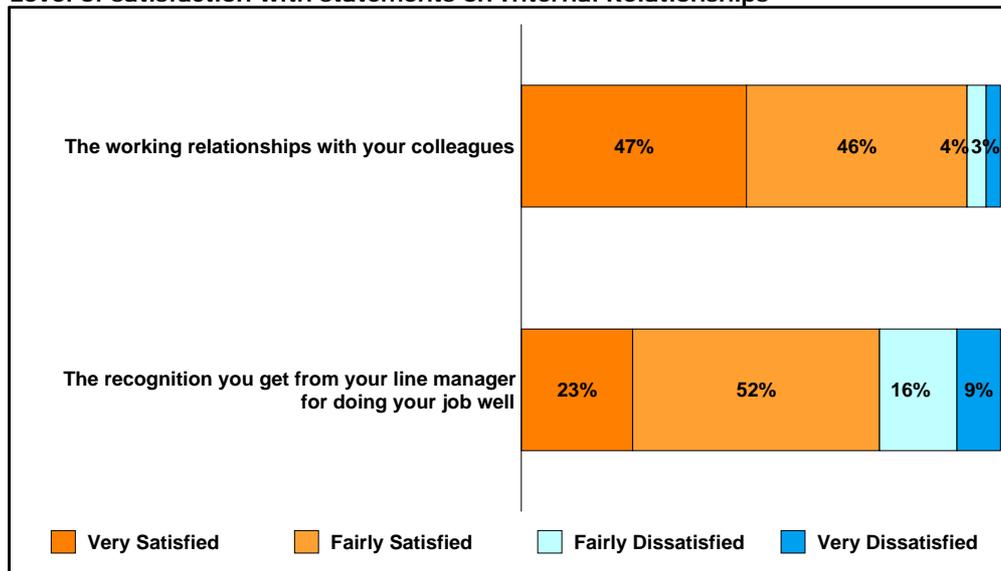


Base: Respondents who receive the Chief Executive Bulletin (163)

2.4 Internal Relationships

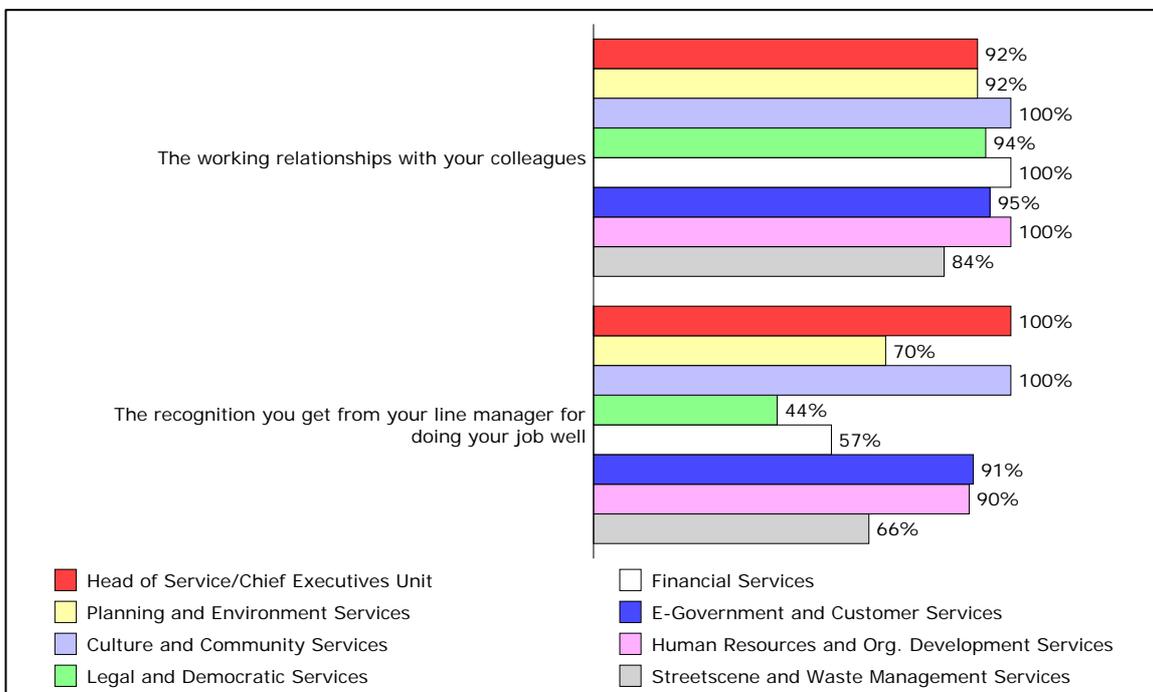
Nearly all employees were satisfied with the working relationships they have with their colleagues (93%) and satisfaction was high across all service areas on this measure (84% to 100%). Almost three-quarters were satisfied with the recognition they get from their line manager (74%), however this dropped to 44% for Legal and Democratic Services and 57% for Financial Services.

Level of satisfaction with statements on Internal Relationships



Base: All respondents (211-213)

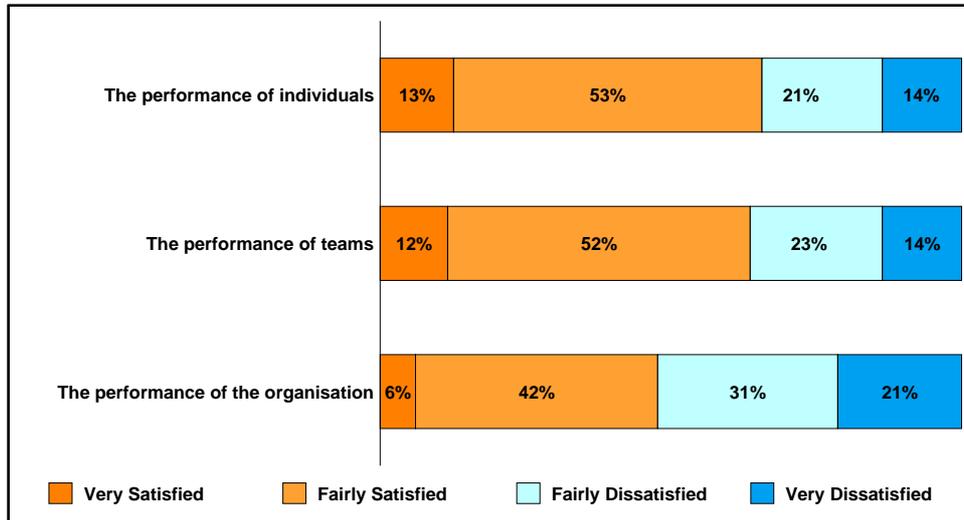
Internal Relationships - % satisfied



Base: All respondents (211-213)

Respondents were also asked how satisfied they were with their level of involvement in decision making that affects the performance of individuals, teams and organisation. Two-thirds were satisfied with their level of involvement with the performance of individuals (66%) and teams (64%), and under half were satisfied with their level of involvement with the performance of the organisation (48%).

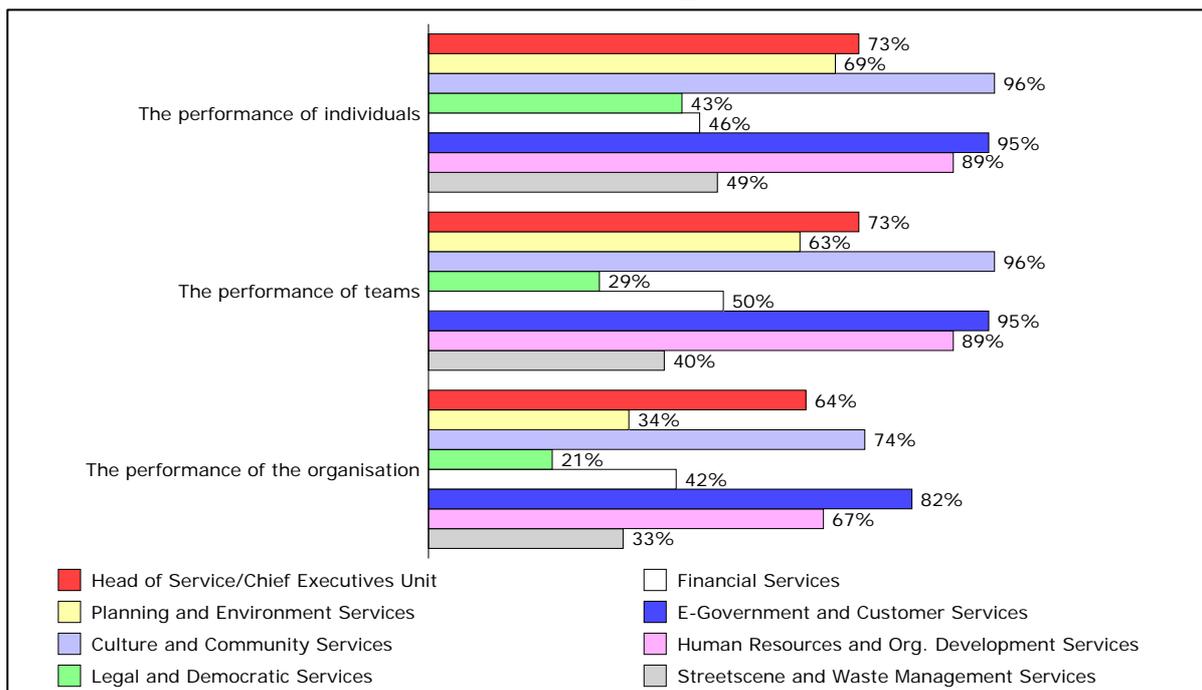
Satisfaction with level of involvement in decision making



Base: All respondents (198-211)

Satisfaction on these measures was noticeably lower for Legal and Democratic Services (21% to 43% satisfied), Financial Services (42% to 50%) and Streetscene and Waste Management Services (33% to 49%). In contrast, results were very positive for Culture and Community Services (74% to 96%) and E-Government and Customer Services (82% to 95%).

Satisfaction with level of involvement in decision making - % satisfied

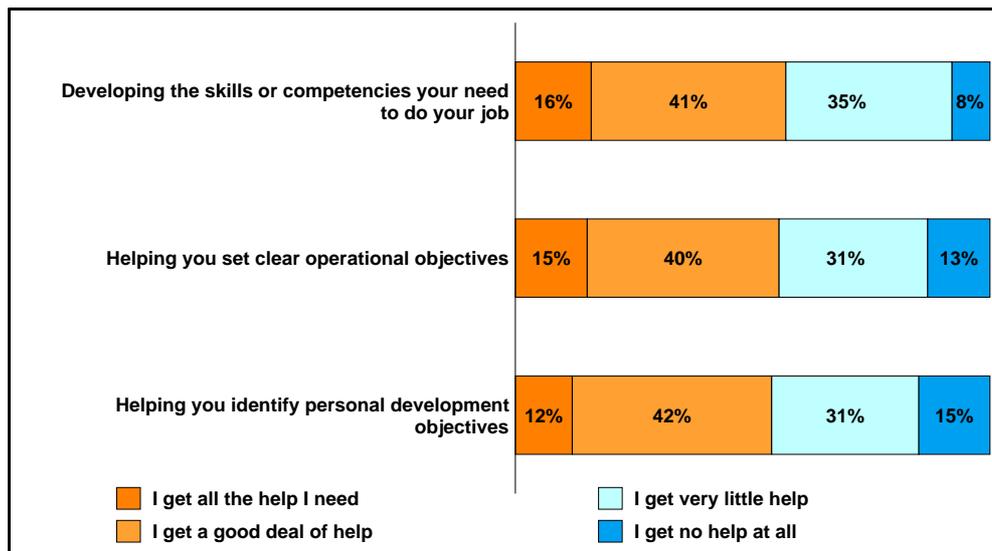


Base: All respondents (198-211)

2.5 Line Management Support

Respondents were asked to rate the level of help they receive from their line manager or supervisor on three separate measures. 54% stated that they either get all the help they need or get a good deal of help with “Helping you identify personal development objectives”. 56% felt they got help with “Helping you set clear operational objectives” and 57% with “Developing the skills or competencies you need to do your job”.

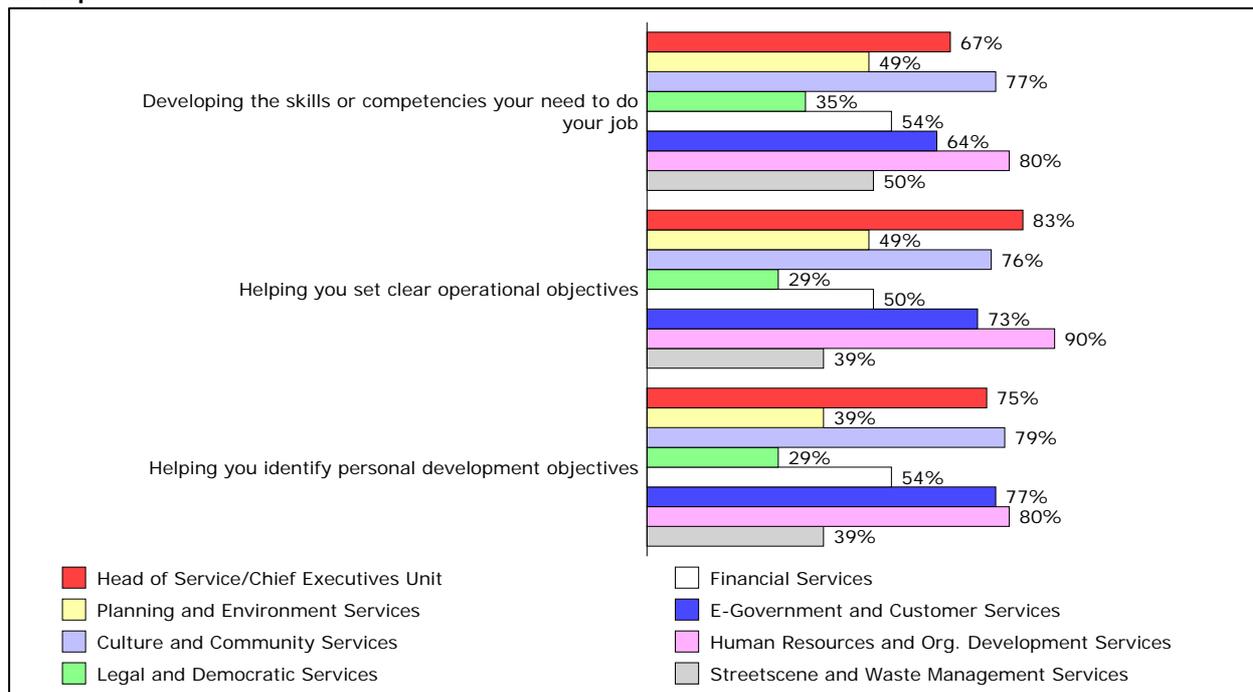
Amount of help given by line manager/supervisor



Base: All respondents (209-212)

The usual pattern among service areas emerged, with lower ratings being given by Legal and Democratic Services employees (29% to 35% said “I get all the help I need” or “I get a good deal of help”), Planning and Environment Services (39% to 49%) and Streetscene and Waste Management Services (39% to 50%). Human Resources and Organisational Development Services achieved the highest ratings on all three measures (80% to 90%).

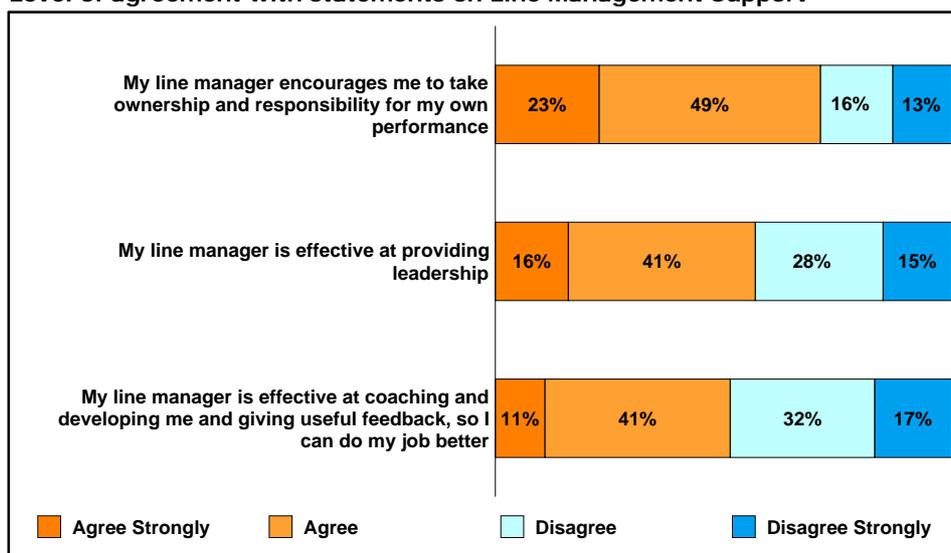
Amount of help given by line manager/supervisor - % "I get all the help I need" or "I get a good deal of help"



Base: All respondents (209-212)

Respondents were also asked to rate how far they agree with three statements relating to line management support. Seven in ten employees (71%) agreed "My line manager encourages me to take ownership and responsibility for my own performance", but agreement fell for the other two measures. 57% agreed "My line manager is effective at providing leadership" and just over half agreed "My line manager is effective at coaching and developing me and giving useful feedback, so I can do my job better".

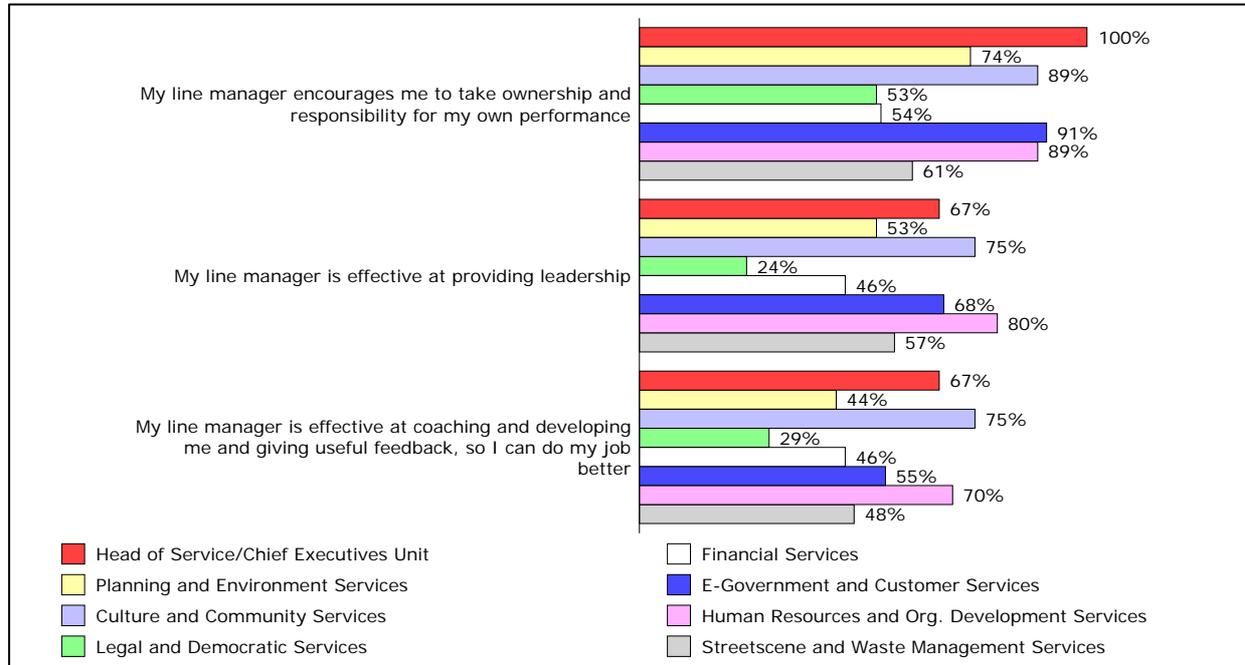
Level of agreement with statements on Line Management Support



Base: All respondents (206-208)

Ratings were particularly low for Legal and Democratic Services (24% to 53% agreement), in contrast to higher ratings achieved across all three measures for Culture and Community Services (75% to 89% agreement) and Human Resources and Organisational Development Services (70% to 89% agreement).

Line Management Support - % agreement



Base: All respondents (206-208)

2.6 Achievement

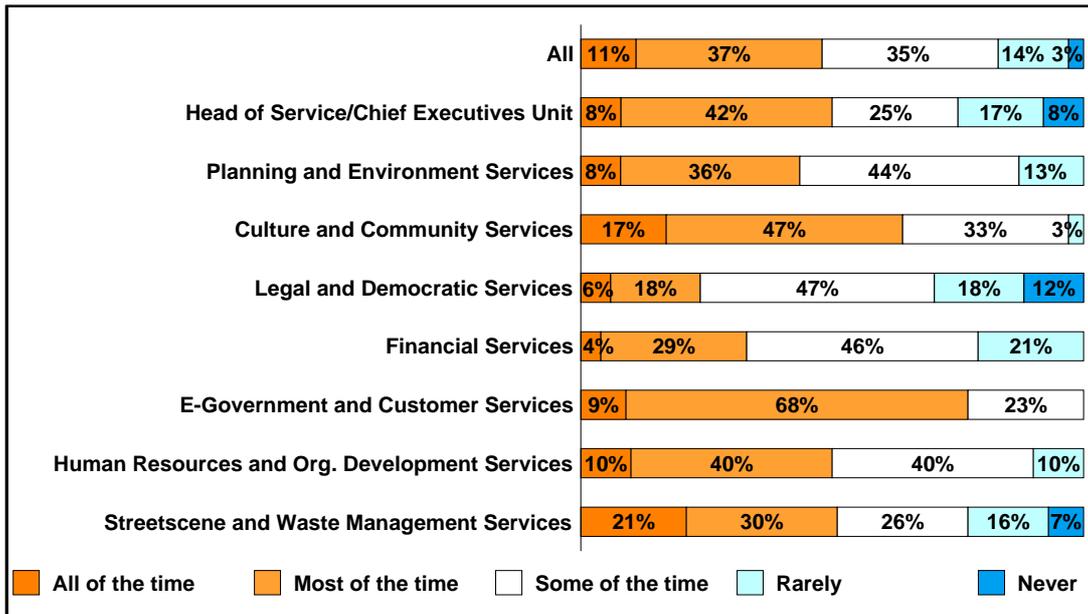
One in three staff (34%) agreed "The Council achieves an effective balance between meeting its targets and providing a good quality service".

Ratings were higher among some service areas, most notably Culture and Community Services (36% to 46% agreement) and Human Resources and Organisational Development Services (20% to 44% agreement).

Four in five employees (80%) rated the performance of their section in meeting its operational objectives in the last 12 months as either "Very good" or "Good". This rose to all employees in E-Government and Customer Services.

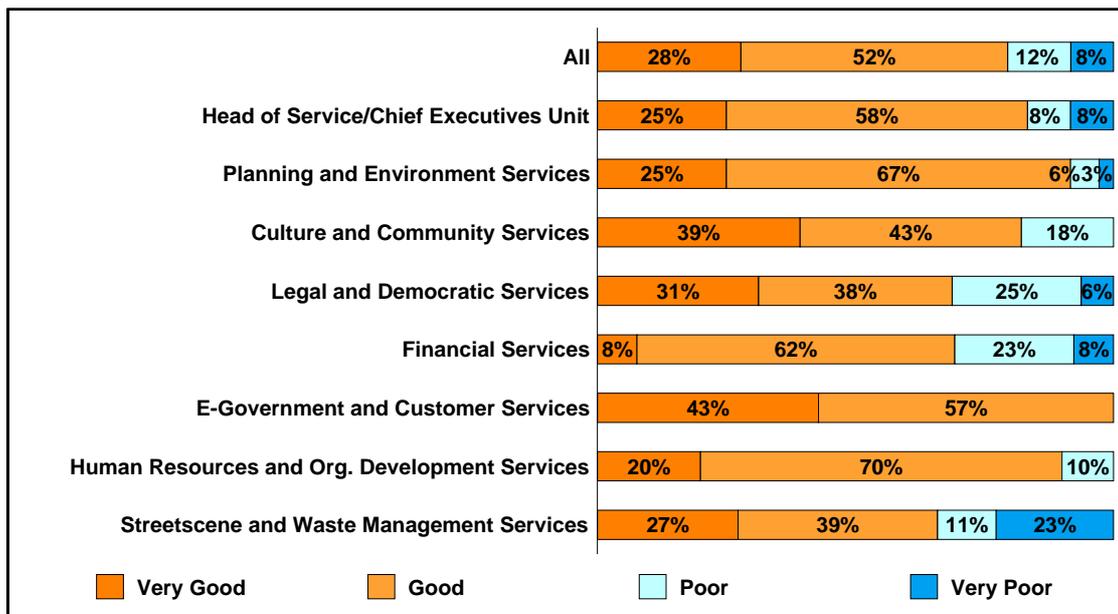
Over four in five employees (83%) stated their work gives them a strong feeling of achievement at least some of the time and almost half (48%) stated it does either "Most of the time" or "All of the time". This fell to 24% within Legal and Democratic Services and to 32% in Financial Services (either "Most of the time" or "All of the time").

"My work gives me a strong feeling of achievement"



Base: All respondents (213)

Rating of performance of section in meeting operational objectives in last 12 months



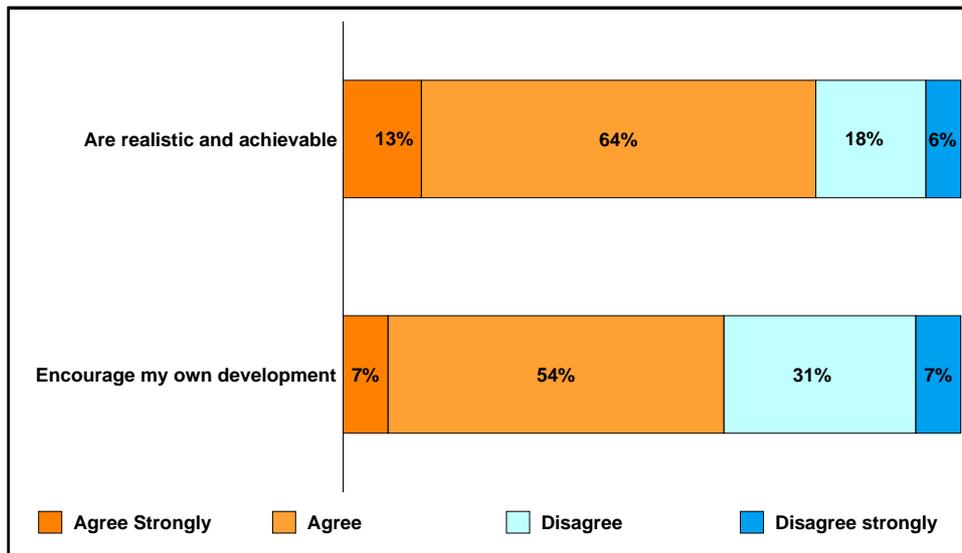
Base: All respondents (205)

45% of employees said that the staffing level in their section/division was usually sufficient to make them feel a satisfactory service was provided at least most of

the time. A third (33%) said that this was either rarely or never the case however, rising to 51% in Planning and Environment Services and 48% in Financial Services.

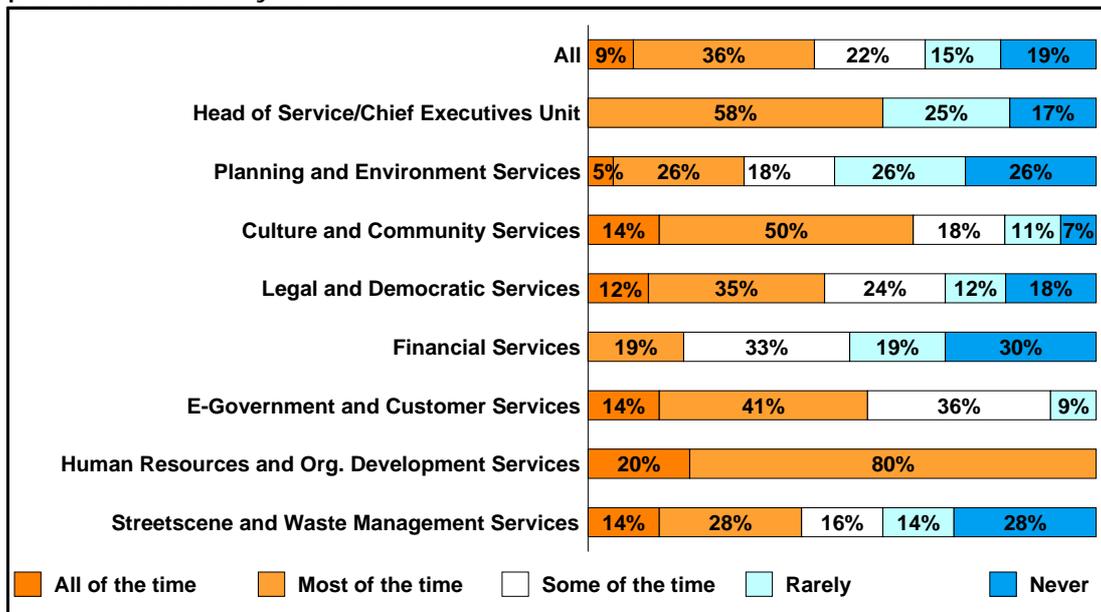
Turning to targets and deadlines set for their work, 77% of employees agreed they were realistic and achievable, and 62% agreed they encourage their own development.

Targets and deadlines set



Base: All respondents (206-213)

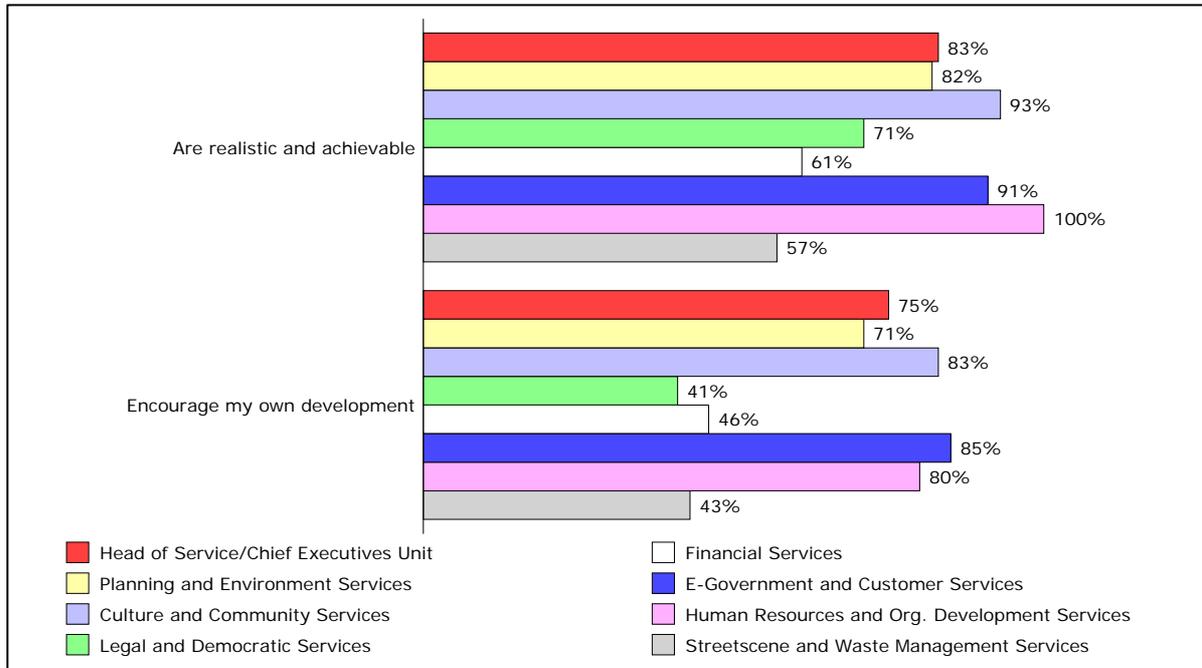
“The staffing level in my section or division is usually sufficient to make me feel we provide a satisfactory service”



Base: All respondents (209)

Results were most positive for Culture and Community Services (83% to 93% agreement), E-Government and Customer Services (85% to 91% agreement) and Human Resources and Organisational Development Services (80% to 100% agreement). Lower ratings were given for Streetscene and Waste Management Services (43% to 57% agreement), Legal and Democratic Services (41% to 71%) and Financial Services (46% to 61%).

Targets and deadlines set - % agreement



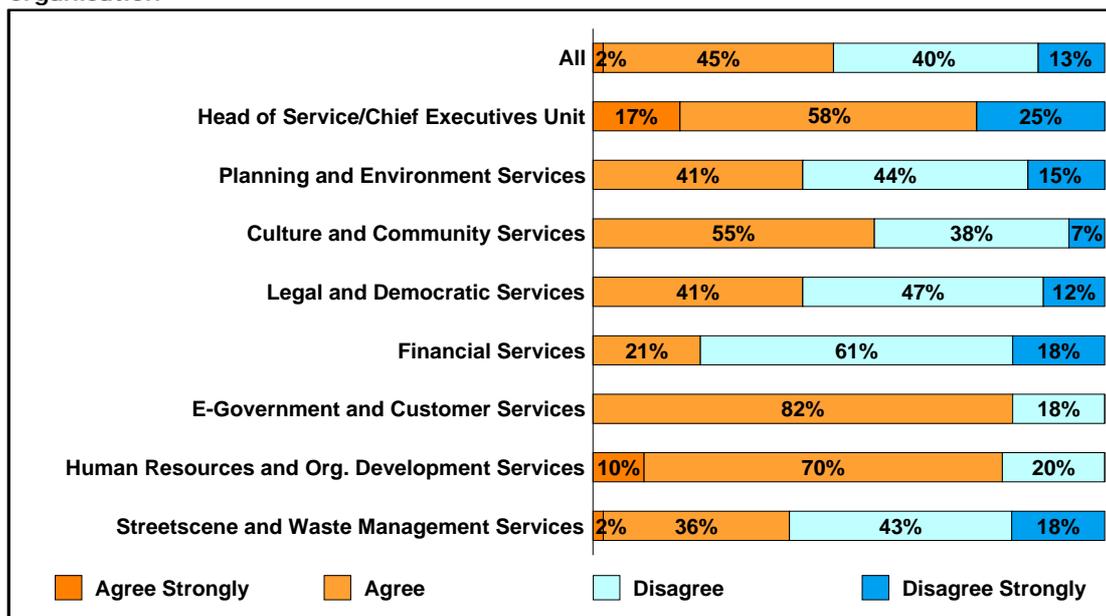
Base: All respondents (206-213)

2.7 The Organisation

30% of employees rated the Council above average as an organisation to work for. This rose to 48% in Culture and Community Services and 43% in E-Government and Customer Services, but fell to 9% among Head of Service/Chief Executives Unit.

Less than half of employees (47%) agreed they could explain the aims and objectives of the Council to someone outside the organisation, rising to 82% in E-Government and Customer Services, 80% in Human Resources and Organisational Development Services and 75% in Head of Service/Chief Executives Unit. Lowest awareness of the Council's aims and objectives was in Financial Services (21%).

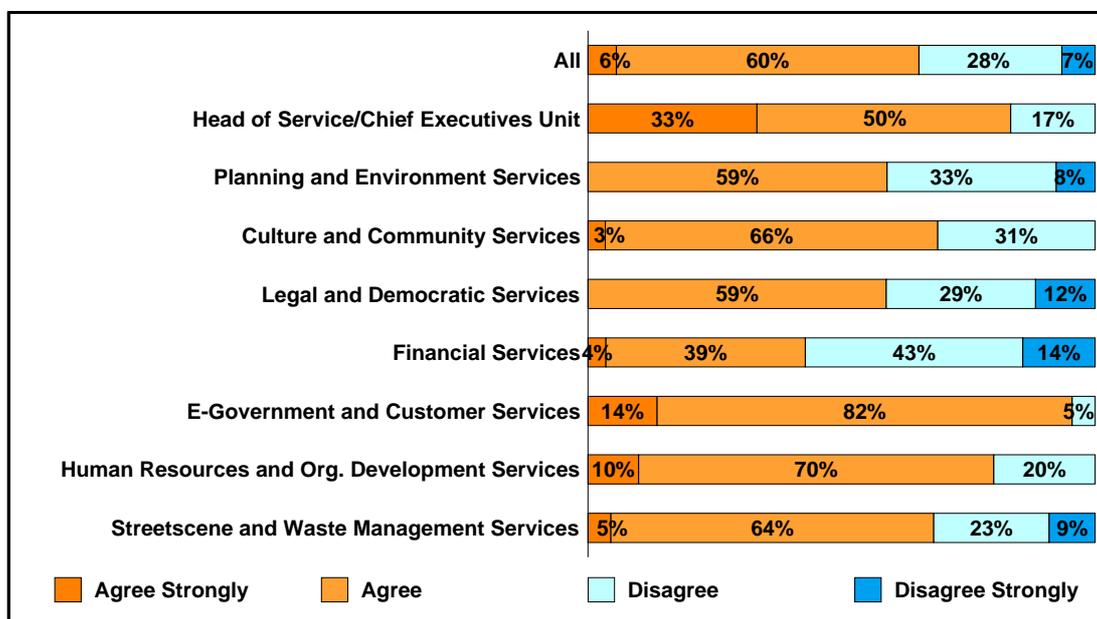
"I could explain the aims and objectives of the Council to someone outside the organisation"



Base: All respondents (212)

Almost two-thirds of employees (65%) agreed that they were clear about how their job relates to the aims and objectives of the Council, with the highest agreement among E-Government and Customer Services employees (95%) and the lowest among Financial Services employees (43%).

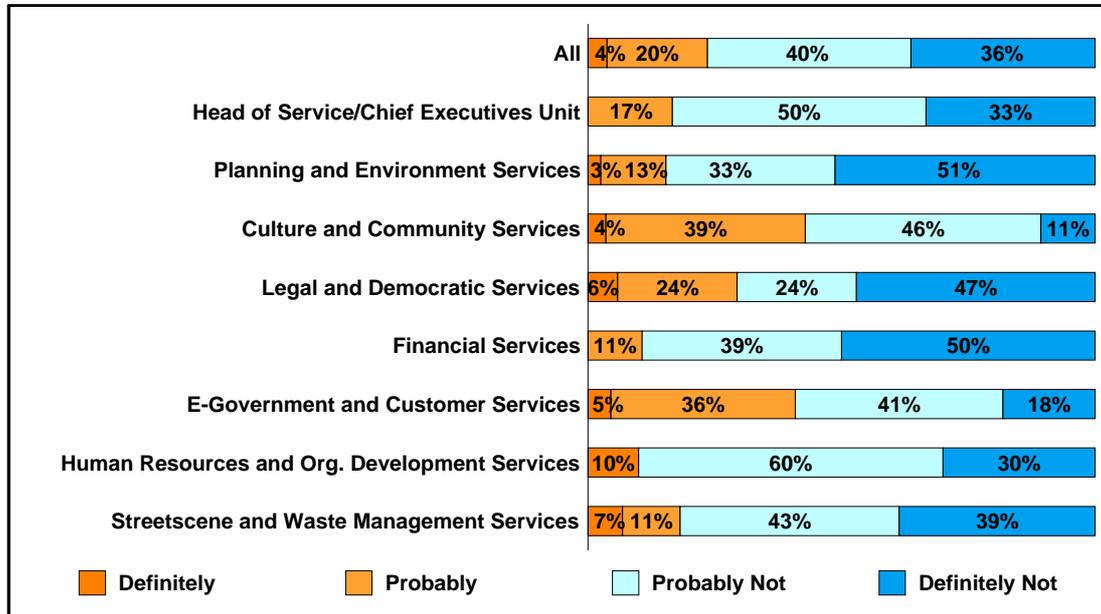
"I am clear about how my job relates to the aims and objectives of the Council"



Base: All respondents (213)

Only a quarter of respondents (24%) said that the Council definitely or probably has well-motivated employees. The highest ratings were achieved in Culture and Community Services (43%) and E-Government and Customer Services (41%), however this was still less than half the sample.

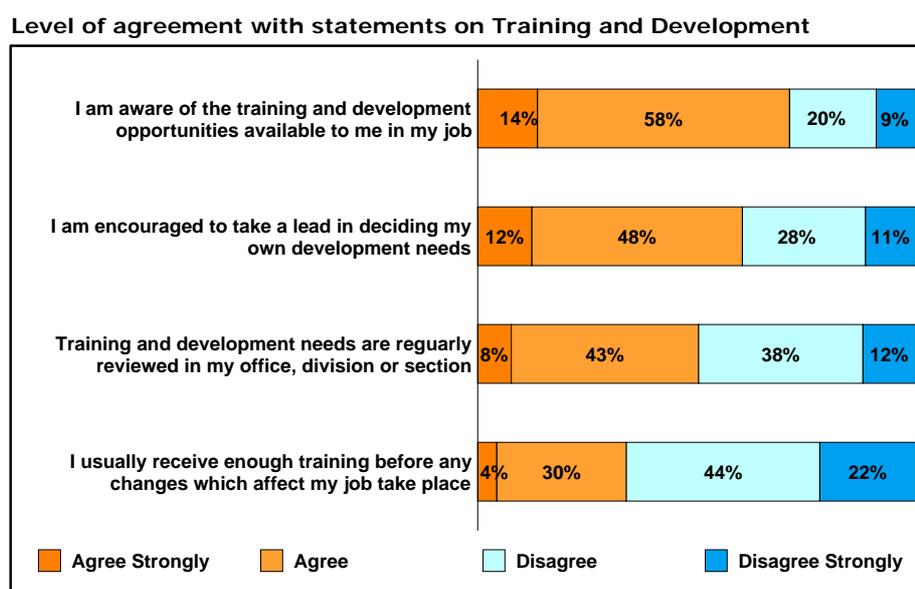
“The Council has well-motivated employees”



Base: All respondents (212)

2.8 Training and Development

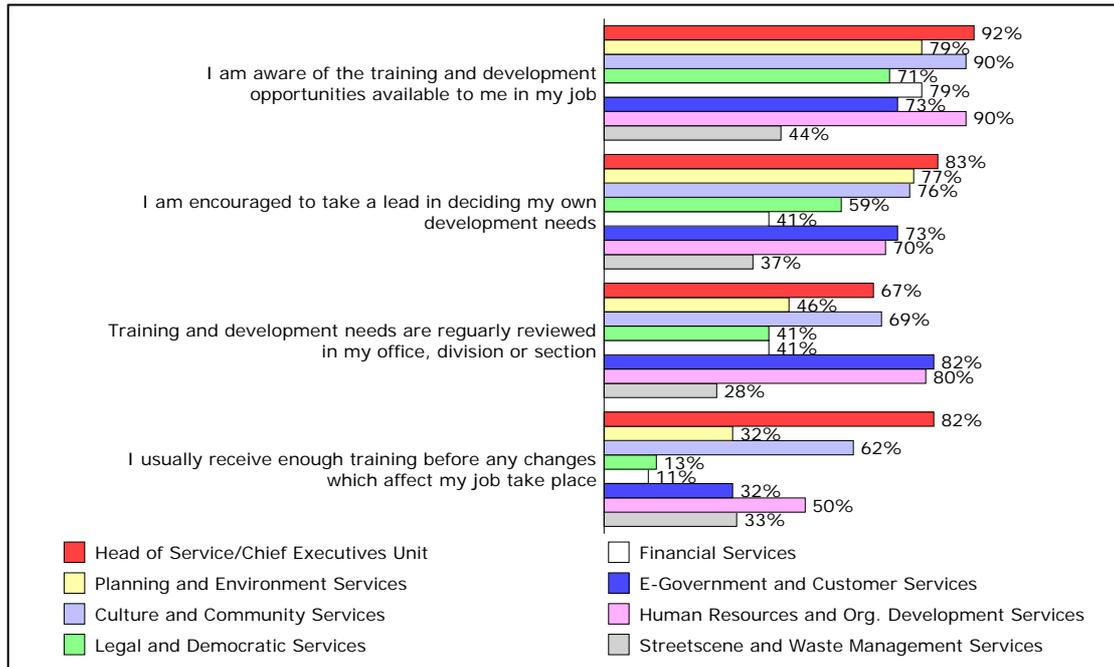
Employees were given four statements relating to training and development and were asked how far they agree with each. Views were quite mixed across the measures, with the majority of employees (71%) agreeing “I am aware of the training and development opportunities available to me in my job”, three in five (60%) agreeing “I am encouraged to take a lead in deciding my own development needs”, half (50%) agreeing “Training and development needs are regularly reviewed in my office, division or section”, and just one in three (34%) agreeing “I usually receive enough training before any changes which affect my job take place”.



Base: All respondents (208-212)

Satisfaction was consistently higher for Head of Service/Chief Executives Unit (67% to 92% agreement) and Culture and Community Services (62% to 90%). E-Government and Customer Services received fairly high scores (73% to 82%), with the exception of “I usually receive enough training before any changes which affect my job take place”, which dropped to 32% agreement.

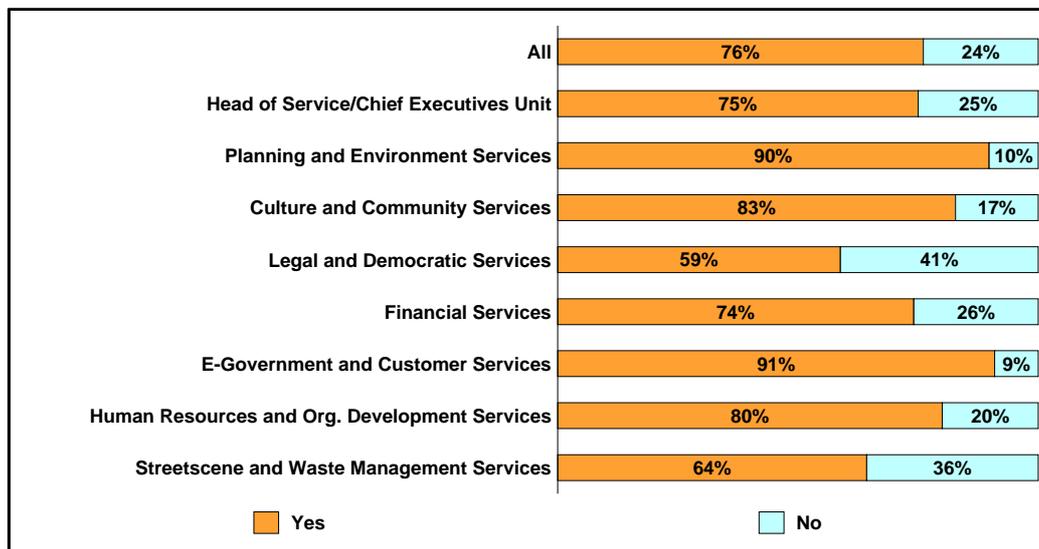
Training and Development - % agreement



Base: All respondents (208-212)

Three-quarters of respondents (76%) felt there is a link between their development and how well they do in their job, rising to 91% of E-Government and Customer Services employees and 90% of Planning and Environment Services employees. Just 59% of Legal and Democratic Services and 64% of Streetscene and Waste Management Services employees agreed there is a link.

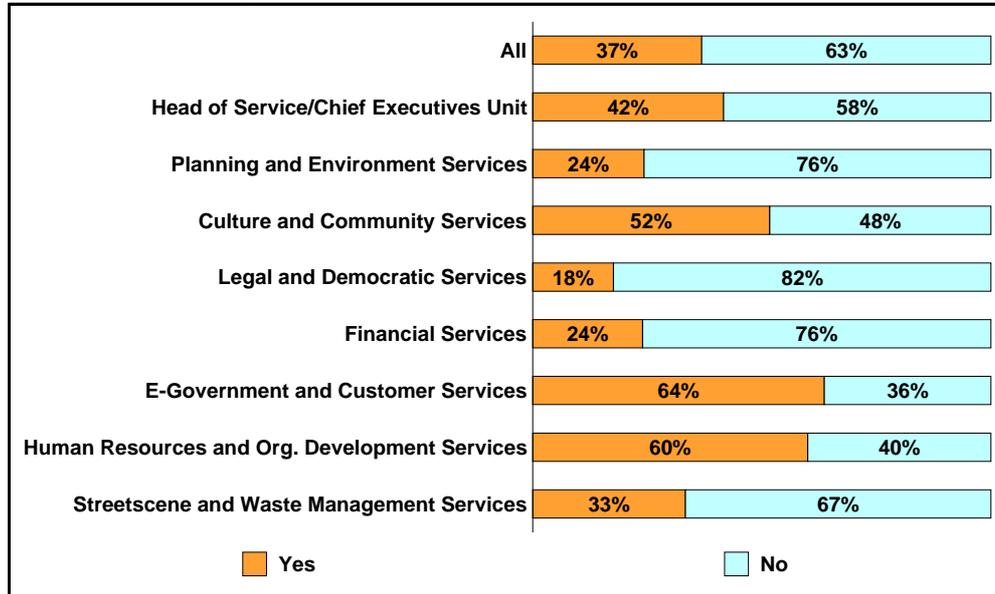
Whether link between development and how well employees do in their job



Base: All respondents (209)

37% of employees said they discuss their expectations with their supervisor/line manager before starting a development activity. This rose to 64% in E-Government and Customer Services and 60% in Human Resources and Organisational Development Services.

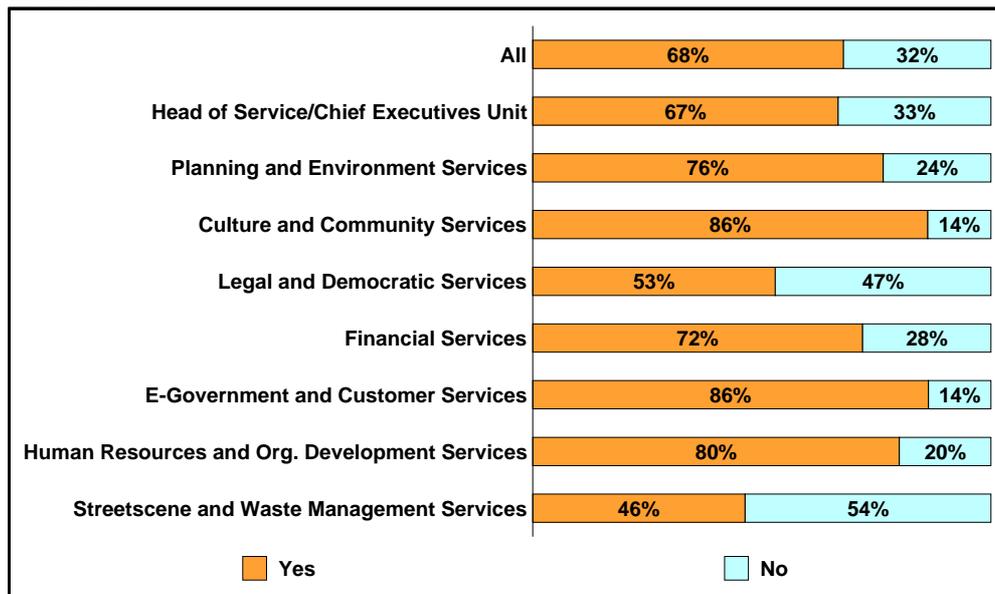
Whether discuss expectation with supervisor/line manager before starting a development activity



Base: All respondents (206)

68% of employees said they understood why they have undertaken a development activity during the last 12 months, although this fell to 46% among Streetscene and Waste Management Services employees and 53% among Legal and Democratic Services employees.

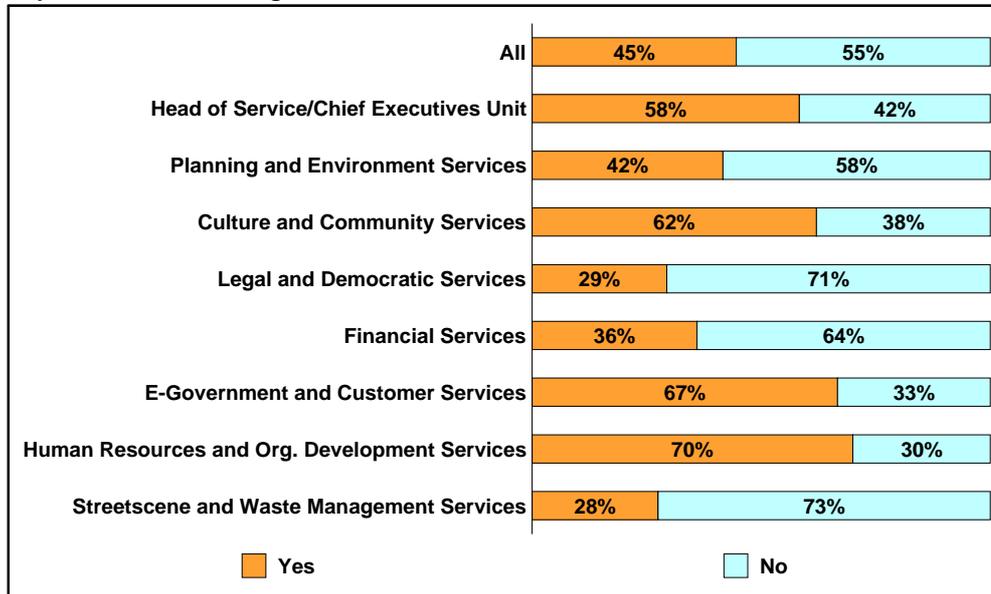
Whether understand why have undertaken a development activity in the last 12 months



Base: All respondents (202)

45% of employees said their development activity is monitored by their supervisor/line manager, falling to 28% in Streetscene and Waste Management Services and 29% in Legal and Democratic Services.

Whether development activity monitored with employees by their supervisor/line manager

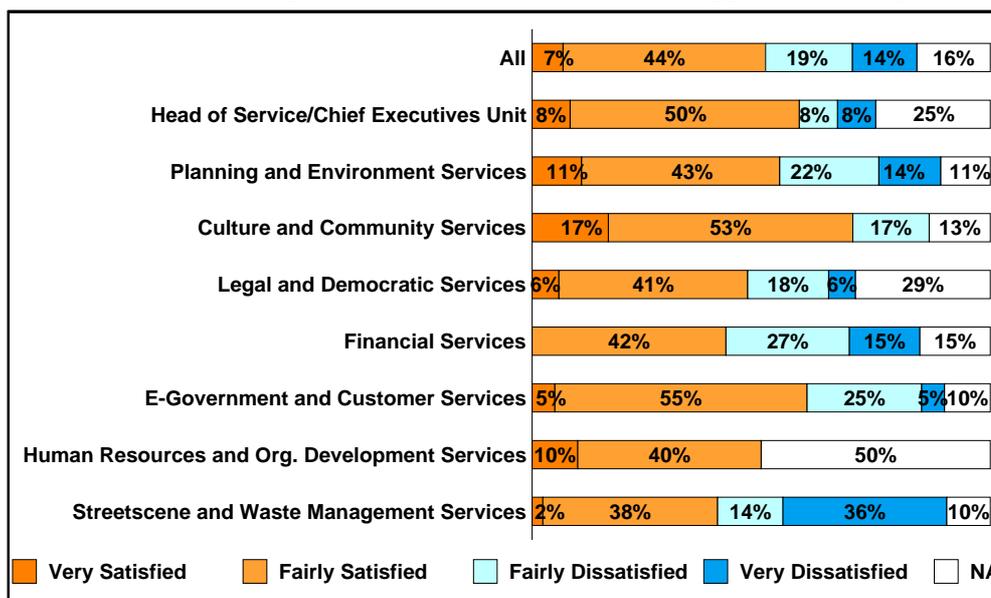


Base: All respondents (202)

2.9 Health and Safety

Only half of employees (51%) were satisfied with the management of issues associated with aggression from the public and 33% were dissatisfied. Satisfaction was around this level for most departments, with the exception of Culture and Community Services where satisfaction rose to 70%.

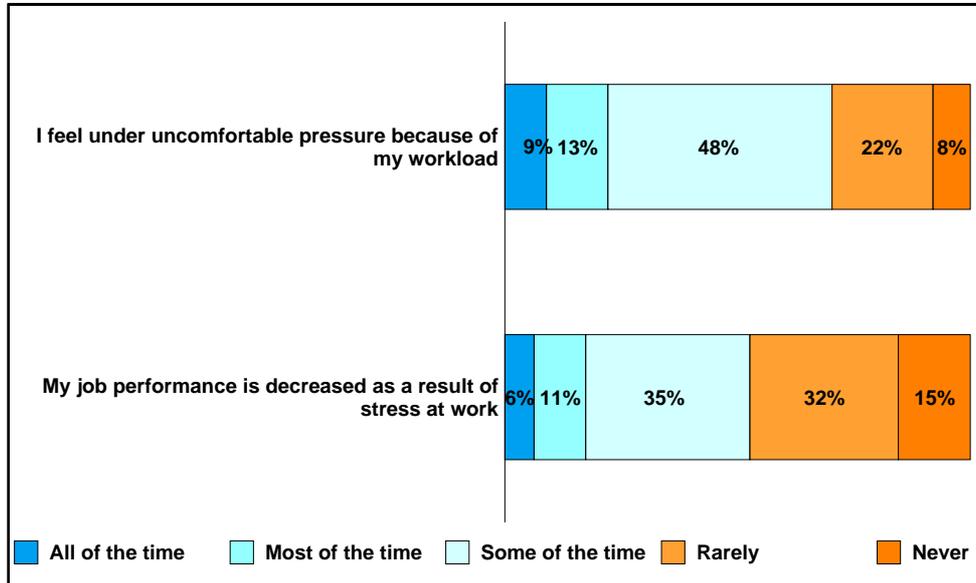
Satisfaction with management of issues associated with aggression from public



Base: All respondents (206)

22% of employees said they feel under uncomfortable pressure because of their workload either all of the time or most of the time, and 17% said their job performance is decreased as a result of stress at work either all of the time or most of the time.

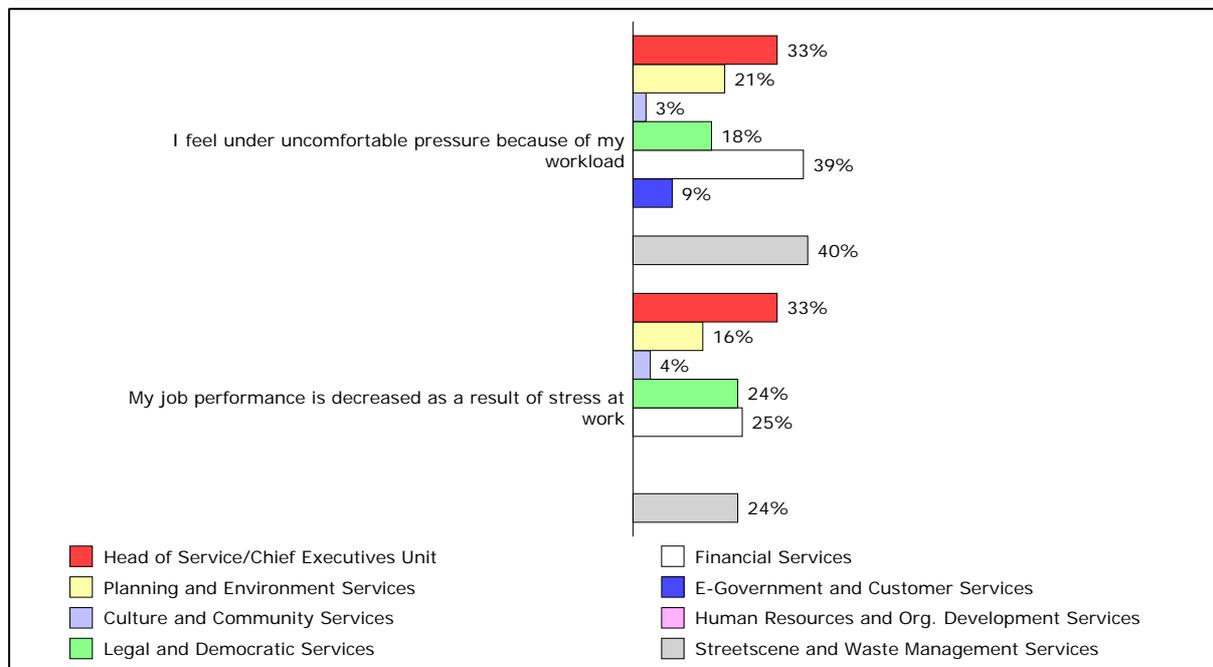
Amount of stress and pressure felt in job role



Base: All respondents (207-212)

Pressure and stress varied by service area, with it being most apparent in Head of Service/Chief Executives Unit, Financial Services and Streetscene and Waste Management Services.

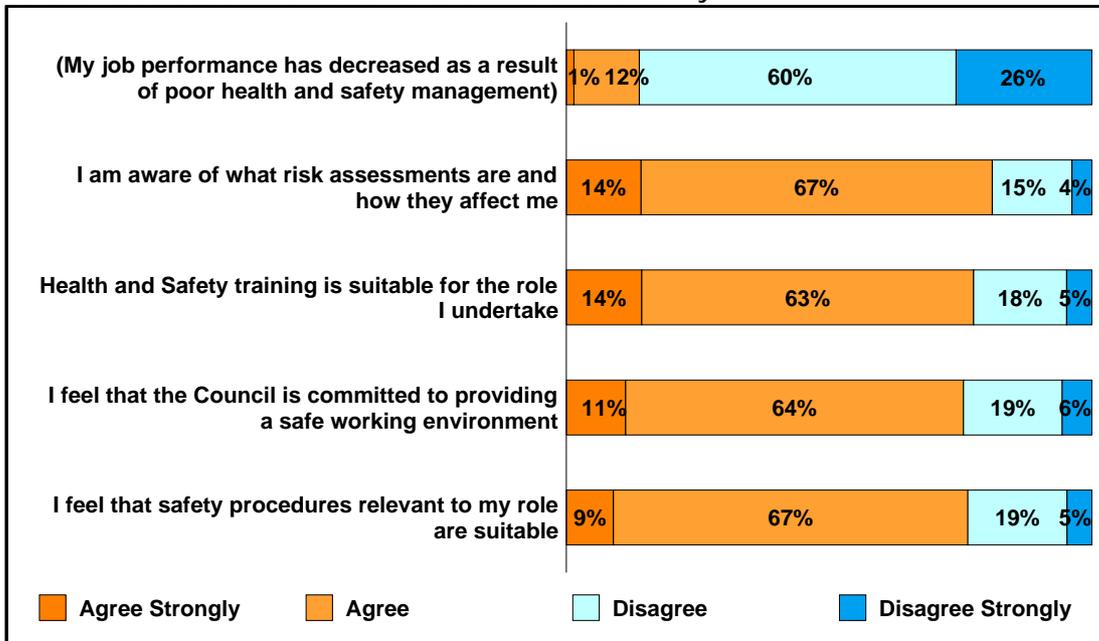
Amount of stress and pressure felt in job role - % at least most of the time



Base: All respondents (207-212)

Employees were given five statements in relation to Health and Safety and were asked to state how far they agree with each. The majority of respondents were satisfied with the health and safety measures employed at the Council, ranging from 76% to 81% agreement on the positive statements and 86% disagreement with the negative statement.

Level of satisfaction with statements on Health and Safety



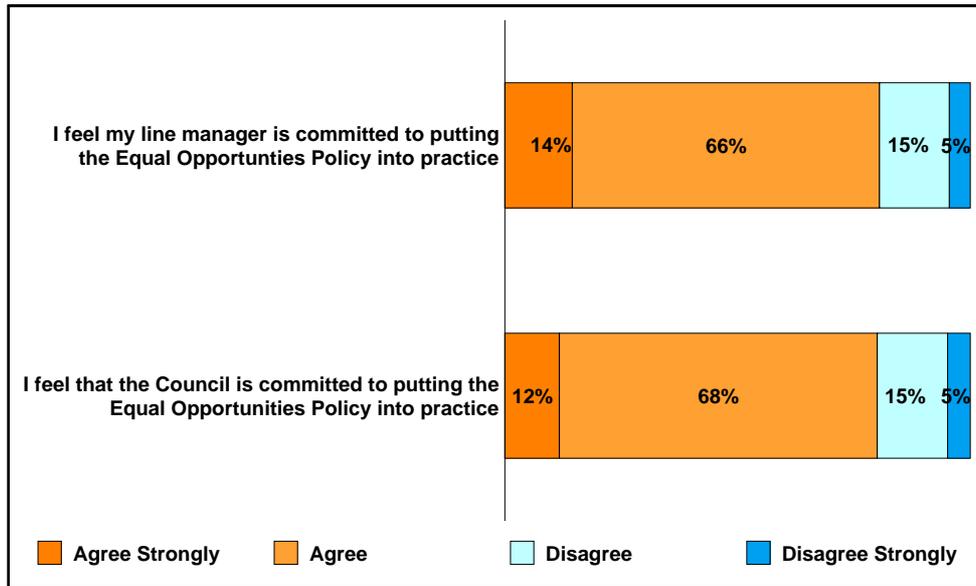
Base: All respondents (209-212)

2.10 Equal Opportunities and Harassment

Results in this section are provided for the Council as a whole, rather than analysed by service area, as communicated to employees in the research questionnaire.

81% agreed "I feel my line manager is committed to putting the Equal Opportunities Policy into practice" and 80% agreed "I feel that the Council is committed to putting the Equal Opportunities Policy into practice".

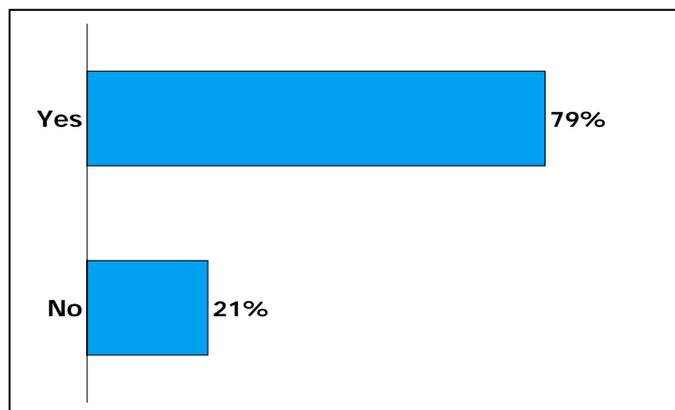
Level of agreement with statements on Equal Opportunities



Base: All respondents (200-205)

79% of staff were aware of the Council’s Equality Policy.

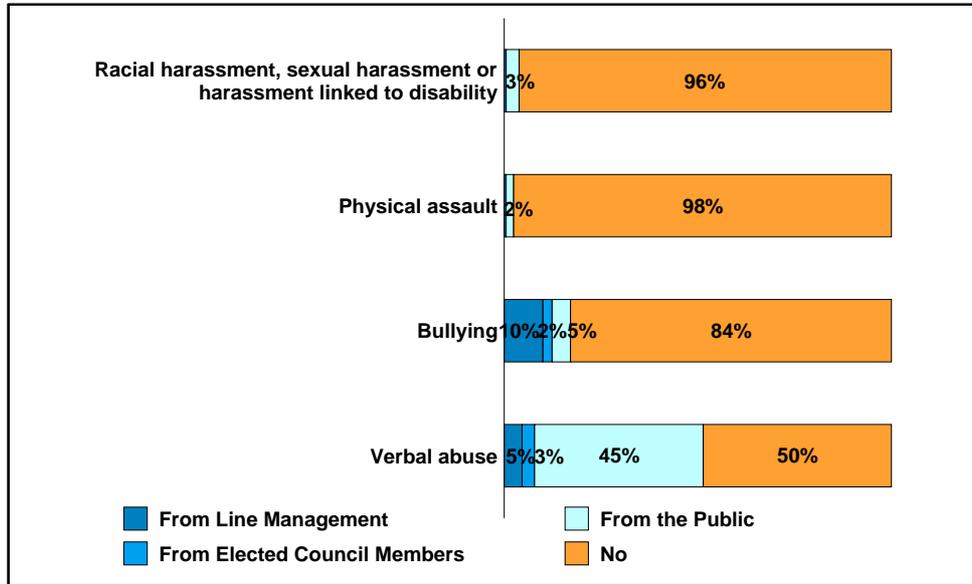
Whether aware of Council’s Equality Policy



Base: All respondents (206)

The majority of harassment in the Council comes from the general public, 45% of employees stated they had received verbal abuse from the public in the last 12 months. There was an element of harassment from within the Council itself however. One in ten employees (10%) said they had experienced bullying from line management and 8% had experienced verbal abuse from either line management or elected Council members.

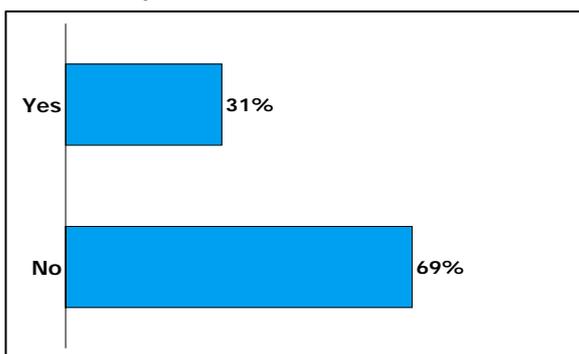
Experience of harassment



Base: All respondents (205-211)

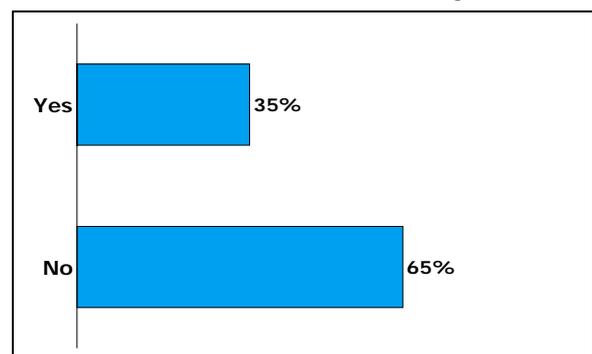
31% of those that had experienced harassment reported it and 35% of these said it was dealt with effectively.

Whether reported harassment



Base: Respondents who had experienced harassment (103)

Whether harassment dealt effectively



Base: Respondents who had reported harassment (26)

3 SUMMARY AND CONCLUSIONS

Overall, views were quite mixed across the survey, with some areas achieving high levels of satisfaction but others receiving lower levels. It is to be expected, however, that the timing of the survey may have had some negative impact on the findings, with the survey following a major organisational restructure.

The areas where employees were less satisfied are outlined as follows. Firstly, communication. Almost three in five employees (59%) were not confident that senior managers are as frank as they could be about what they plan to do and the same proportion did not feel they are kept fully informed about developments in the Council. 45% also felt they could not challenge or question the way things are done.

Lower ratings were given for line management support, with 54% stating they either get all the help they need or get a good deal of help with "Helping you identify personal development objectives", 56% felt they got help with "Helping you set clear operational objectives" and 57% with "Developing the skills or competencies you need to do your job". Line management support is therefore an area that could be improved.

Dissatisfaction was also evident within various service areas. Throughout the survey, satisfaction was considerably higher within E-Government and Customer Services and Human Resources and Organisational Development Services. In contrast, satisfaction was consistently lower for Legal and Democratic Services, Financial Services and Streetscene and Waste Management Services. There also appeared to be a staffing issue in Planning and Environment Services and Financial Services, with approximately half stating they rarely or never have a sufficient staffing level to provide a satisfactory service.

Throughout the survey satisfaction was higher among part-time than full-time employees, this was especially the case for overall job satisfaction, communication, level of involvement in decision-making, and targets and deadlines.

Although negative areas were apparent and need to be addressed to improve overall employee satisfaction in the future, there were areas that the majority of employees were happy with. These included internal relationships, especially working relationships with their colleagues (93% satisfaction). 74% were also satisfied with the recognition they get from their line manager. Overall job satisfaction across various measures was high, 77% were satisfied with the opportunities to use their skills and abilities, 88% were satisfied with the level of freedom to carry out their work, and 83% were satisfied with the amount of responsibility they have. Four in five employees (80%) also rated the performance of their section in meeting its operational objectives in the last 12 months as good. These positive findings were reflected in the fact that 75% of employees overall were satisfied with their present job.

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

19th MAY 2006

PROCUREMENT UPDATE

Responsible Portfolio Holder	Councillor Roger Hollingworth
Responsible Head of Service	Head of Financial Services

1. SUMMARY

- 1.1 To update members on the efficiencies achieved by the procurement team and the current projects that are being undertaken.

2. RECOMMENDATION

- 2.1 The Board is requested to note the update.

3. BACKGROUND

- 3.1 The procurement team was set up as part of the recovery plan as it was recognised that Bromsgrove District Council did not have clear and effective procurement policies and procedures.
- 3.2 A joint working arrangement was agreed with Worcester City Council with effect from 1st December 2005. The contract between the City Council and Bromsgrove secured support from the City Council procurement manager for 2 days per week and a full time procurement officer to drive forward the improvements within Bromsgrove District Council. The agreement was to be reviewed on an annual basis.
- 3.3 The review of the medium term financial plan and preparation of the budget for 2006/07 included an efficiency target of £80k that could be achieved with a focus on delivery of improved procurement practices. The cost of the joint working arrangement was £40k and it was approved that the cost would be funded by the savings made.
- 3.4 The procurement manager started working with the Council on 1st December 2005 and the services of the officer were secured on 1st February.
- 3.5 Regular updates have been produced by the Procurement Team to advise staff of the activities and new policies in place (attached)

4. UPDATE

4.1 The team have been negotiating improvements to contract terms and conditions to demonstrate transparency in procurement and value for money.

4.2 The cashable savings to the Council are currently £16,058. It was not anticipated that the target of £80k would be achieved in equal periods over the year and therefore the current £16k reflects the cashable efficiencies generated to date. There has been a period of negotiation with the suppliers which will impact on the target over the next few months. The prediction for 2006/07 remains at £80k to reflect the future savings.

4.3 There are a number of other projects that are in progress including;

- Utilising TMP as the main recruitment and advertising supplier – estimated saving £4k
- Negotiated a revised contract for manual temporary staff – estimated saving £25k
- Update mobile phone contracts – estimated saving £3k
- Revise photocopier contract – estimated saving £7k
- Income generation through sponsorship of refuse collection containers – estimated income generation £13k
- Ongoing savings with WMS – estimated at £4k per month
- Implementation of Government Procurement Cards to reduce number of invoices
- Supported the procurement procedures for – externalisation of pest control, collection of cash and purchase of play equipment
- Review of the print and reprographics service within the Council with the e-government and customer service department
- Ensuring the Council benefits from the best rates available in respect of utility costs

4.4 Discussions have been taking place between the procurement team and other districts in the County to secure further joint working arrangements. The contract to provide support to Wychavon is to be presented to their members on 16th May. This will generate income to Bromsgrove District Council together with further opportunities to extend the partnership arrangements and economies of scale.

7. Financial Implications

7.1 None outside existing budgets.

8. Legal Implications

8.1 None.

Contact officer

Jayne Pickering – Head of Financial Services
E Mail: j.pickering@bromsgrove.gov.uk
Tel: (01527) 881207



PROCUREMENT UPDATE

MISSION STATEMENT

“The Procurement Unit is committed to assisting its customers through the implementation of best procurement practice in accordance with Bromsgrove District Councils Vision and Values.”

Welcome to this, the very first edition of the Procurement Update

With a New Year, comes a new beginning for the newly established corporate procurement team of Alex Haslam and Dean Hogan who are now available for guidance, information and practical help on any procurement query, issue or concern you may have. We are looking forward to the challenges ahead and to working with and meeting as many of you as is practicable.

Our remit is to ensure that Bromsgrove District Council procures goods and services in a transparent, compliant manner and is exposed to minimum risk in the process. Everyone who has control of or spends public money has to exercise a duty of care and achieve demonstrable best value of money for the authorities' customers.

We are in the process of building a Procurement page within the Authorities Intranet where you will be able to find guidance on a whole range of procurement topics and hopefully, in the not to distant future, copies of any standard documents that are created to smooth the procurement process

We are located in the former housing reception office adjacent to the main reception where you are welcome to drop in, preferably by appointment to avoid waiting and the contact details are:

Alex Haslam - Tel. Extn.1371 email: a.haslam@bromsgrove.gov.uk
Dean Hogan - Tel. Extn.1281 email: d.hogan@bromsgrove.gov.uk

In this issue;

- Meet the team
- Current BDC thresholds for procurement

Standard features;

- Update on new contracts let
- Upcoming new contracts
- Progress against savings targets

This month's article:

- Contractual Risk, an article designed to heighten awareness of the main risks Inherent in contracting for goods or services – and how to avoid or manage them!!

Meet the Team

Dean Hogan MCIPS

Starting in the field of further education, Dean's career has progressed through Facilities Management and into the Automotive Manufacturing sector, where he held the position of UK-wide Senior Buyer. This involved the procurement of components for seats, dashboards, bumper modules and door panels for supply into various large car manufacturers including Rover, Nissan, Toyota, Peugeot and Honda. One of the remits within this position was to improve joint procurement across the UK, working closely with Production and Logistics to improve supply chain practices. Dean joined Worcester City Council on 1/9/04 tasked with setting up a Corporate Procurement Unit and to improve the way procurement is performed across the Council.

Alex Haslam MCIPS

Over 25 years international procurement experience prior to coming to the UK - has spent the last 12 years working in Public Sector procurement firstly with The Cabinet Office (Buying Agency) and then with OGCbuying Solutions as a Senior Procurement Adviser where, apart from other achievements, he managed the launch of the new Government Procurement Card (GPC) Contract with the Office of Government Commerce (OGC) also advising the French Finance Ministry on the concept of procurement cards.

For the past two years he has been employed within the NHS in procurement consultative capacities by the NHS Information Authority, NHS Connecting for Health and the four major Birmingham Primary Care trusts.

Procurement Thresholds

Value (Excl.VAT)		Minimum Requirement
Below £8K	-	3 verbal quotations.
£8K to £30K	-	3 written quotations.
£30K to £144K	-	formal tendering process.
£144K PLUS	-	MUST comply with European Union Procurement Policy and Rules (OJEU).

NOTE: We await Cabinet approval of revised thresholds which should happen on or around the 20th February 2006 – when these are available we will amend all relevant information and advise you of the detail on procurement procedures that apply to each level.

New Contracts Let

Temporary Clerical/Administrative Staff

Dean Hogan has arranged for BDC to access the existing contract let by Worcestershire County Council with Pertemps. We will be e mailing out details of rates and how to access the arrangement within in the month. This should if utilised BDC wide produce a 20 % saving approx. over the current arrangement and you all commended to use the new contract.

Upcoming new contracts

GTM – Mobile telephones

We are in discussions with OGC buying solutions with a view to converting all mobiles to the upcoming new contract with Vodafone which will be in place May 2006. This will provide significant line rental, call charges savings with additional flexibilities.

Fuel & Energy

Currently collating statistical data to take a global requirement for gas & electricity out to the marketplace and obtain maximum benefit for what leverage we have.

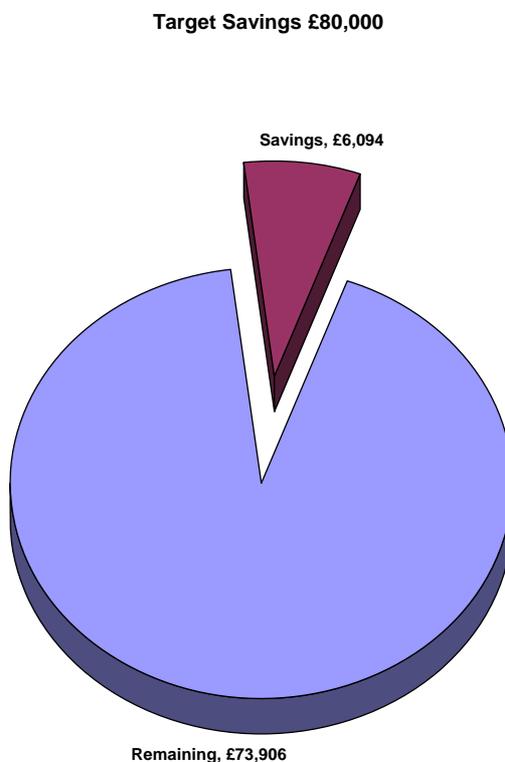
Landlines

Talking to OGCs and Worcester City Council in conjunction with the IT department to ascertain synergy and potential savings

Print Solutions

Looking with the IT department to rationalise printing from PC's and photocopying and get the most economic deal through government contracts

Progress against savings targets



This month's article

'CONTRACTUAL RISK'

What is it and how can it be reduced?

Introduction

1. There is a range of contractual risks and a number of methods of reducing those risks. In each case the likelihood of the risk occurring and the cost of reducing it need to be balanced to find a cost effective and value for money solution. It is often possible to transfer risk to the Supplier/Contractor but apportionment of risk between the Authority and the Supplier/Contractor should always be considered with the party best placed to minimize the risk accepting responsibility for it.
2. This paper considers the most common contractual risks and identifies strategies for reducing them. However not all strategies are appropriate in every case and the costs and benefits of each must be considered.

Specifying Requirements

3. Ensuring that the requirements are adequately specified helps the supplier estimate the time and resources required to deliver the product or service. This improves the quality of the quotation and reduces the risk of disputes concerning the scope of work or missing functionality.
4. Specifications particularly of complex products and services should be reviewed for fitness for purpose – They describe both the big picture and the detail. (See OGC Specification Writing Guidance)

Selecting the "right" supplier

5. Ensuring that the "right" supplier is selected in the first instance can reduce most contractual risks.
6. The following should always be considered when selecting a supplier:
 - Competitive tendering
 - Advertising the requirement
 - Sharing specifications or terms of reference with potential suppliers before issuing formal Invitations to Tender
 - Assessing potential supplier's audited accounts
 - Seeking references and making visits to reference sites
 - Seeking Parent Company or Bank Guarantees
 - Having prospective suppliers make presentations
 - Identifying Suppliers' Business Continuity Planning
 - Visiting the supplier's premises and assessing their capability against an appropriate model of good practice using structured methodology.
 - Checking where the use of the Authorities terms and conditions is not possible, the suppliers standard terms and conditions for acceptability
 - Specifying and looking for evidence of compliance to good practice & relevant standards e.g. ISO, BS etc

Managing the less than perfect supplier

7. It is rarely possible to choose the “perfect supplier”. Factors such as time-scales, budgets, or the ownership of intellectual property mean that the supplier selected is unlikely to be ideal in all respects.
8. Understand the risks arising from the supplier’s deficiencies.
9. Ensure the contract terms and contract management regime adopted mitigate against known risks. For example, if a supplier is known to be poor at project management, make detailed plans a contractual deliverable and monitor progress closely. If they are known to deliver variable quality products, specify the testing regime and witness tests prior to acceptance.

Getting the visibility you need

10. As an example even when run internally, large IT projects often fail to meet their goals of functionality, time-scales and cost. Acquiring and maintaining visibility of what is going on is harder to achieve when the activities are taking place in another organisation with the cultural and commercial barriers that this entails. Ensure that the suppliers are aware of your needs for information at the tender stage and that your rights to receive plans and progress reports and validate status on the supplier’s premises are written in the contract.

The most common “Contractual Risks”

11. As stated above there are a number of contractual risks. The most common are identified below:

Wrong Price

- 11.1. A price may be too high or too low. Both involve different risks for the Authority. Too high a price means that value for money is not obtained. Too low a price may give rise to the risk of default or non-performance.

Price Escalation During Contract

- 11.2. The contractor may attempt to increase costs during the contract by introducing “extras”.

Accepting Suppliers terms and conditions

- 11.3. The Authority will always endeavor to trade on its own terms and conditions. Frequently the Supplier will send an acknowledgement form accepting the order and try to impose their own less favourable terms.

“Lost” Interim Payments

- 11.4. There is a risk that interim payments made to a supplier may be “lost” should they go out of business before delivery is made or fail to complete the work after work for earlier stages has been received

Default

- 11.5. This is the risk that a Supplier once selected defaults on the contract and fails to meet the contractual obligations. That is, the supplier does not just deliver late but fails to deliver at all!

Late Completion

- 11.6. This is the risk that delivery is not made on time.

Poor quality

- 11.7. This is the risk that although delivery takes place at the time required the goods or services are not of sufficient quality or in the case of consultancy the advice provided is incorrect or proves to be deficient.

Failure of Performance

- 11.8. This is the risk that the supplier of a service fails to provide a service that is satisfactory

Property and risk

- 11.9. This is the risk that goods ordered will be damaged prior to formal acceptance but after delivery and the Authority becomes responsible for rectification costs

Property Damage

- 11.10. This is the risk that Suppliers working on an Authority site damage Authority premises or equipment. It can also cover damage to Authority property loaned to the Contractor for the purpose of the contract.

Intellectual Property Right (IPR) Infringement

- 11.11. This is the risk that the Authority will unknowingly infringe Third Party Rights by using information provided by a supplier. There is an additional risk that the Authority does not fully protect its own IPR.

Warranty, service and after sales

- 11.12. This is the risk that the Authority has made additional payments for warranties or after sales service that is subsequently not provided or paid for warranties that restrict rather than enhance rights available under statute (e.g. Sale of Goods Act)

How these risks may be reduced

12. All of the above risks may be reduced by a lesser or greater degree. They should all have been identified and addressed before any contract is placed. Selection of the right supplier and agreement of appropriate terms and conditions can reduce many of the risks but for some it is only possible to ensure that should the risk materialise appropriate compensation will be paid.
- 13.
14. The attached table suggests some basic steps that can be taken to minimise each of the risks identified above.

IDENTIFIED RISK	RISK REDUCTION MEASURES
Wrong Price	<ul style="list-style-type: none"> • Competitive tender should indicate whether a price is unrealistic • Unrealistically low prices should be questioned and tenderers' bids probed to test that they have understood the Authority's requirements • Where competition is not available, "in-house" cost estimates should be prepared for comparative purposes • A breakdown of the tenderer's quotation should be sought so man-hours, wage rates, overhead rates and material costs, etc can be analysed. • The government profit formula should be used in non-competitive pricing • Where contracting on a firm price basis is considered high risk, other arrangements such as Target Cost Incentive Pricing should be considered.
Accepting Supplier's terms and conditions	<ul style="list-style-type: none"> • The Authority's terms and conditions should always be enclosed when soliciting enquiries or proposals. Any acknowledgement including alternative terms should be rejected.
Prices escalation during contract	<ul style="list-style-type: none"> • Adequate initial specification • Rigorous change management procedures
Lost interim payments	<ul style="list-style-type: none"> • Ensure interim payments are for specific deliverables • Ensure all interim payments are "advances against the Contract Price" and are therefore recoverable in the event of default • Ensure that contract conditions "vest" articles paid for in the Authority and become the Authority's property
Default	<ul style="list-style-type: none"> • Select the "right" supplier • Obtain "Performance Guarantee" from Parent company • Ensure the price is "right" and the Contractor is likely to make a mutually acceptable profit

<p>Late Completion</p>	<ul style="list-style-type: none"> • Select the “right” supplier • Ensure the tenderers are requested to submit their best realistic delivery offer. If any indication of our requirement is given tenderers offer what they think we want to hear not what they can necessarily deliver • Asking for detailed project plans, where appropriate, together with breakdowns of resources required. Review suppliers’ estimate of schedule and resource against evidence of previously achieved productivity on similar projects and Authority held knowledge. Examine suppliers’ resources required for your project against resources available • Ensure that a “relationship” is maintained with the supplier through regular formal and informal meetings. • Maintain a joint risk register with the supplier • Competitive tender may identify any unrealistic “early” delivery dates • Ensure contract terms on long development contracts include provision of plans, detailed and regular reporting and rights for the Authority to validate progress at key milestones • Ensure payment is on completion only • Use “Liquidated Damages” provisions where cost of delay can be quantified. • Introduce “incentives” for early delivery BUT only AFTER the supplier has made their best realistic delivery offer
<p>Poor Quality</p>	<ul style="list-style-type: none"> • Select the “right” supplier • Ensure requirements are complete and adequately detailed • Specify appropriate quality criteria in tender documents (e.g. relevant ISO standards) and seek evidence of compliance (e.g. certificates) • Where appropriate have samples tested before awarding a contract • Ensure supplier undertakes appropriate testing during contract and that below quality items are not delivered • In the case of consultancy consider division of work into “work packages” that can be reviewed before next “work package” authorised rather than daily rate contract • Ensure that the supplier has adequate professional indemnity insurance to cover claims should consultancy advice prove incorrect or deficient
<p>Failure of Performance</p>	<ul style="list-style-type: none"> • Select the “right” supplier • Ensure requirements are adequately specified • Clearly specify acceptance criteria • Ensure rigorous change management • Nominate “Service Managers” to monitor service delivery and report to “Contract Manager” • Ensure contractual responsibility defined • Ensure that a “relationship” is maintained with the Supplier through regular formal and informal meetings • Ensure the contract provides for “Service Credits” to be paid should performance fall below minimum acceptable levels
<p>Property and Risk</p>	<ul style="list-style-type: none"> • Ensure that the contract clearly specifies when “property” and “risk” are to pass • Ensure that Authority staff understand what has been agreed where this is different to the norm • Ensure that where advance payments are made “property” passes to the Authority on payment and not delivery

Intellectual Property Rights (IPR) Infringement	<ul style="list-style-type: none"> • Ensure that appropriate contract conditions are included by which the Supplier indemnifies the Authority for any infringement of Third Party Rights • Ensure the Supplier has appropriate insurance or financial resources to meet the terms of the indemnity • Ensure that all activities that lead to the generation of IPR have been identified (e.g. Copyright) and that appropriate terms are included to protect the Authority's position (including commercial exploitation rights if appropriate)
Property Damage	<ul style="list-style-type: none"> • Ensure that contract includes appropriate conditions relating to property damage • Ensure that Supplier has appropriate financial resources or insurance to meet any claim • Put minimum third party indemnity insurance within contract terms and conditions. • Check what claims have been made against the supplier for property damage in the past BEFORE entering into a contract
Warranty, service and after sales	<ul style="list-style-type: none"> • Select "right" supplier • Ensure terms of warranty (and cost) are appropriate for Authority's requirements • Ensure that supplier has financial and technical resources to support warranty • Consider whether supplier should provide warranty and after sales service or whether more appropriate to contract with specialist provider • Ensure requirements for support are adequately defined – an adequate service level agreement with provision for escalation exists • Ensure requirements match IA's terms offered to IA customers • Consider need and cost of specific warranty compared to existing rights under law
Poor performance due to failure of sub contractors	<ul style="list-style-type: none"> • Ensure supplier states who will be doing work at tender stage and apply supplier selection rules as above

We do hope that you found this update informative and would welcome any feedback particularly constructive criticism/suggestions for improvements or about procurement topics you would like covered in forthcoming issues, we hope to hear from you.

Alex Haslam
31/01/06



PROCUREMENT UPDATE

MISSION STATEMENT

“The Procurement Unit is committed to assisting its customers through the implementation of best procurement practice in accordance with Bromsgrove District Councils Vision and Values.”

Another month, another issue.....

We hope you found the first issue informative and as promised here is the second to be emailed to you direct. Please remember after the April 2006 issue you will only be able to read the latest issue by looking in the “Procurement” page on the Intranet.

We want every department in the Council to regard the Procurement Unit as an extension of themselves, we are here to help, not hinder - we will give you assistance with any intended, impending or planned purchases so please include us in your procurement planning.

A few words from an interested party:

They're here, they are up and running and remember, they are **your** procurement unit.

I for one am proud to have been involved in the creation and setting up of the Council's Corporate Procurement Service and I also want to thank all those who helped, especially the members of the Procurement Working Group who gave their time to help get this service off the ground. I am also delighted to see this second issue of the Procurement Update, a most informative and instructional publication.

Dean and Alex, our procurement team, are very experienced procurement specialists and I am sure you will all come to realise, if you haven't already, just how helpful they can be. The skills they bring to the Council are second to none and they are already making great strides in standardising procurement documents, records, practices and delivering real savings for the benefit of you all. They are also embarking on a planned series of activities aimed at delivering procurement training as well as continued savings to the Council. That can only be helpful especially in times of tight budgets, so please, help them to help you deliver our services more efficiently.

If you haven't met Dean and Alex yet take the time to do so, find out what they are doing and how this will help you. On the other hand if you have any suggestions as to how they might help your procurement activity then tell them. They'll be glad to help.

Dean and Alex are based in the old Housing office next to HR - available on extension 1371 or 1281 or by email on a.haslam@bromsgrove.gov.uk or d.hogan@bromsgrove.gov.uk

John Kirke
Interim Assistant Corporate Director.

In this issue;

- New BDC thresholds for procurement

Standard features;

- Update on new contracts let
- Upcoming new contracts
- Progress against savings targets

This month's article:

- A Simple Procurement Guide to achieving best value for money

New Procurement Thresholds

The financial spending limits which apply to the procurement of goods and services (i.e. those figures at which informal or formal quotations and full tendering exercises are carried out) have not been reviewed or updated for some years. This has led to officers, members and contractors spending time in carrying procurement activity that is considered inappropriate and, in today's financial world, often uneconomic in relation to the value of the goods or services being procured.

In order to bring the values concerned up to date and to improve the efficiency of the whole procurement process Members were asked at Cabinet on 22nd February to consider and approve the following recommendations to spending limits and revisions to procurement practices:

Type 1 Contract - Goods or services between £0 and £14,999 – 3 oral quotations.

Type 2 Contract - Goods or services between £15,000 and £30,000 – 3 written quotations.

Type 3 Contract - Goods or services between £30,000 and £75,000 – 3 written quotations in response to a formal initiation consisting of a written specification of what is required.

Type 4 Contract - Goods or services in excess of the value of £75,000 – a formal tendering process.

Type 5 Contract - Goods and services above the value of €211,000 (currently £144,361) and capital works above the value of €5,278,000 (currently £3,611,319) – a formal OJEU tendering process.

The above changes will place Bromsgrove District Council in line with modern and best practice procurement principles. An explanation of the procedures to be followed in using these revised limits is contained within the Council's new 'Contract Procedure Rules' copies of which are available in the corporate procurement unit or on the Council's intranet.

We are pleased to advise that the new thresholds have now been approved by Cabinet and will be effective from the 8th March 2006.

New Contracts Let

NatWest bank (part of the Royal Bank of Scotland) have been selected as providers to the Council of Government Procurement Cards (GPC) The first tranche of suppliers have been selected, are in various stages of being 'recruited' with a target of being able to accept orders via a 'Virtual' card by 1st April 2006. (The term 'Virtual' means that there will be no actual plastic card the supplier will hold the card details only.)

We will be advising colleagues further on this topic including how the internal processes will work and we will be giving training and one to one assistance to the colleagues who will be using this system of procurement first.

But, as always we are happy to answer any relevant questions you may have.

A four month trial will be started on the 1st March 2006 with Comensura who will be supplying manual grades of temporary staff at significant savings for the Council on current rates paid. Comensura will act as Negative Vendors for BDC.

Upcoming new contracts

We are trialling the online rail ticketing system provided by Harry Weeks travel which will allow officers to book online and have their ticket printed within BDC.

Progress against savings target

Cashable Savings



This month's article:

A Simple Procurement Guide to achieving best value for money

The potential contribution of effective and efficient procurement has been widely acknowledged within the private sector for many years and the buyer has been tasked with obtaining the right quality of product or service, in the right quantity, at the right time, in the right place, at the right price. Collectively, these '5 rights' constitute value for money. Additionally, it has been increasingly acknowledged that the cost of the procurement process is also a key factor in the value for money equation and various means of reducing or avoiding such costs have been developed.

The public sector has generally been slower to recognise the scope for benefits but, while profit is not a principal motivator, best practice in procurement can help scarce resources go further and result in improved service provision. Unlike the private sector, however, the public sector buyer is also required to meet certain national and international obligations.

In the first instance, HM Treasury require that value for money should be obtained through competition, wherever possible. Usually, public authorities will embrace this requirement within local Financial Regulations or Standing Orders, although value thresholds will normally be established below which it is not necessary to follow a tendering process or obtain quotations.

The competitive process

There is also an international obligation imposed by the European Union. At the general level, the Treaty of Rome requires that no buyer should discriminate on nationalistic grounds, whatever the value of the purchase. For higher value demands, EU Directives demand that contracting authorities should provide equality of opportunity to all potential suppliers within the Union. In particular, prescribed actions are required to be carried out, including the advertisement of intended purchases in the Official Journal of the European Union – OJEU (formerly the Official Journal of the European Communities – OJEC). Failure to comply can lead to legal challenge by a disadvantaged supplier, with the courts able to impose remedies available, including revocation of any non-compliant contract and the payment of damages by the contracting authority to an aggrieved supplier. Details of the EC Directives can be found on the intranet under 'Procurement Toolkit' then 'Financial Regulations' or via the OGC website (www.ogc.gov.uk).

Best practice purchasing techniques

The obligation to pursue a competitive process does not, however, diminish the benefits that can accrue from the use of best practice techniques in purchasing. As stated above, the '5 rights' will represent value for money or Best Value and the likelihood of securing each of them will be maximised by examining a combination of the following aspects. The relative importance of each 'right' and the amount of time to be spent on the facets below will, of course, be dependent on the specific nature of the procurement and the circumstances surrounding it.

Specification

The means of defining what is needed is a key aspect in obtaining value for money. It is important to select the correct level of quality for the task in hand – indeed, quality is defined by the British Institute as ‘fitness for propose’ – as any call for an over-specified product or service will only serve to increase costs. It is also important to use the appropriate method to describe that requirement to potential suppliers. A range of options is available, from the use of brand names, blueprints or engineering drawings and full descriptions of the methods of manufacture, through to functional or performance based specifications. Each has its benefits and disadvantages but the Council encourages the use of an output-based specification that allows suppliers to offer trade pattern products or standard working practices. Again, it is generally more expensive to require industry to create a bespoke solution, especially where the individual demand is not unique to the end-user.

Sources of Supply

Having defined the need appropriately, the most important factor in ensuring delivery of value for money is the choice of the source of supply. Many issues are worthy of consideration, but chief among these are the potential suppliers:-

Capability and Capacity

This enables a buyer to assess the likely ability of the supplier to provide the correct quality and quantity of goods or services within the required timescale.

Financial Position

To ensure that the company has the necessary resource to finance the manufacture, distribution and or servicing of the demand and the stability to maintain business continuity over any period of maintenance/product life span.

Track Record

To demonstrate that similar demands have been successfully met. This may involve both seeking references from the company’s client base and analysing our own supplier performance records/notes or vendor rating records (where they are kept). The latter should include important data such as promptness of delivery, product or service reliability, speed of query resolution and price competitiveness in previous tender exercises.

Location

While significant improvements in distribution chains have occurred in recent years, this might be a factor where the contract covers service provision rather than the supply of goods.

Administration

The ability of a company to administer orders and invoicing is almost as important as the supply of goods or services and inefficiencies in these areas can quickly erode competitive advantages in terms of pricing.

Terms and Conditions of Contract

The choice of appropriate terms will not only provide adequate protection to the buyer but also relieve suppliers from having to insure against unnecessary risk. This can cover areas such as warranties, indemnity, payment methods, loss and damage, acceptance, rejection and title.

Tender Negotiations

The ability to obtain value for money will frequently be enhanced by pre-tender discussions with the market to ensure that potential suppliers are fully aware of the requirement and that the specification reflects what is available in the most cost-effective manner.

Post-tender negotiations may also be appropriate, but are only permitted under Standing Orders with one selected lowest price/Best Value tenderer. In both instances, however, care must be taken to ensure that all companies are treated equitably and that the competitive process is not distorted.

All the above reflects the belief that value for money is more than just a price-based judgement. It is important, therefore, that in the evaluation of offers a raft of criteria is used to assist in the comparative quantification of bids. The individual issues, and weighting of each, will vary according to the nature of the purchase but will frequently include a variety of maintenance and servicing, guarantee periods and disposal costs as well as the initial capital outlay and payment scheduling. Please refer to the Evaluation Criteria under 'Templates (Stage 2)' on the Procurement Intranet.

Costs

The cost of conducting the procurement exercise is also an important consideration and includes:

- The time and effort involved in managing the contracting process, from both the buyer's viewpoint and that of the supplier. In this latter respect, if the demands on suppliers are too great when measured against the likely contract value, or the scale of competition offers only a small chance of success, it is likely that many suppliers will decline to tender. Alternatively, they will load their prices to recoup their costs, including those associated with previously unsuccessful bids;
- The transactional elements of the process, particularly those linked with requisitioning, ordering and bill payment.

Smarter methods of working can eliminate or reduce some elements of these costs. The aggregation of demands within an organisation, for example, might result in a single contract with improved prices, better terms and conditions, more efficient ordering and consolidated invoicing. A consortium approach, through linking with other buyers with similar requirements, offers the opportunity to share economies of scale, benefit from potentially greater price advantage and deploy more efficient management of the supplier base.



PROCUREMENT UPDATE

MISSION STATEMENT

“The Procurement Unit is committed to assisting its customers through the implementation of best procurement practice in accordance with Bromsgrove District Councils Vision and Values.”

Where did all the spring flowers go?

Unreliable weather causes the problem but here again on time the last copy of Procurement Update that will be e mailed directly to you. Please remember after this issue you will only be able to read the latest issue by looking in the “Procurement” page on the Intranet.

We are grateful to Cllr G. Denaro for providing us with our preface this month his theme follows that of the Office of Government Commerce (OGC) who with the publication in 2005 of the paper entitled of “Smaller Supplier – Better Value” actively promote engagement with SME’s and local businesses.

‘BIG’ is best..... Or is it?

There seems to be a mad rush in all directions at the moment to prove that BIG is best. Everywhere you look in Local Government whether it is Bromsgrove District Council, the Police, Health or Ambulances as well as shared services perceptions of threats from Mr BIG are understandable but not necessarily always justified. There is no doubt that there are opportunities to achieve significant savings by centralised purchasing and procurement - Stationery being an obvious one.

In a previous life I used to be responsible for a number of outlets spread over Worcestershire and keeping on top of their Premises needs took a lot of local odd-job men (or women of course) who were ready to pop round with the van.

Somebody sitting in a large office decided large sums of money could be saved by centralising all these demands with one large agency. Needless to say they saved money but service response deteriorated and Customers suffered.

What on earth is he going on about, I hear you ask?

Well the point I am endeavouring to make is that within any Procurement operation there is room for the BIG savings but Local Suppliers can enjoy benefits as well. Once they have been set up on the Government Procurement Card (GPC) VISA system Section Heads can place orders with the relative Password Authorisation and Hey Presto the supplier has a confirmed order and their money within 5 days. (That should help our invoice payment targets and their cash flow)

The key target objective has to be to maximise savings all round whilst ensuring that service to customers is not jeopardised.

So, if anybody out there knows a Local supplier who does an efficient job representing good value for money and feels the Council will benefit let Alex and Dean know so they can ascertain if they can be used.

In summation therefore do not assume that Mr BIG must be used for everything - sometimes Mr Small will be far quicker and deliver better value for money.

A balanced approach is the key or should I be using modern terminology - a diverse approach.

Cllr Geoff Denaro

In this issue;

- New BDC thresholds for procurement – We thought this was worth re-iterating just in case you missed the first publication in the March issue of PU

Standard features;

- Update on new contracts let
- Upcoming new contracts
- Progress against savings targets

This month's article:

- Framework Agreements in the new Public Contracts Regulations

Update on new contracts let

Awaiting sign off is a proposed contract for the creation of Corporate Advertising including placement in requisite publications, which should represent approximately a 14% saving over current arrangements

We are to join in with a contract let centrally by Worcestershire County Council covering the supply of Temporary Administration/Clerical staff which will provide an average 9% saving over current arrangements

We have to regretfully advise that there has been slippage on target dates for:

Government Procurement Cards – Revised implementation date is now the 1st May 2005 for the initial tranche

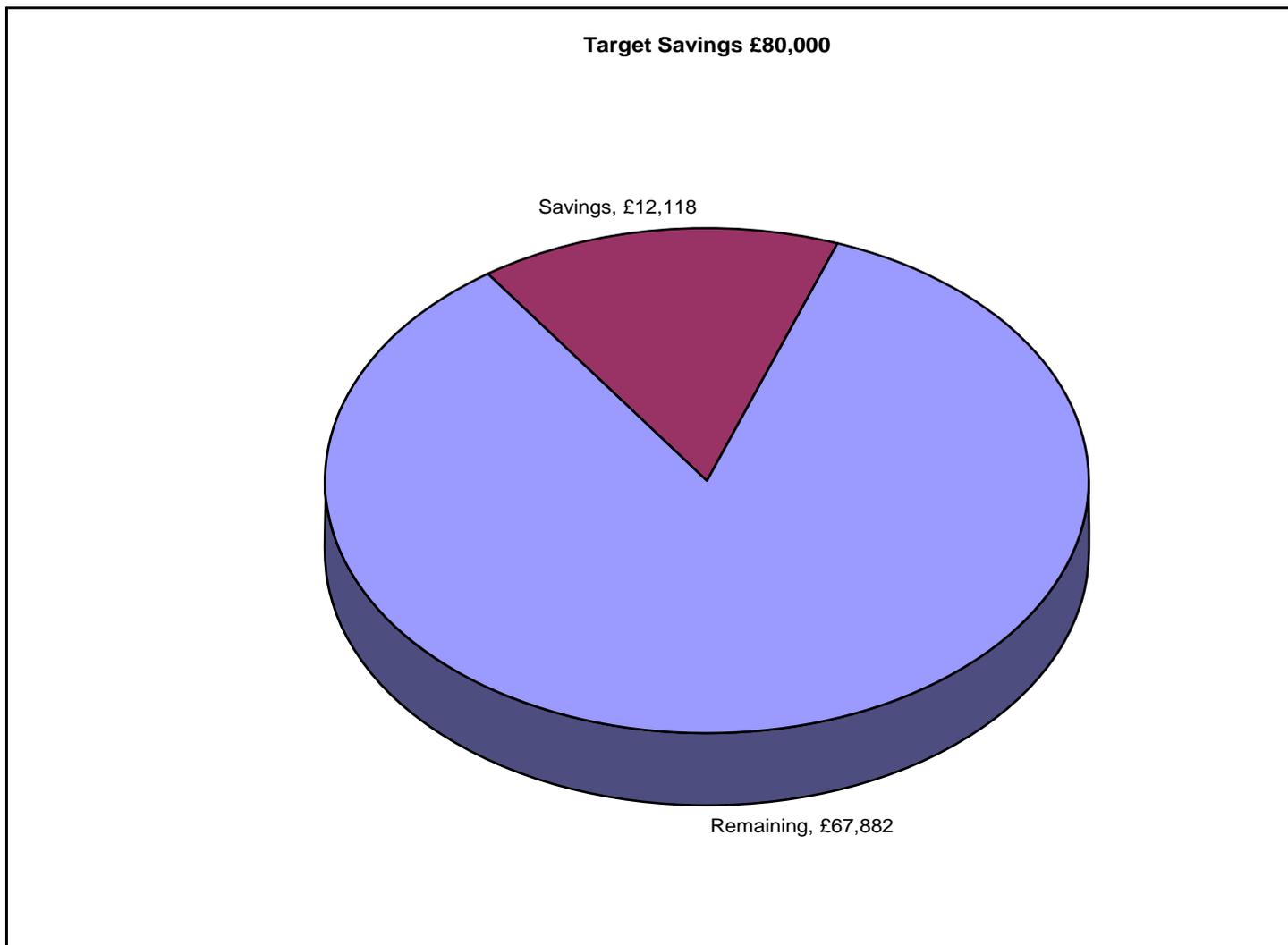
Temporary Industrial Staff – Revised date for implanting the trial with Comensura will now be 1st May 2006

Upcoming new contracts

Legal & Democratic Services are to evaluate the potential usage of 'L CAT' the OGC contract for legal services for ad hoc requirements for advice and legal opinion.

Progress against savings target

Cashable Savings



This month's article:

Framework Agreements in the new Public Contracts Regulations

Introduction

The new public sector procurement Directive, which replaces the existing Directives covering public procurement of services, supplies and works, includes a provision (Article 32) on framework agreements for the first time. The UK Regulations, which implement this new Directive, will cover this provision in Regulation 19. The Regulations came into force on 31 January 2006. This note offers guidance on the implications of the new provision on framework agreements. As the new provision is simply making explicit what is already considered to be permissible under the existing EU rules, procurers do not have to await implementation of the new Directive before making use of this guidance note, it can be used now.

What is a framework agreement?

The new Directive defines a framework agreement as an agreement with suppliers, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and quantity. In other words, a framework agreement is a general term for agreements with providers which set out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement. The framework agreement may, itself, be a contract to which the EU procurement rules apply.

This would be the case where the agreement places an obligation, in writing, to purchase goods, works or services for pecuniary interest (or consideration in UK legal terminology). For this type of agreement, there is no particular problem under the EU rules, as it can be treated in the same way as any other contract.

However, the term is normally used to cover agreements which are not, themselves, covered by the definition of a contract to which the EU rules apply (though they may create certain contractually binding obligations). Such agreements set out the terms and conditions for subsequent call-offs but place no obligations, in themselves, on the procurers to buy anything.

With this approach, contracts are formed, in EU Directive terms, only when goods, works and services are called off under the agreement. The benefit of this kind of agreement is that, because authorities are not tied to the agreements, they are free to use the frameworks when they provide value for money, but to go elsewhere if they do not.

It is this form of agreement, where the framework itself cannot be readily classifiable as a contract for the purposes of the current Directives, which has caused much difficulty in relation to the application of the EU procurement rules, and which is addressed explicitly in the new provision and covered in this note. But it should be stressed that the contractual status of a framework agreement should not cause undue concern; the key is that a means of awarding contracts under framework agreements is provided for without the need to re-advertise and re-apply the selection and award criteria from the outset.

Why has there been a problem?

The UK has always taken the view that the only sensible approach to such framework agreements is to treat them as if they are contracts in their own right for the purposes of the application of the EU rules. As such, the practice has been to advertise the framework itself, in the OJEU, and follow the EU rules for selection and award of the framework. This provides transparency for the whole requirement across the Community and it removes the need to advertise and apply the award procedures to each call-off under the agreement, on the basis that the framework establishes the fundamental terms on which subsequent contracts will be awarded.

The European Commission has, during recent years, expressed some concerns about this approach, the main concern has been that, in making call-offs under a framework agreement, there should be no scope for substantive amendments, through negotiation, to the terms established by the framework agreement itself.

Discussions with the Commission on complaints involving Northern Ireland framework agreements and the GCat and S-Cat electronic catalogues, however, have led to a better understanding within the Community of how these agreements can fit with the EU rules. The new provision meets the UK's need for greater clarity in this area compatible with current practice.

Setting up a framework agreement

It will be important to consider whether a framework agreement, as defined above, is the right approach for the particular goods, works or services to be purchased. This will be a value for money judgement for the contracting authority or authorities concerned, taking account of the kinds of purchases involved and the ability to specify such purchases with sufficient precision upfront. In particular the framework should be capable of establishing a pricing mechanism.

However, this does not mean actual prices should always be fixed, but rather that there should be a mechanism that will be applied to pricing particular requirements during the period of the framework. It should also be possible to establish the scope and types of goods and/or services that will need to be called-off. There should not be any objection to upgrading the product, service or works required so long as it remains within the scope of the original specification.

In using framework agreements, contracting authorities will need to ensure that their obligations on issues such as sustainability, TUPE and Code of Practice on Workforce Matters are being met. The use of framework agreements does not remove the need to address these issues, where relevant, in awarding a contract at the call-off stage.

If the framework approach is chosen, it will be necessary to advertise the framework itself in the OJEU, if its estimated maximum value over its lifetime exceeds the relevant EU threshold and the procurements in question are not covered by one of the exclusions set out in the Directives. If the framework itself is not advertised in OJEU, in cases where the procurements are subject to the EU rules, an OJEU notice may be required for individual call-offs. The need to do this will depend on the size of the call-offs and on whether the aggregation rules apply. It is far better, therefore, to advertise the framework itself, so that there is no need to consider the need for advertising as each call-off comes up.

Contracting authorities which act as central buying organisations may set up and advertise framework agreements on behalf of other contracting authorities. Where the EU rules have been followed by such central buying organisations, other contracting authorities may use the framework agreements as required so long as they have been covered in the OJEU notice.

The new provision explicitly recognises that contracting authorities may purchase through central purchasing bodies.

Under the proposed new Directive the OJEU notice must:

- make it clear that a framework agreement is being awarded;
- include the contracting authorities entitled to call-off under the terms of the framework agreement.

The authorities can be individually named, or a generic description may be used – eg Government Departments, health authorities, all contracting authorities in a particular region etc. When generic descriptions are used, it is advisable to include, in the notice, a reference to where details of the authorities covered can be obtained. Although the individual circumstances will need to be considered, it is worth seeking to construct the framework so that it can have the maximum take-up across the public sector.

However, if the framework is only relevant to, say, certain central Government Departments, that should be made clear;

- state the length of the framework agreement.

Under the new provision, implemented in January 2006, it will be a maximum of four years “except in exceptional circumstances, in particular, circumstances relating to the subject of the framework agreement”. It is understood that a longer duration could be justified in order to ensure effective competition in the award of the framework agreement because four years would not be sufficient to provide a return on investment. It is worth considering, in any event, whether a framework agreement is necessarily the best vehicle for a longer term project;

- include the estimated total value of the goods, works or services for which call-offs are to be placed and, so far as is possible, the value and frequency of the call-offs to be awarded under the agreement. This is necessary in order for providers to be able to gauge the likely values involved and to provide a figure for the framework overall which, as with other contracts, should not normally be exceeded without a new competition taking place.

Article 19 of the new procurement Directive, as implemented by Regulation 7 of the new procurement Regulations, enables contracting authorities to reserve the right to participate in a public contract to supported employment factories and businesses. The ability to reserve contracts in this way will apply to framework agreements as well as to contracts generally.

The OJEU notice, for the award of the framework agreement, will need to make it clear that it is reserved for sheltered workshops (the term used for supported factories and businesses in the EU Directive itself) under Article 19 of the Directive. Guidance on Article 19 is to be issued by the OGC and DWP.

Once the OJEU notice has been despatched, the authorities setting up the framework agreements should follow the rules for all phases of the procurement process covered by the Directives. This will include the use of the open or restricted procedures or, where the conditions for their use are met, the negotiated or competitive dialogue procedures, and adherence to the rules on specifications, selection of candidates and award.

The new Directive does not explicitly prohibit the possibility of concluding framework agreements under the new competitive dialogue procedure. However, it is difficult to imagine cases where the conditions governing the use of a competitive dialogue would be satisfied and the use of a framework agreement would be practicable. At the award stage, the providers to be included in the framework agreements should be chosen by applying the award criteria, to establish the most economically advantageous tender or tenders, in the normal way.

Framework agreements can be concluded with a single provider or with several providers, for the same goods, works or services. In the latter case, there must be at least three providers, provided that there are sufficient candidates satisfying the selection criteria and which have submitted compliant bids meeting the award criteria. The agreement will establish the terms which will apply under the framework, including delivery timescales and daily or hourly rates.

Contracting authorities awarding framework agreements will need to apply the new mandatory standstill (Alcatel) rules. The standstill period should apply to the award of the framework itself and not to contracts, or call-offs, awarded under the framework.

Call-offs

When awarding call-offs (individual contracts), under framework agreements, authorities do not have to go through the full procedural steps in the EU Directives again so long as the rules were followed appropriately in the setting up of the framework agreements themselves.

However, the relevant EU Treaty provisions and Treaty-based principles, including nondiscrimination, still apply at this stage, and authorities need to be careful to ensure that nothing is done which is discriminatory, improper or which distorts competition.

The length of call-offs, under a framework agreement, is not specifically limited by the Directives. For example, call-offs for consultancy services might be for three, six or twelve months or longer. It may be the case, as a result, that individual call-offs extend beyond the four-year term of the framework itself. However, this should not be done in order to circumvent the EU rules. For example, it would be difficult to justify a 12 month call-off, right near the end of the life of the framework itself, where the normal pattern for the goods or services in question had been for such call-offs to last for just one month at a time. The length of call-offs, as with other contracts, should be appropriate to the purchases in question and should reflect value for money considerations.

Where a framework agreement is concluded with just one provider, call-offs under the agreement should be awarded on the basis of the terms laid down in the agreement, refined or supplemented by other terms in the framework agreement but not agreed at that time. It is the same principle as that applying to a normal contract, except that, with a framework agreement, there will be an interval between the awarding of the framework itself and the calling-off of the goods, works or services under it. There can be no substantive change to the specification or the terms and conditions agreed at the time that the framework is awarded.

Where frameworks, for the same goods, works or services, are awarded to several providers, there are two possible options for awarding call-offs under the framework.

Option one: apply the terms of the framework agreement

Where the terms laid down in the framework agreements are sufficiently precise to cover the particular call-off, the authority awards the call-off without reopening competition. The Directive does not specify how this should be done. However, in order to ensure value for money, the authority should award the call-off to the provider who is considered to provide the most economically advantageous (vfm) offer based on the award criteria used at the time that the framework was established. Where that provider is not capable or interested in providing the goods, services or works in question, the authority should turn to the next best provider.

For example, frameworks might be concluded with five providers for the delivery of individual photocopiers, fax machines and printers, separately priced, and for delivery within set timescales. If the authority simply wants to call-off some photocopiers, it would go to the provider offering the most economically advantageous offer, using the original award criteria, for that item alone without reopening the competition. If that provider for any reason could not supply the items required at that time, the authority would go to the provider offering the next most economically advantageous offer, and so on.

Option two: hold a mini-competition

Second, where the terms laid down in the framework agreements are not precise enough or complete for the particular call-off, a further or mini competition should be held with all those suppliers within the frameworks capable of meeting the particular need. This does not mean that basic terms can be renegotiated, or that the specification used in setting up the framework can be substantively changed. Substantive modifications to the terms set out in the framework agreement itself are not permitted. It is more a matter of supplementing or refining the basic terms to reflect particular circumstances for the individual call-off.

Examples of such terms are:

- particular delivery timescales;
- particular invoicing arrangements and payment profiles;
- additional security needs;
- incidental charges;
- particular associated services, eg installation, maintenance and training;
- particular mixes of quality systems and rates;
- particular mixes of rates and quality;
- where the terms include a price mechanism;
- individual special terms (e.g. specific to the particular products/services that will be provided to meet a particular requirement under the framework).

Where a mini-competition is held for a particular call-off, the contracting authority should consult in writing (invite to tender) the providers within the framework which are capable of meeting the particular need. This does not necessarily mean that every provider in the framework must be included. A framework may cover a number of different supplies or services, and there is no obligation to consult those providers which had not agreed, in awarding the framework, to provide the particular supplies or services which are the subject of the call-off. Indeed, the framework may be divided into categories, each covering different supplies or services. In that case, the authority only need consult providers in the categories which cover the goods or services required.

However, there is no scope, at this stage, to run a selection procedure, based on technical ability, financial standing etc. This will have been carried out before the framework itself had been awarded and should not be repeated at the further competition stage. The decision on who should be consulted should be made on the basis of the kinds of supplies or services required and which providers can supply them, based on their offers at the time the framework agreement itself was awarded.

Contracting authorities should state the subject matter for the call-off for which tenders are being requested, and also a time limit which is sufficient to enable the selected providers to submit their bids for the particular call-off. This time limit should take account of the complexity of the call-off and the time needed for the different tenderers to submit their bids.

In addition, where the authority has decided to make use of the option to hold an electronic auction for the mini competition, it must abide by the rules covering e-auctions as set out in the Directive and Regulations. Tenders should be submitted in writing, and they should remain confidential until the time limit has expired. The contracting authority should award the call-off to the provider which has submitted the most economically advantageous tender on the basis of the award criteria set out in the framework itself focusing on the particular requirement. New award criteria should not be added, but weighting may need to vary to reflect the particular requirement.

Examples of framework agreements

Frameworks for supplies, services and works are allowed under the new provision. Examples of each type are as follows :

- **supplies from a single provider:** a framework agreement is required for desks by one authority and is awarded, following OJEU and selection, on the “most economically advantageous” basis to a single supplier. The authority calls-off its requirements for desks, during the period of the framework, on the basis of the terms agreed when the framework was set up;
- **supplies from several providers:** a framework agreement is required to cover a number of authorities’ paper needs over four years. Following the OJEU notice and the selection process, based on financial and economic standing and technical capacity, bids are evaluated on the “most economically advantageous” basis for entry into the framework. A number of suppliers are included in the framework to supply a variety of paper types – plain, lined, recycled, coloured etc – over the four-year period. The authority goes to the supplier within the framework whose offer is the “most economically advantageous”, based on the original award criteria, for each call-off required throughout the four years. As the terms do not need to be refined or supplemented in this case, the authority has no need to use the mini-competition option;
- **consultancy services:** a framework agreement is required for a range of consultancy services. An OJEU notice is issued and candidates for the framework are selected on the basis of financial and economic standing and technical capacity – including track record and ability. Bids are then evaluated on the “most economically advantageous” basis, including quality systems and fee rates. A number of companies are included in the framework, covering the range of consultancy services required. Hourly rates for different grades of staff form part of the agreed terms. When there is a need to call-off specific services, within the framework, the contracting authority holds a mini competition with all providers capable of meeting that need for the category of services required in order to establish which company provides the “most economically advantageous” (vfm) offer for the particular mix of grades/rates required;
- **minor works:** a framework is awarded to several contractors on a UK-wide basis, following OJEU, selection and award on the “most economically advantageous” basis. The contractors provide a range of services within categories, such as building, plumbing and electrical services. Hourly rates, call out charges and levels of quality are set under the framework agreement. When a call-off is required, the authority goes to the contractor providing the “most economically advantageous” offer, on the basis of the original award criteria, for the particular need. There is no need for a mini-competition in this case, as the terms do not need to be refined. An alternative approach might be to award a framework to a single contractor for each region; ***and***
- **major works 1:** a framework is needed for units to be constructed as part of a major works programme. Following an OJEU notice and a selection process, based on financial and economic standing and technical capacity, a framework is awarded to a small number of prime contractors for units to be constructed as necessary throughout the period of the agreement. The kinds of units in question might include prison cells, categories of hospital beds (e.g. acute, accident and emergency etc) garages etc, where there is a standard size, design or requirement. The awards are made on the basis of the particular mix of quality/unitary prices to meet the need. At the call-off stage, a mini-competition is held and bids are invited from all contractors capable of meeting the

requirement for the specific units, with the call-off awarded to the contractor providing the “most economically advantageous” bid for the units required.

- **major works 2:** a framework is required for the construction of standard building units or office space in various locations over a four-year period. Following OJEU and the selection process, based on financial and economic standing and technical capacity, a framework is awarded to a number of prime contractors on “the most economically advantageous tender” basis. Each of the prime contractors has the skills and supply chains necessary to undertake the different aspects of the construction work during the period of the framework. A decision is made, at each call-off, as to whether a mini-competition is needed – based on whether the terms need to be refined. If a mini-competition is necessary, bids are invited from all prime contractors capable of meeting the particular need. Call-offs under the framework, which may be awarded any time up to the end of the agreement itself, can continue beyond the period of the agreement until the work is completed

(With acknowledgements to OGC)

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

19th May 2006

Revenues and Benefits Monthly Performance Report

Responsible Portfolio Holder	Cllr Diane Campbell
Responsible Head of Service	Head of Financial Services

1. SUMMARY

- 1.1 The attached monthly report (March 2006 edition) has been in place since October 2005 copies of all reports have been forwarded to both Portfolio Holder and the Head of Financial Services.

2. RECOMMENDATION

- 2.1 That the report be noted

3. BACKGROUND

- 3.1 As part of the full Benefit Fraud Inspection (BFI) that was undertaken last year it was highlighted as 'Best Practice' in line with the Performance Standard that a performance report be produced.

- 3.2 That also the report highlights current performance against national and locally set indicators to gauge improvements to service delivery especially on: -

Benefit New Claims
Benefit changes of Circumstances
Collection overpaid Housing Benefit

- 3.3 The report also includes performance for Council Tax collection, Non-Domestic Rates collection, Benefit Fraud and managing incoming post etc.

- 3.4 The report also includes information on DWP funded projects and activities undertaken with the internal action plan for the section.

4. Financial Implications

- 4.1 There are no financial implications as a direct result of this report.

5. Legal Implications

- 5.1 None as a direct result of this report.

6. OTHER SUB HEADINGS

6.1 None

Personnel Implications
Governance/Performance Management Considerations
Community Safety Considerations
Risk Management Considerations
Policy Considerations
Environmental Considerations
Equalities Implications

Background Papers

None

Contact officer

Name: Leigh Butler – Revenues and benefits Manager
E Mail: l.butler@bromsgrove.gov.uk
Tel: 01527 881234



bromsgrove council
www.bromsgrove.gov.uk

Revenue and Benefit Section

Performance Report

March 2006

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Benefits Processing

BVPI's

Performance for the month of March has suffered due to the following:

Staff absence and sickness – **40 days**

Academy Benefits system testing for BDHT rent increases for 06/07

Up-ratings for 2006/07 tested for Housing Benefit

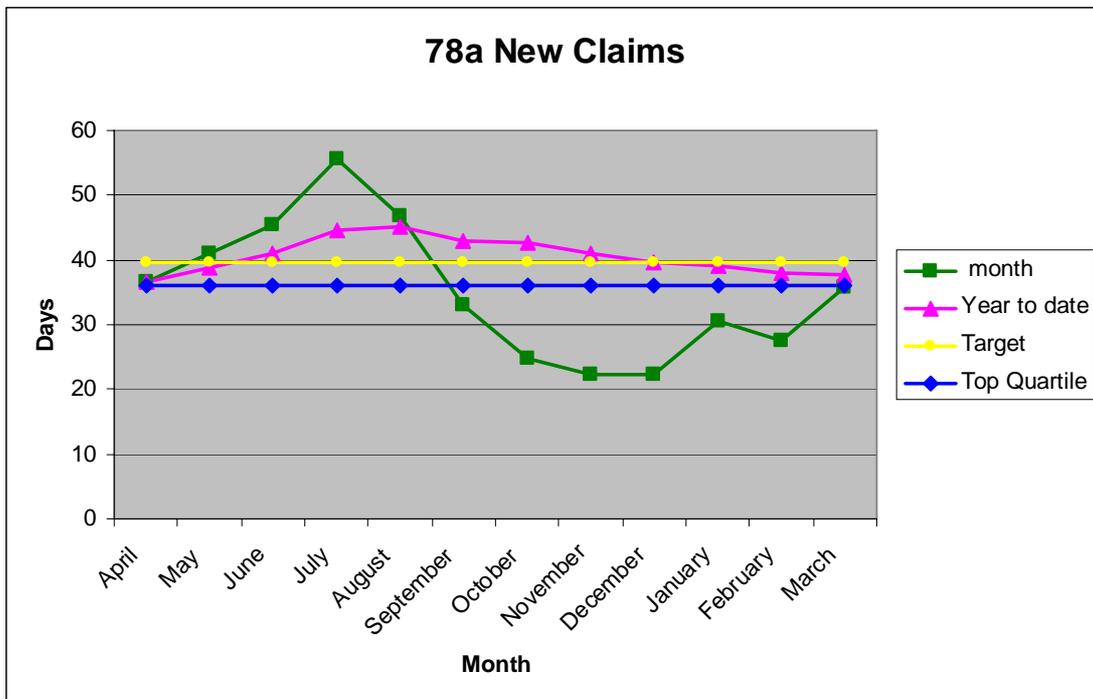
System downtime – 1.5 days

BVPI 78a - Average time for processing new claims

The target to be reached for 2005/06 is **39.75 days** and the cumulative figure at the end of March is **37.81 Days which is better than target set for year.**

The in month performance for March was 35.68 days, when compared with February's figure of 27.42 days which has deteriorated which is down to both staff absence and annual uprating for 2006/07.

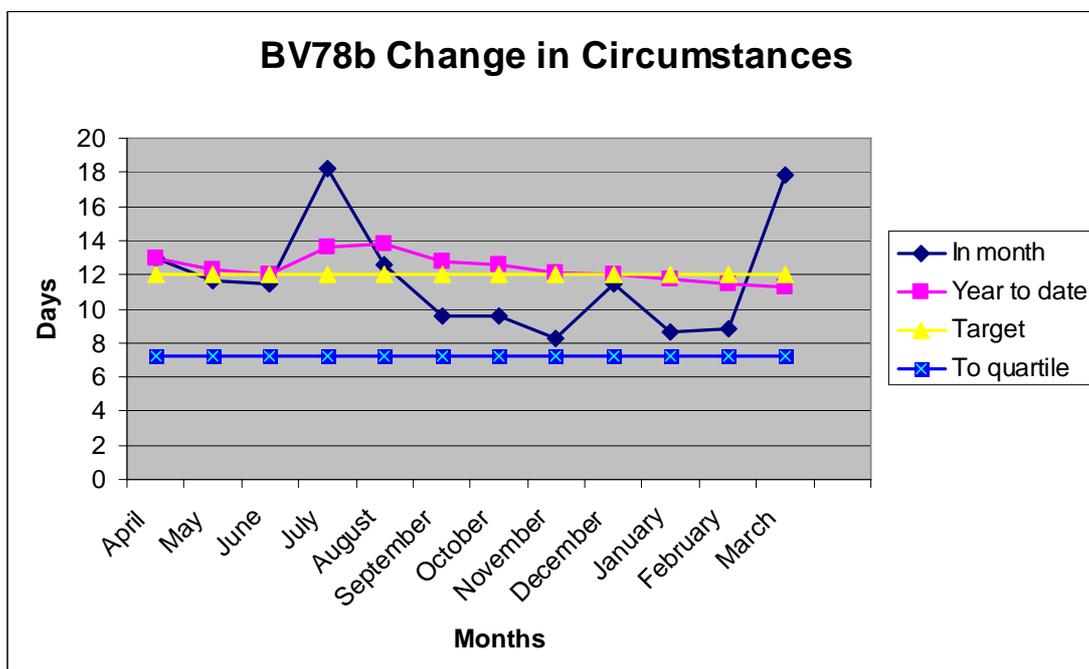
The graph below shows the performance for 2005/06.



BVPI78b - Average time for processing Change of Circumstances

The target to be reached for 2005/06 is **12.00 days** and the cumulative figure at the end of March is **11.88 days**.

The in month performance for March was 17.84 days this figure and has deteriorated when compared with last month's figure of 8.80 days. This is down to staff absence and 2006/07 annual up-ratings.

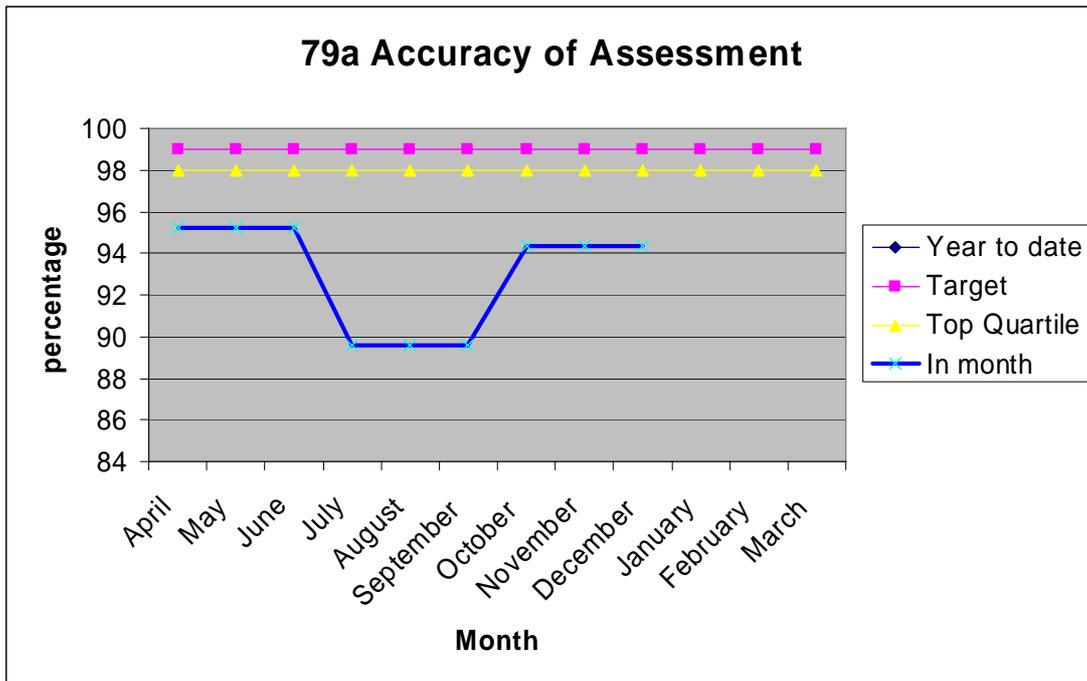


BVPI 79a Accuracy of Assessment

The accuracy checking for this PI is only undertaken quarterly. The figure for quarter 2 was 89.60% and quarter 3 is 94.38% which is an improvement.

The average for the year is 93.06%.

The final quarters figure will be compiled in April 2006.



As a requirement for the DWP Performance Standard – Enabler 9 requires us to carry out a full check on all benefit decisions made. The minimum quality/management check rate set by the DWP for this exercise is 4%.

Since April 2005 we have maintained a check rate of 10% which is above the national standard. All actions are recorded, checked and any errors made are discussed and explained with the member of staff concerned.

The 'Quality Assurance' module for the Academy benefits application has been installed on the test Academy system and it is hoped that this module will be used in the live environment from week commencing 3rd April 2006. As stated in December's report this will assist us to manage the DWP enabler 9 more effectively.

BVPI 79b Percentage of Housing Benefit overpayments collected.

From 2005/06 this PI now has 3 elements as detailed below. No national target has been set for these three new indicators for 2005-06; we have set a 'Local Target' based on 2004-05 figures.

BVPI 79(i)	The amount of HB overpayments recovered during the period as a percentage of total amount of HB overpayments identified during the period	79%
BVPI 79(ii)	The amount of HB overpayments recovered during the period as a percentage of total amount of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period.	47%
BVPI79(iii)	The amount of HB overpayments written off during the period as a percentage of the total amounts of HB overpayment debt outstanding at the start of the period plus the amount of HB overpayments identified during the period	<5%

BVPI 79(i) Target achieved for March was 68.05% which is slightly down on February's figure of 69.92%.

BVPI 79(ii) Target achieved for March was 47.39% which is an improvement on February's figure of 44.60%. **Target set for 2005/06 has been achieved.**

BVPI 79(iii) Target achieved for March was 10.20% and the reason for this was explained in the November report.

PLEASE NOTE: -Figures below are as at end of February 2006 – batch report on Academy is currently not working at present where figures are extracted from.

In Summary :-

Arrears b/fwd	£316,140.66
Debit raised 2005/6	£298,119.60
Total Collectable	£614,260.26
Less income/write offs/adjustments	-£274,340.23
(Written off/ Irrecoverable £65,908 includes one for £52,000 Goodman case)	
Total Outstanding	<u>£339,920.03</u>

Arrears brought forward now stands at £207,617.62 equates to a reduction of 34.33% as at 1st April 2005. This has been achieved by reviewing internal processes and procedures which have been implemented.

Local PI

Percentage of new claims outstanding over 50 days DWP Performance Measure 2 (PM2)

The in month performance for February was 10% of new claims were outstanding this is the same as last month.

The target set for 2005/06 is <10% is the Performance Measure from the DWP Performance Standard.

Work Outstanding

The amount of work outstanding week commencing 6th March 746 which has significantly reduced when compared with February's brought forward figure of 1,149.

The graph below shows the movement of the work during March.

2006	COC	Oldest	INTERVENTIONS	Oldest	ROD	Oldest
w/c 06.03	204	12.12.05	179	10.01.06	19	22.02.06
	253	12.12.05	190	10.01.06	37	22.02.06
w/c 13.03	313	12.12.05	193	10.01.06	92	22.02.06
	294	12.01.06	195	10.01.06	75	22.02.06
w/c 20.03	309	12.12.05	212	10.01.06	77	22.02.06
	303	12.12.05	213	10.01.06	49	22.02.06
w/c 27.03	291	16.12.05	227	10.01.06	7	21.03.06
	307	03.01.06	247	10.01.06	25	21.03.06
	296	11.01.06	249	10.01.06	26	21.03.06

2006	SUSPEND	Oldest	NEW CLAIMS	Oldest	SENIOR	Oldest	FRAUD	Oldest
w/c 06.03	10	27.02.06	15	23.02.06	16	06.12.05	2	26.01.06
	33	16.12.05	30	23.02.06	16	06.12.05	2	26.01.06
w/c 13.03	62	16.12.05	64	23.02.06	17	06.12.05	5	26.01.06
	66	16.12.05	72	23.02.06	15	06.12.05	4	26.01.06
w/c 20.03	40	27.02.06	58	23.02.06	17	06.12.05	8	26.01.06
	19	02.03.06	45	24.02.06	14	08.12.05	8	26.01.06
w/c 27.03	13	22.03.06	45	24.02.06	7	02.02.06	7	26.01.06
	7	01.02.06	43	23.02.06	7	02.02.06	6	08.03.06
	16	15.02.06	27	08.03.06	7	02.02.06	7	08.03.06

Key:- COC = Change of Circumstances ROD = Rent Officer Decision SENIOR = Complex Decision/Appeals SUSPEND = Claims suspended awaiting further information

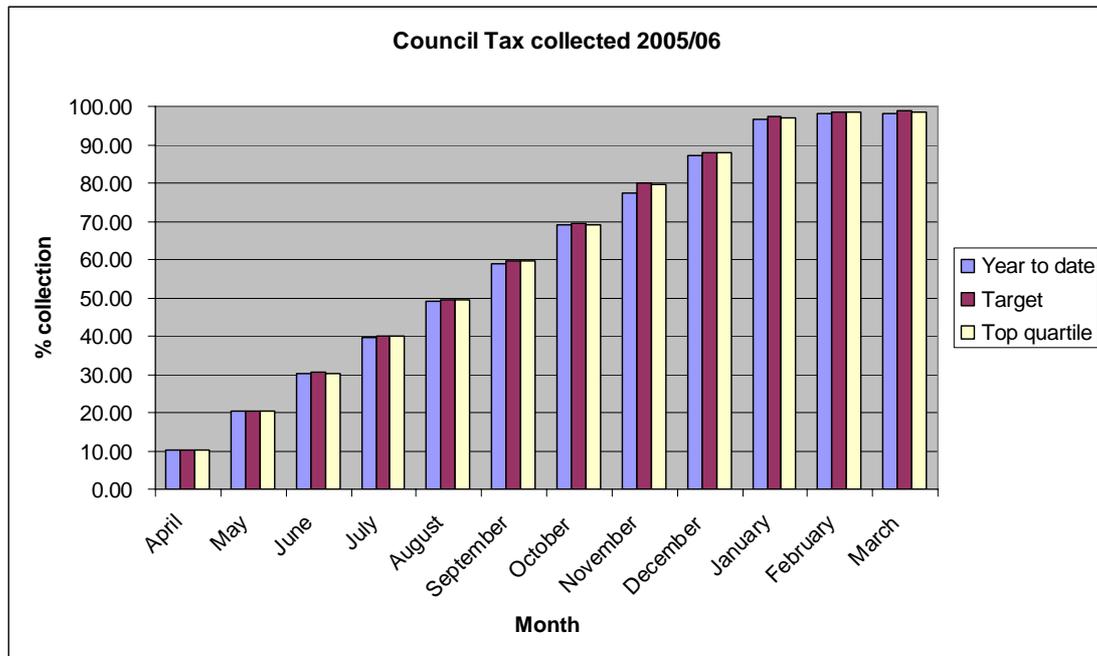
Revenues

Council Tax Collection

The target collection rate for end March 2006 is 98.70%, the rate achieved is 98.30%. During a difficult year the collection rate achieved is impressive considering the factors mentioned below.

The in year collection rate has suffered and this is purely down to us not being able to issue **any recovery notices** in November 2005 and because of the Rover Group collapse in April 2005.

The graph below shows our performance against national set indicators.



Recovery Action taken in March

Reminder Notices issued 1st March – 133 value £21,054.30
 Final Notices issued on 1st March – 185 value £61,578.50
 16th March – 206 value £50,744.77
 29th March - 7 value £2,556.23

Summonses issued on 14th March – 398 value £139,720.72

The amount of costs debited this year is £73,900

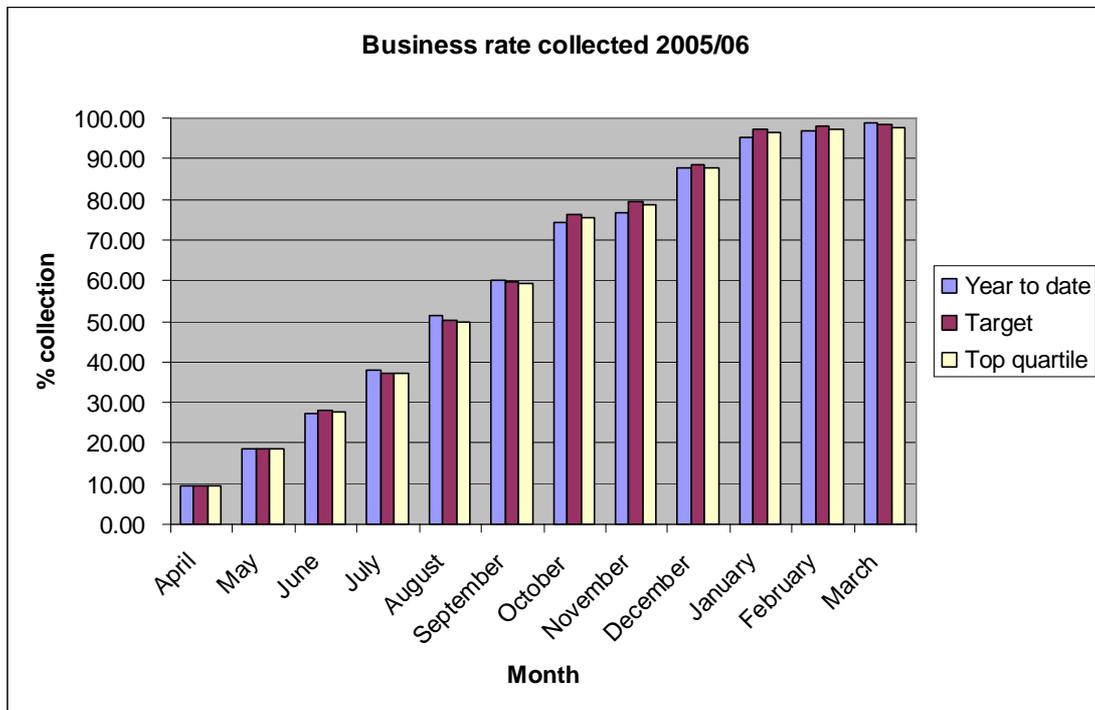
Costs recovered to include any arrears is £79,668, of which £40,969 relate to this year.

Business Rate Collection

The target collection rate for end March 2006 is 98.60% the rate achieved is 98.70%. We have exceeded target set by .10% which is impressive considering the problem below. This was purely down to the Debt Recovery Officer (David Riley) together with revenue staff to telephone businesses to chase large debts that had not been paid.

The in year collection rate has suffered and this is purely down to us not being able to issue **any recovery notices** in November 2005.

The graph below shows our performance against national set indicators.



Recovery Action taken in February

Reminders notices issued on 15th March was 49

Final Notices issued on 15th March was 4 amounting to £2,927

Summons issued on 14th March was 29 with a value of £28,107 with costs amounting to £2,299.

The amount of costs debited this year is £16,415

Costs recovered, to include any arrears is £7,712.

Work outstanding

Daily staff target = 45 items per day.

Council Tax

At the end of March the section had 220 pieces of work outstanding which is an increase on last months figure (123) and this is down to annual billing queries etc.

Business Rates

At the end of March the section had 100 pieces of work outstanding, an increase on last months figure (81). This is down to annual billing queries etc.

Below is the monthly activity for incoming post for both Council Tax and Business rates

Council Tax

				Outstanding Post				
				Council Tax				
Week Start	Week End	Post B/F	Incoming Post	Post Tray	Recovery Tray	Liability Order Tray	Officer's Work Tray	Total Outstanding
date scanned	date scanned							
>=27/02/2006	<=03/03/2006	#REF!	#VALUE!	109	14	7		130
>=06/03/2006	<=10/03/2006	130	#VALUE!	304	68	14		386
>=13/03/2006	<=17/03/2006	386	#VALUE!	120	135	32		287
>=20/03/2006	<=24/03/2006	287	#VALUE!	140	39	41		220
>=27/03/2006	<=31/03/2006	220	#VALUE!					

Business Rates (Non-Domestic Rates)

				NDR				
Week Start	Week End	Post B/F	Incoming Post	Post Tray	Recovery Tray	Liability Order Tray	Officer's Work Tray	Total Outstanding
date scanned	date scanned							
>=27/02/2006	<=03/03/2006	#REF!	#VALUE!	263				
>=06/03/2006	<=10/03/2006	#REF!	#VALUE!	82				
>=13/03/2006	<=17/03/2006	#REF!	#VALUE!	29	1	1		
>=20/03/2006	<=24/03/2006	#REF!	#VALUE!	100				
>=27/03/2006	<=31/03/2006	#REF!	#VALUE!					

Counter Benefit Fraud Section

Fraud Referrals

Number of referrals received in March was 31.

An advert was placed in the Local Paper to encourage people to report suspect benefit fraud hence an increase in the above figure.

The table below analyses the figures for activity undertaken in March

Fraud Referrals

	b/fwd	March	Totals
Referrals	1420	31	1451
Number completed	1102	25	1127
Number investigated	1166	37	1203
Fraud Proven	347	7	354
Number of interviews	218	2	220

Prosecution and Sanctions

The following table shows the sanctions targets of the Fraud team and the achievement against this target to date.

Sanctions	Target	Year to date	In month (Mar)
Sanctions and Prosecution	6.5	10.00	1.37

We have met the set annual target of 6.5 but we have exceeded the top quartile figure of 5.83. I have to thank the Fraud Investigation Team for the effort made in 2005/06.

Visiting Team

The following tables show the visits and postal interventions achieved against target for September and the year to date.

Month	Target		Achieved	
	Month	YTD	Month	YTD
April - Visits Postal	65 86	65 86	71 61	71 61
May - Visits Postal	65 86	130 172	74 81	145 142
June - Visits Postal	65 86	195 258	55 150	200 220
July - Visits Postal	65 86	260 344	105 157	305 304
Aug – Visits Postal	65 86	325 430	155 73	460 377
Sept – Visits Postal	65 86	390 516	68 8	528 385
Oct – Visits Postal	65 86	455 602	58 39	586 424
Nov – Visits Postal	65 86	520 688	89 117	675 541
Dec – Visits Postal	65 86	585 774	22 14	697 555
Jan - Visits Postal	65 86	650 860	112 15	809 570
Feb- Visits Postal	65 86	715 946	9 73	818 643
Mar – Visits Postal	65 86	780 1032	128 44	946 687

From the above data:

Intervention visits we are above target by 21%

Intervention postal forms are issued monthly the problem is with claimants not returning the forms on time and the administration time spent in chasing claimants to post them back to us.

Systems

Academy annual billing was completed for Council Tax and Business Rates together with annual up-rating for Council Tax Benefits for 2006/07.

Debit Raised for Council Tax, net of discounts was £46,563,552

Debit raised for Business Rates, net of any discounts was £20,220,980

Total collectable for above is £66,784,532

Council Tax benefit posted amounted to £3,273,739 which has been credited directly to customer accounts to reduce liability.

BDHT rent interface table – loading onto Academy Benefits is still being addressed. This has been ongoing since March 2005. A meeting has taken place with both BDHT and BDC staff to resolve this issue. It is planned that this be resolved by Friday 3rd February 2006 – Comment from last months report, this matter has not been fully resolved.

Other Information

DWP Funded Projects

First Bids

Status

- | | |
|-----------------------------------|---|
| 1) Home Working | - COMMENCED
Should have one home-worker in place by March 2006. Six others to follow. |
| 2) Workflow – Benefit New Claims | - COMPLETED |
| 3) Replacement scanning equipment | - COMPLETED |
| 4) Computer Flat screens | - COMPLETED |

Second Bids

- | | |
|--|---|
| 1) New Academy Server | - COMPLETED |
| 2) Additional Workflow processes (Benefits) | - COMMENCED
Discussions taking place to agree process map for benefit 'Change of Circumstance'. |
| 3) Online Procedural Guidance Tool | - INSTALLED |
| 4) Funding for Overpayments Officer | - COMMENCED
Adverts to be placed in Opportunities and Local newspaper in March 06 |
| 5) Funding for Training Officer | - COMMENCED
Adverts have been placed in Opportunities and Local newspaper - Unfortunately no-one applied for position. |
| 6) Funding for Project Manager to Oversee DWP Projects | - IN PLACE |
| 7) Mobile working | - COMMENCED
E-Form development now being undertaken |

Benefits - Service Improvements

As a result of system testing for Academy releases this has resulted in no activity taking place this month.

Revenues - Service Improvements

As a result of system testing for Academy releases this has resulted in no activity taking place this month.

STAFF SICKNESS DAYS

Number of sickness days each month is listed below.
As you will appreciate this does impact on service performance
March being the worst month for sickness this year and this has been addressed through Human Resources.

April	16.5
May	8
June	8.5
July	14
August	26
September	28
October	29
November	41.5
December	29.5
January	22
February	27
March	73

Total absence for year 323 man days

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

19th May 2006

CORPORATE HEALTH PERFORMANCE INDICATORS – QUARTER 4 2005/06

Responsible Member	Cllr Fuller – Chairman of Performance Management Board
Responsible Head of Service	Mr H Bennett – Assistant Chief Executive

1.0 Summary

1.1 This report provides details of the current performance of the Corporate Health set of indicators in order to provide a strategic focus for performance management. This approach is consistent with Audit Commission good practice.

2.0 Recommendations

2.1 It is recommended that the Performance Management Board:

- (a) considers the performance information contained in the report;
- (b) receives verbal reports from officers on some of the indicators;
- (c) based on the discussion with Heads of Service makes recommendations for improvement to the Portfolio Holder and Cabinet ; and
- (d) if appropriate, identifies indicators on which the Board would like more detailed reports from the Heads of Service at its next meeting.

3.0 Background

3.1 A previously agreed set of Corporate Health indicators covering the Resources Directorate is reported on a quarterly basis. This report provides performance information for the 4th quarter (April 2005 to March 2006) for the Top 45 indicators.

4. Report

4.1 The attached Corporate Health Indicator report provides the reader with the information in various formats, so that Members and managers can consider the information in their preferred learning style i.e. some people like graphical information, others prefer numbers, others prefer narrative. The format covers all of these and makes use of a “traffic light system” to enable the reader to

quickly focus on which indicators are more than 10% below target (red indicators), between 0% and 10% off target (amber) or on target (green).

- 4.2 There are too many indicators for the Board to go through every single one in detail at the meeting. The “traffic light system” should help provide a focus and the Board will rightly want to consider how performance can be improved in discussion with the Heads of Service. Through a pre-meeting with the Chairman, Vice-Chairman and the Assistant Chief Executive, a steer has been provided to the Assistant Chief Executive on which Heads of Service the Board would like to attend the meeting to discuss performance issues.
- 4.3 Based on discussions at the Board’s meeting, Members will need to make recommendations to Cabinet on corrective action required. If the Board considers that urgent action is required then the Chairman should discuss the required action and seek agreement with the relevant Portfolio Holder after the meeting. In some instances, further information may be required and the Board may wish to decide that a separate report on a particular indicator be put on the agenda for the next Board meeting.

5.0 Financial Implications

- 5.1 Any financial implications can only be identified when failing indicators have been fully analysed and appropriate improvement action plans have been developed. Where these have already been done, details will be included within the Planned Action box in the report.

6.0 Legal Implications

- 6.1 National Best Value Performance Indicators are audited annually by the External Auditors (KPMG), and the results are published.

7.0 Corporate Governance

- 7.1 This Council is committed to addressing the changes required to exhibit good corporate governance and therefore is committed to putting into place an effective and efficient performance management framework. Good performance management requires the availability of accurate and timely performance data. The information in this report is therefore essential and should be used appropriately, re-defining its content as change is identified and thus ensuring that it remains relevant and useful.

Report Author

Name: Steve Clarke – Policy & Performance Officer
E-mail: s.clarke@bromsgrove.gov.uk
Tel: (01527) 881286



Corporate Health

The Corporate Health indicators for 2005/06

Corporate Communications, Policy and Performance Team

Quarter 4 2005/06

Indicator Ref No.	Indicator Type	Short Description	Page Number
-	Corporate Health Performance Summary		3
-	Corporate Health Legend		4
2	BVPI 8	Percentage of invoices paid on time	7
4	BVPI 10	Percentage of Non-domestic Rates collected	9
6	BVPI 12	Working days lost due to sickness absence	13
8	BVPI 15	Percentage of ill-health retirements	15
10	BVPI 17	Ethnic Minority percentages	17
12	BVPI 157	E-Government: E-Enabled interactions	19
14	LPI Corporate	% of full responses sent within 10 days	21
16	LPI Financial Services	Financial monitoring reports sent to members	23
18	LPI Financial Services	Number of days to do income reconciliations	25
20	LPI Financial Services	Number of weeks to do NDR & CTax reconciliations	27
22	LPI Financial Services	% of the scheduled audit plan delivered	29
24	LPI Human Resources	% of staff turnover	31

Indicator Ref No.	Indicator Type	Short Description	Page Number
1	BVPI 2	Standards of equality in the council	5 - 6
3	BVPI 9	Percentage of council tax collected	8
5	BVPI 11	Top 5% of earners	10 - 12
7	BVPI 14	Percentage of early retirements	14
9	BVPI 16	Disability percentages	16
11	BVPI 156	Buildings accessible to people with a disability	18
13	LPI Corporate	% of reply cards sent in agreed time	20
15	LPI Legal Services	% of Housing Benefit court proceeding begun within 10 days	22
17	LPI Financial Services	Number of days to do bank reconciliations	24
19	LPI Financial Services	Number of days to do payroll reconciliations	26
21	LPI Financial Services	% of audit assignments completed in timescale	28
23	LPI Human Resources	% of staff appraisals undertaken	30
25	LPI IT Services	% of helpdesk call closed within timescales	32

CORPORATE HEALTH PERFORMANCE SUMMARY

Performance against Target	Total	Total
Meeting or exceeding target for performance	8	29%
Not meeting target - difference is less than 10%	4	14%
Not meeting target - difference is 10% or more	16	57%
Information not reportable	0	0%
Total	28	100%

Performance Trend	Total	Total
Improving performance	5	18%
Stable performance	3	11%
Declining performance	6	21%
Information not reportable	14	50%
Total	28	100%

Performance against Quartiles (Where information available only)	Total	Total
Indicators in Top Quartile	0	0%
Indicators in Second Quartile	2	17%
Indicators in Third Quartile	5	42%
Indicators in Bottom Quartile	5	42%
Total	12	100%

CORPORATE HEALTH LEGEND

Key for Outcomes (comparison against target)

[Signified by coloured block]

%

G	Meeting or exceeding target		29%
A	Not meeting target - difference is less than 10%		14%
R	Not meeting target - difference is 10% or more		57%
	Information not available		0%

Key for Performance Trends (over previous period)

[Signified by direction of arrow next to coloured block]

%

	Improving performance		18%
	Stable performance		11%
	Declining performance		21%
n/a	Information not available		50%

Please note:
Direction & colour of arrow signifies the performance trend.

For certain indicators high performance requires high percentages/numbers being achieved, for others high performance requires low percentages/numbers being achieved. The indicator information identifies which criteria applies.

The graph background shading indicates performance with green shading indicating higher performance and red shading indicating lower performance.

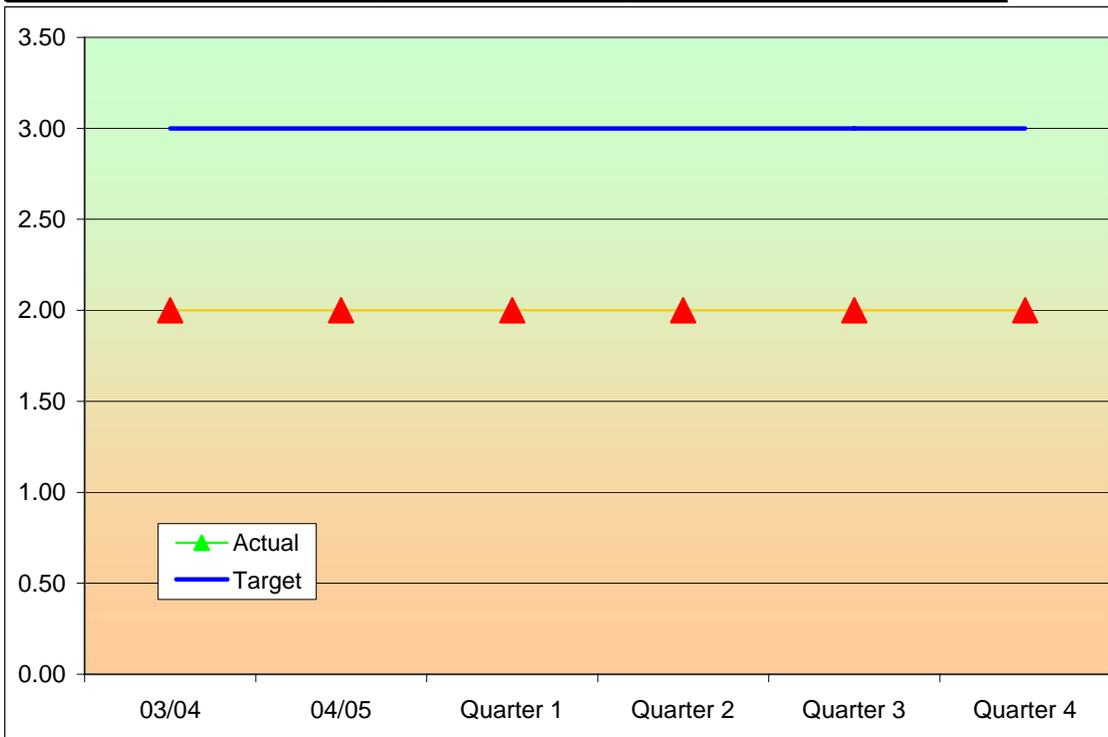
 Actual figure - Colour denotes variance from Target: Red = 10% or below, Amber = below by less than 10%, Green = equal or better than target

 Trend line between Actual figure - Colour denotes movement: Red = declining, Amber = stable, Green = improving

 2005/06 target

1	BVPI 2 - Standards of Equality within the Council	Annual Trend	→	
2a - The level of the Equality Standard for local government to which the Authority conforms in respect of gender, race and disability.		Current variation from target	-33.33%	
Indicator Owner	Andrew Burton - Head of Legal & Democratic Services			

Performance (Latest, number, bigger is better)						
2a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	3.00	2.00	R	n/a	-33.33%	n/a
04/05	3.00	2.00	R	→	-33.33%	n/a
Quarter 1	3.00	2.00	R	→	-33.33%	n/a
Quarter 2	3.00	2.00	R	→	-33.33%	n/a
Quarter 3	3.00	2.00	R	→	-33.33%	n/a
Quarter 4	3.00	2.00	R	→	-33.33%	n/a
05/06	3.00	2.00	R	→	-33.33%	n/a



Comments
 Equality & Diversity Awareness Training for all staff & Members – being delivered in March & April
 New post of Equality & Diversity Assistant appointed – and starting May 06. They will focus on driving Equality Standard actions

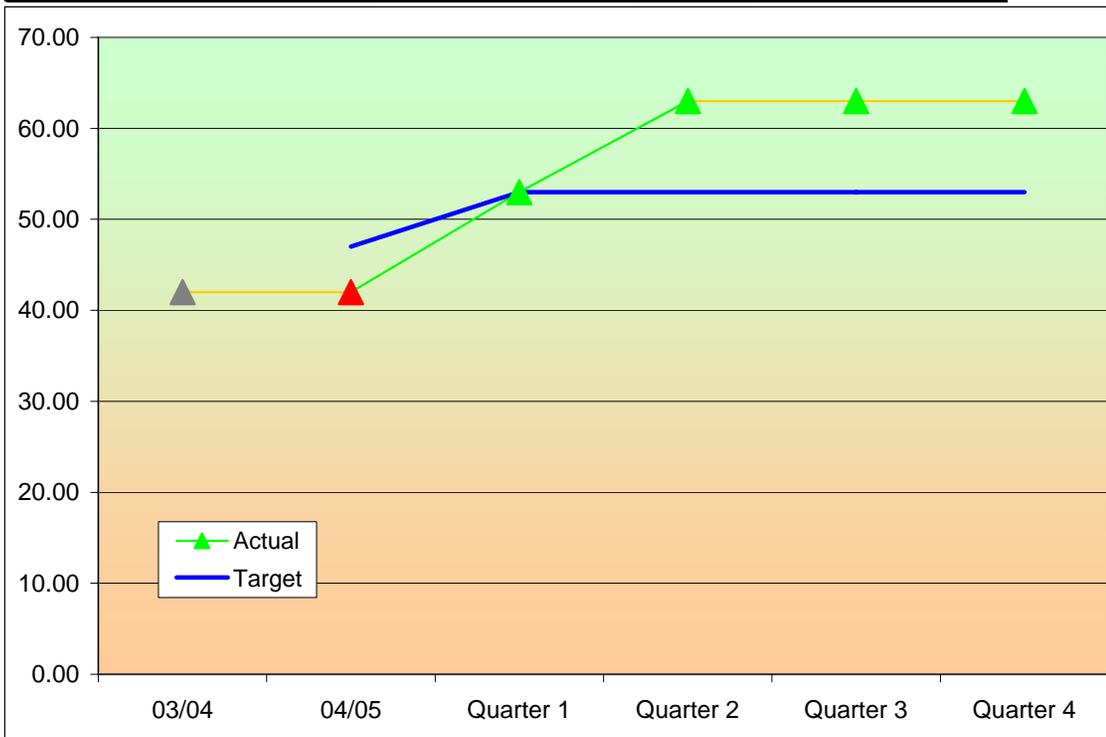
Planned Action
 All Heads of Service have 3-year action plans for impact assessments (2005-2008)
 Equality Champions nominated in each Service, who meet corporately and then communicate and support in their own services
 Race Equality Scheme now evolved into a fuller Equalities Strategy, which is currently being discussed at CMT and will then go to Cabinet for ratification.

1	BVPI 2 - Standards of Equality within the Council	Annual Trend		
2b - The quality of an Authority's Race Equality Scheme (RES) and the improvements resulting from its application.		Current variation from target	18.87%	
Indicator Owner	Andrew Burton - Head of Legal & Democratic Services			

Performance (Latest, percentage, bigger is better)						
2b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	42.00	n/a	n/a	n/a	n/a
04/05	47.00	42.00	R		-10.64%	3
Quarter 1	53.00	53.00	G		0.00%	2
Quarter 2	53.00	63.00	G		18.87%	2
Quarter 3	53.00	63.00	G		18.87%	2
Quarter 4	53.00	63.00	G		18.87%	2
05/06	53.00	63.00	G		18.87%	2

Comments

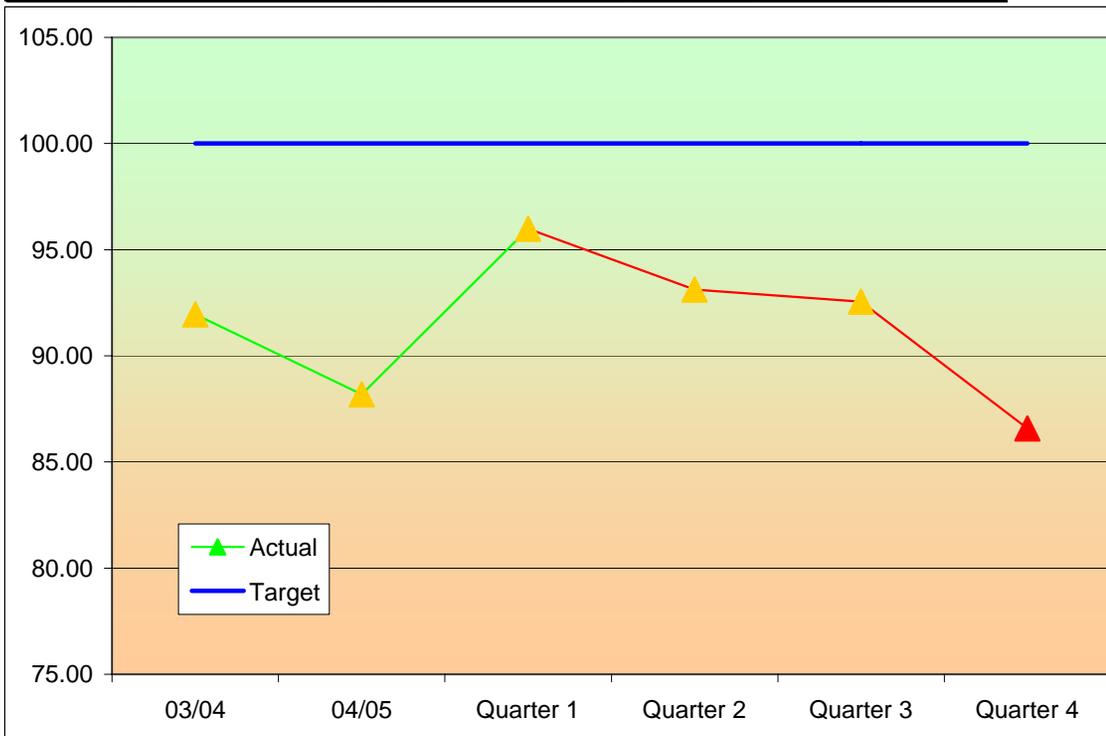
Top Quartile for Quarter 4 = 63%



Planned Action

2	BVPI 8 - Percentage of invoices paid on time	Annual Trend		
Percentage of invoices for commercial goods & services paid by the Authority within 30 days of receipt or within the agreed payment terms.		Current variation from target	-7.34%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (Latest, percentage, bigger is better)						
8	Target	Actual	Performance	Trend	Variation	Quartile
03/04	100.00	91.95	A	n/a	-8.05%	n/a
04/05	100.00	88.18	R		-11.82%	4
Quarter 1	100.00	95.98	A		-4.02%	2
Quarter 2	100.00	93.12	A		-6.88%	3
Quarter 3	100.00	92.55	A		-7.45%	3
Quarter 4	100.00	86.58	R		-13.42%	4
05/06	100.00	92.66	A		-7.34%	3



Comments

The indicator relates to the number of invoices that the Authority pays to its supplies within the target of 30 days.

The quarter 4 indicator shows a further deterioration on the number of invoices that are paid on time.

The total number of invoices paid was 2019 with 271 being paid late. Invoices are not paid by accountancy until fully approved by budget holders within departments.

Late payments include

- Culture and Community - 141
- Street Scene and Waste Management - 84
- Planning & Environment -30

Top Quartile for Quarter 4 = 97%

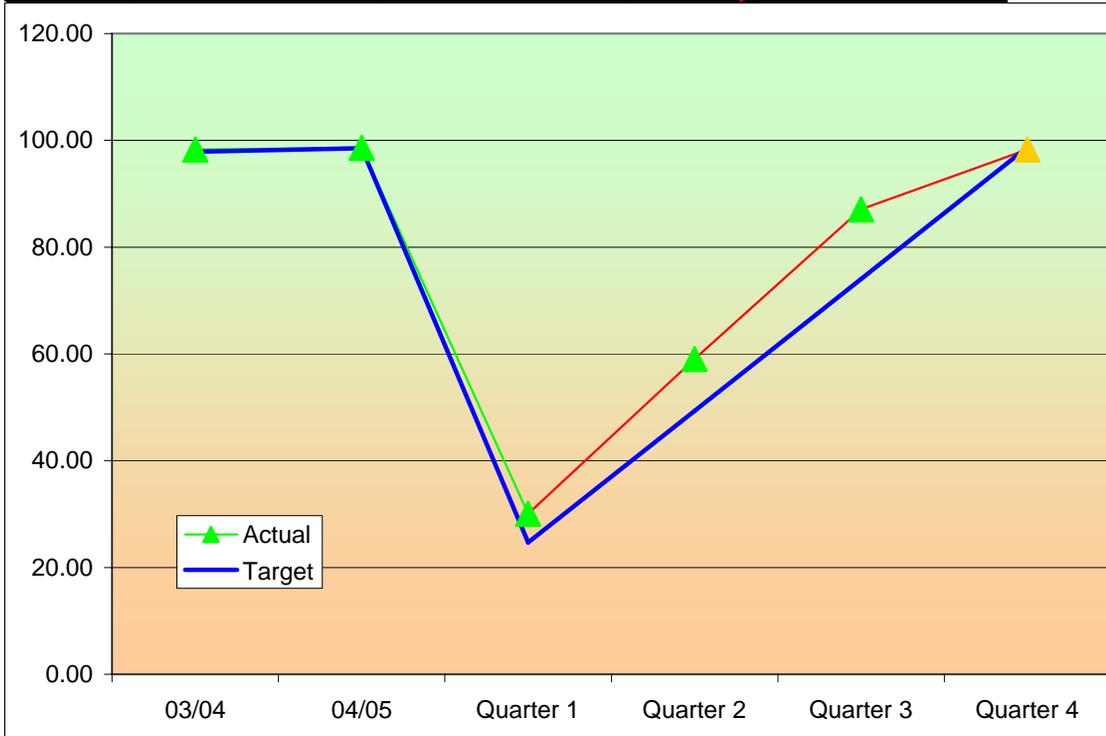
Planned Action

From March 2006 there are responsible officers within each department to ensure the processing and authorisation of invoices is undertaken on a regular basis. There has been a planned programme of training from accountancy to support the officers with the new roles.

Schedules are sent to Heads of Service and Corporate Directors on a monthly basis to show invoices outstanding these are discussed at service meetings to ensure the performance standard increases during 2006/07.

3	BVPI 9 - Percentage of Council Tax collected			
The percentage of council tax collected by the Authority in the year.		Annual Trend		
Indicator Owner		Current variation from target	-0.41%	 
Jayne Pickering - Head of Financial Services				

Performance (Cumulative, percentage, bigger is better)						
9	Target	Actual	Performance	Trend	Variation	Quartile
03/04	97.90	98.30	G	n/a	0.41%	n/a
04/05	98.50	98.60	G		0.10%	1
Quarter 1	24.68	30.05	G		21.76%	1
Quarter 2	49.35	59.03	G		19.61%	1
Quarter 3	74.03	87.06	G		17.60%	1
Quarter 4	98.70	98.30	A		-0.41%	2
05/06	98.70	98.30	A		-0.41%	2



Comments

This indicator reflects the percentage of Council Tax collected by the revenues department within the quarter. The figure represents the cumulative proportion of the target collected. It is monitored on a weekly basis through team meetings where actions are discussed on any issues on collection.

There have been a number of factors that have influenced the collection rate in 2005/06 these were: the delay in the issue of payment books in April-May 2005 and the implementation and subsequent testing issues with the new server in Oct - Nov 2005.

Top Quartile for Quarter 4 = 98.5%

Planned Action

The actual performance targets are monitored on a daily basis to allow for more timely resolution of detrimental performance. The collection in 2006/07 is already top quartile due to the bills being sent on time.

4	BVPI 10 - Percentage of Non-domestic Rates collected			
The percentage of national non-domestic rates collected by the Authority in the year.		Annual Trend		
Indicator Owner		Current variation from target	-0.42%	 
Jayne Pickering - Head of Financial Services				

Performance (Cumulative, percentage, bigger is better)						
10	Target	Actual	Performance	Trend	Variation	Quartile
03/04	98.60	98.30	A	n/a	-0.30%	n/a
04/05	98.60	97.60	A		-1.01%	4
Quarter 1	24.78	27.30	G		10.17%	1
Quarter 2	49.56	60.10	G		21.27%	1
Quarter 3	74.34	87.80	G		18.11%	1
Quarter 4	99.12	98.70	A		-0.42%	3
05/06	99.12	98.70	A		-0.42%	3

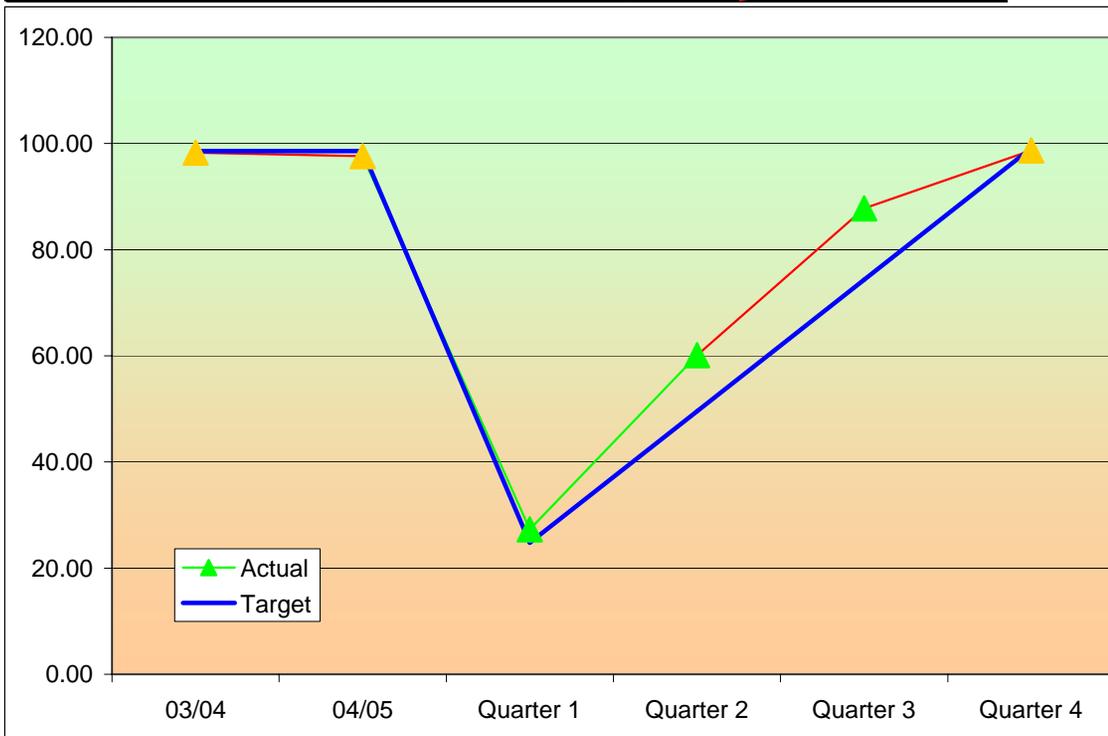
Comments

This indicator reflects the percentage of NNDR collected by the revenues department within the quarter. The figure represents the cumulative proportion of the target collected. It is monitored on a weekly basis through team meetings where actions are discussed on any issues on collection.
The target for 2005/06 has been reached for collection of NNDR this was due in part to more pro-active collection methods including contacting companies by phone to request payment.

Top Quartile for Quarter 4 = 99.2%

Planned Action

The actual performance targets are monitored on a daily basis to allow for more timely resolution of detrimental performance. The collection in 2006/07 is already top quartile due to the bills being sent on time.



5	BVPI 11 - Top 5% of earners		
11a - the percentage of top-paid 5% of local authority staff who are women.		Annual Trend	 R
Indicator Owner		Clare Armour - Interim Head of Human Resources & Organisational Development	Current variation from target -25.64%

Performance (Latest, percentage, bigger is better)						
11a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	21.43	n/a	n/a	n/a	n/a
04/05	21.43	19.05	R		-11.11%	3
Quarter 1	22.70	19.05	R		-16.08%	3
Quarter 2	22.70	22.70	G		0.00%	3
Quarter 3	22.70	17.19	R		-24.27%	3
Quarter 4	22.70	16.88	R		-25.64%	3
05/06	22.70	16.88	R		-25.64%	3

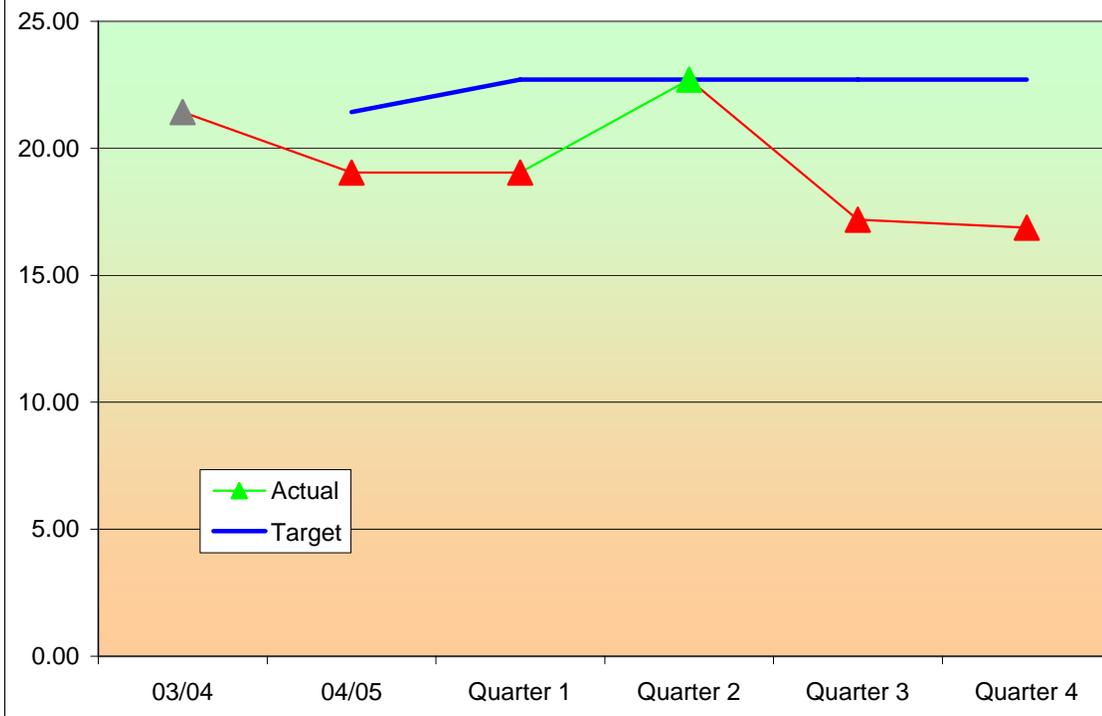
Comments

With this particular BVPI, as the number of employees contained within the top 5% is relatively small (approx 20 people), any small change/deviation to the list has a disproportionate effect on the percentages.
BDC has recruited 2 new senior female members of staff (Head of E-Gov/Customer Services and Head of HR/OD) this has now placed the Council in the top quartile for this indicator.

Top Quartile for Quarter 4 = 28.93%

Planned Action

There are several benefits now in place at the Council that support the advancement of all staff, including these groups, namely: Training and Development programme for all staff (Training Programme agreed and implemented for 2006 to March 2007), Workforce planning (Workforce Plan start development in June 2006 and in place by Sept 2006) and succession planning (in place by end of 2006) to promote internal talent, Flexible working arrangements (in place and reviewed within HR Strategy for 2007 and 2008) A review of the Council's recruitment and retention policy is currently underway which will include assessment of how to attract a more diverse base of applicants. This will be completed by July 2006 however it is anticipated that some quick wins such as changing advertising will be done in the interim. The Council are currently working with TMP advertising agency to identify more effective recruitment branding and advertising.



5	BVPI 11 - Top 5% of earners	Annual Trend	→	  
11b - The percentage of the top-paid 5% of local authority staff who are from an ethnic minority.		Current variation from target	-100%	
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Latest, percentage, bigger is better)						
11b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	3.57	n/a	n/a	n/a	n/a
04/05	3.57	0.00	R	→	-100.00%	4
Quarter 1	2.20	0.00	R	→	-100.00%	4
Quarter 2	2.20	0.00	R	→	-100.00%	4
Quarter 3	2.20	0.00	R	→	-100.00%	4
Quarter 4	2.20	0.00	R	→	-100.00%	4
05/06	2.20	0.00	R	→	-100.00%	4

Comments

With this particular BVPI, as the number of employees contained within the top 5% is relatively small (approx 20 people), any small change/deviation to the list has a disproportionate effect on the percentages

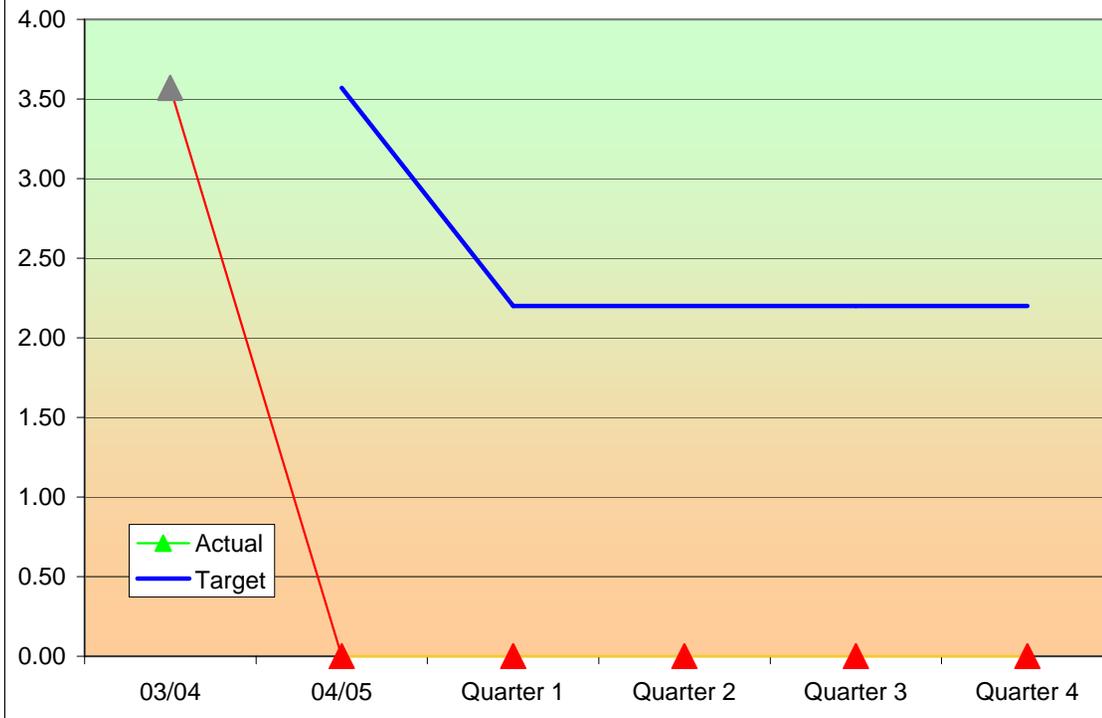
Top Quartile for Quarter 4 = 1.98%

Planned Action

Equality & Diversity Forum includes BME partners who have agreed to help the Council in identifying suitable placement opportunities for its vacancy adverts and communication links with available pools of potential applicants from BME groups.

This feedback will be used in the review of the Recruitment & Retention Policy mentioned above. There are several benefits now in place at the Council that support the advancement of all staff, including these groups, namely: Training and Development programme for all staff (Training Programme agreed and implemented for 2006 to March 2007), Workforce planning (Workforce Plan start development in June 2006 and in place by Sept 2006) and succession planning to promote internal talent, Flexible working arrangements (in place and reviewed within HR Strategy for 2007 and 2008).

A review of the Council's recruitment and retention policy is currently underway which will include assessment of how to attract a more diverse base of applicants (to be completed by July 2006). The Council are currently working with TMP advertising agency to identify



5	BVPI 11 - Top 5% of earners	Annual Trend	n/a	  
11c - The percentage of the top-paid 5% of local authority staff who are have a disability.		Current variation from target	-100%	
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Latest, percentage, bigger is better)						
11c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	2.20	0.00	R	n/a	-100.00%	n/a
Quarter 2	2.20	0.00	R	→	-100.00%	n/a
Quarter 3	2.20	0.00	R	→	-100.00%	n/a
Quarter 4	2.20	0.00	R	→	-100.00%	n/a
05/06	2.20	0.00	R	n/a	-100.00%	n/a

Comments

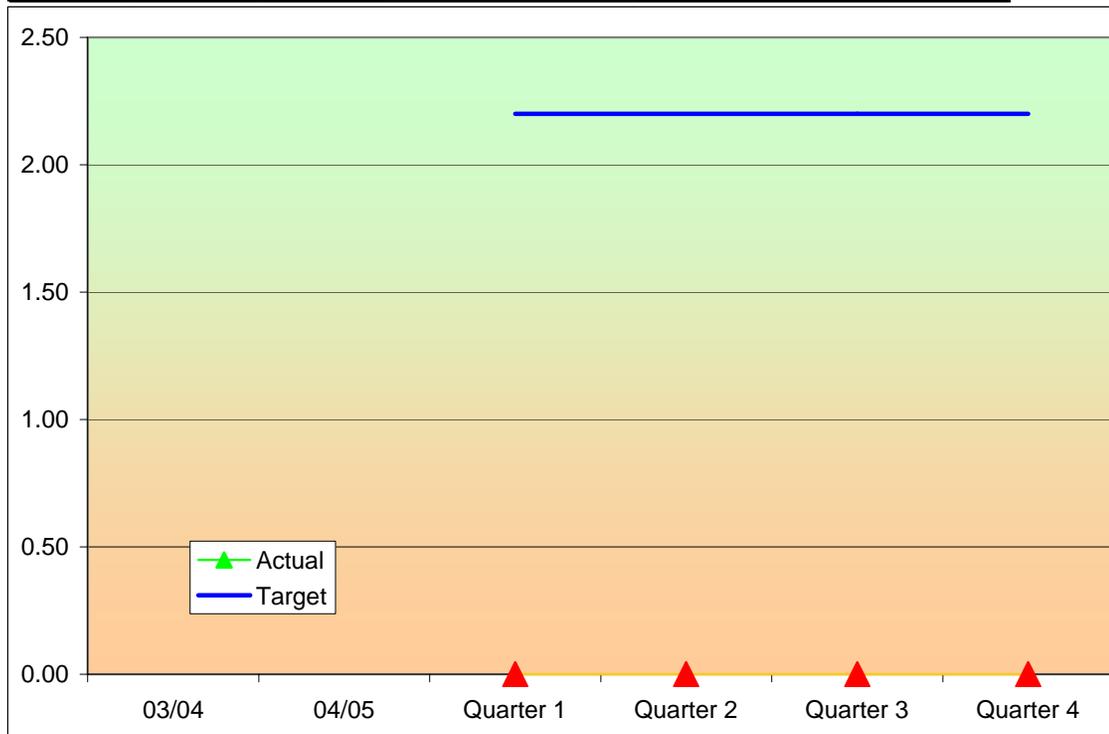
With this particular BVPI, as the number of employees contained within the top 5% is relatively small (approx 20 people), any small change/deviation to the list has a disproportionate effect on the percentages.

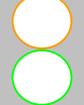
Equality & Diversity Forum includes Disability Access Charity partners who have agreed to help the Council in identifying suitable placement opportunities for its vacancy adverts and communication links with available pools of potential disabled applicants. This feedback will be used in the review of the Recruitment & Retention Policy mentioned above. The Charity, SCOPE, are facilitating a training day on 20th April, 2006, at BDC for key senior staff, partners and Members on the practical implications of the new DDA regulations that come into force in October 2006.

Planned Action

There are several benefits now in place at the Council that support the advancement of all staff, including these groups, namely: Training and Development programme for all staff (Training Programme agreed and implemented for 2006 to March 2007), Workforce planning (Workforce Plan start development in June 2006 and in place by Sept 2006)) and succession planning to promote internal talent, Flexible working arrangements (in place and reviewed within HR Strategy for 2007 and 2008).

A review of the Council's recruitment and retention policy is currently underway which will include assessment of how to attract a more diverse base of applicants. (to be completed by July 2006)The Council are currently working with TMP advertising agency to identify more effective recruitment advertising.



6	BVPI 12 - Working days lost due to sickness absence		
The number of working days/shifts lost to the local authority due to sickness absence.		Annual Trend	 R
Indicator Owner		Current variation from target	-15.01% 
Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Cumulative, number, smaller is better)						
12	Target	Actual	Performance	Trend	Variation	Quartile
03/04	6.80	8.54	R	n/a	-25.59%	n/a
04/05	8.60	9.08	A		-5.58%	2
Quarter 1	2.23	1.99	G		10.76%	1
Quarter 2	4.46	4.78	A		-7.17%	2
Quarter 3	6.69	7.25	A		-8.37%	3
Quarter 4	8.93	10.27	R		-15.01%	3
05/06	8.93	10.27	R		-15.01%	3

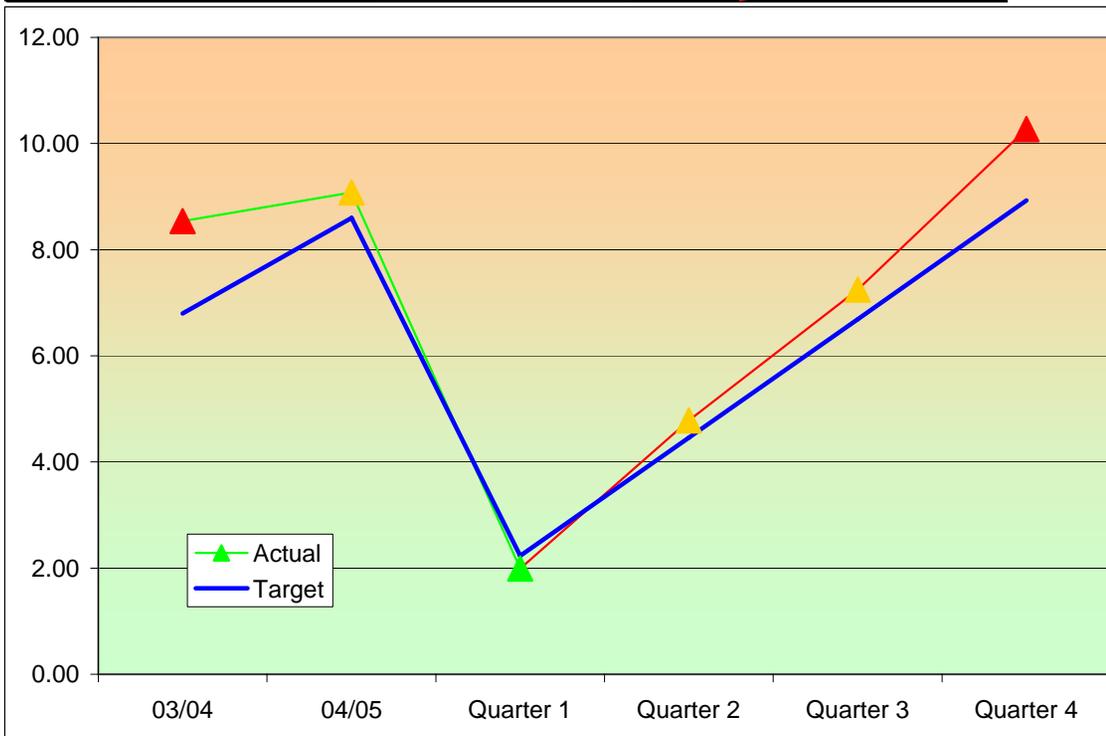
Comments

The Health & Safety Executive are now working in partnership with the Council to develop an action plan to improve sickness absence, particularly in the areas of Stress and Musculo-skeletal injuries.

Top Quartile for Quarter 4 = 8.48

Planned Action

Training for Line Managers on effective sickness absence management will be delivered through the 06/07 Training Programme.
 CMT have agreed to set Departmental/Service specific targets for short-term sickness to help drive the improvements in management of this area (CMT to consider and agree by end April 2006). HR is reviewing the management information available to support line managers in dealing with sickness absence.



7	BVPI 14 - Percentage of early retirements			
The percentage of employees retiring early (excluding ill-health retirements) as a percentage of the total work force.		Annual Trend		
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development	Current variation from target	-971%	

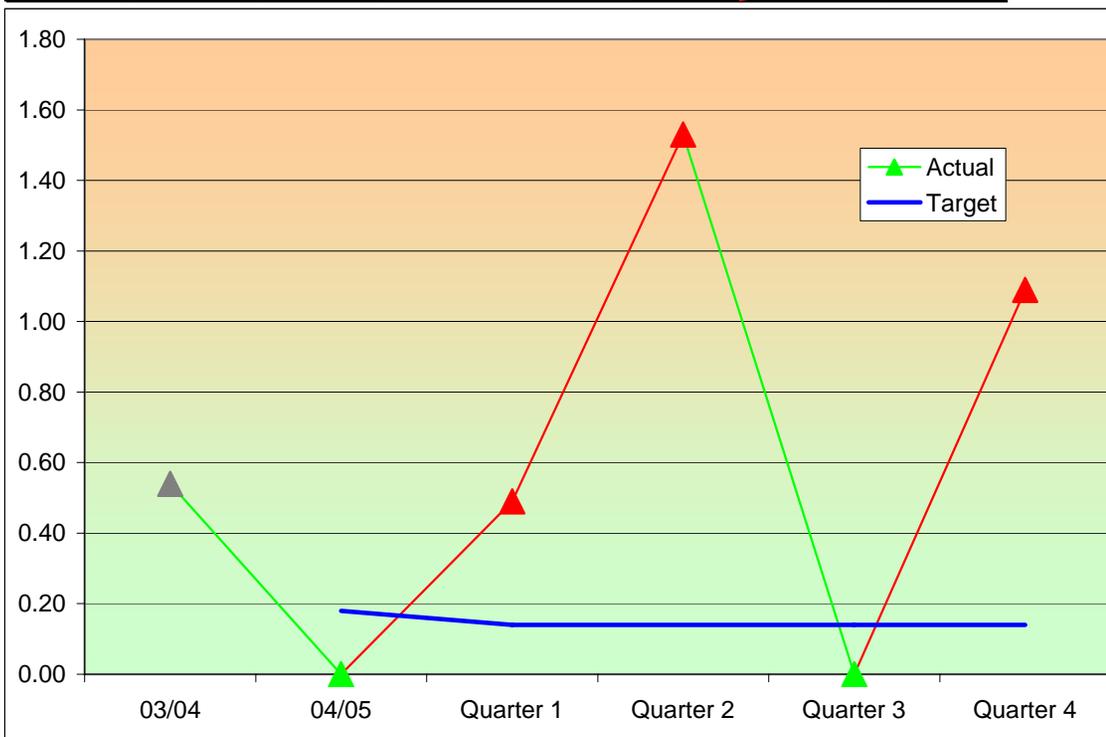
Performance (Latest, percentage, smaller is better)						
14	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	0.54	n/a	n/a	n/a	n/a
04/05	0.18	0.00	G		100.00%	1
Quarter 1	0.14	0.49	R		-250.00%	3
Quarter 2	0.14	1.53	R		-992.86%	4
Quarter 3	0.14	0.00	G		100.00%	2
Quarter 4	0.14	1.09	R		-678.57%	4
05/06	0.14	1.50	R		-971.43%	4

Comments

As the Council has now implemented its full restructure programme, this has had a short-term affect on this indicator. The staff who are leaving as a result of the restructure will be doing so during March and April, there are no planned early retirements forecast beyond this.

Top Quartile for Quarter 4 = 0%

Planned Action



8	BVPI 15 - Percentage of Ill-Health retirements			
The percentage of local authority employees retiring on grounds of ill health as a percentage of the total workforce.		Annual Trend		
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development	Current variation from target	-100%	

Performance (Latest, percentage, smaller is better)						
15	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	0.00	n/a	n/a	n/a	n/a
04/05	0.00	0.34	R		-100.00%	3
Quarter 1	0.00	0.25	R		-100.00%	2
Quarter 2	0.00	0.00	G		0.00%	2
Quarter 3	0.00	0.30	R		-100.00%	3
Quarter 4	0.00	0.00	G		0.00%	2
05/06	0.00	0.60	R		-100.00%	4

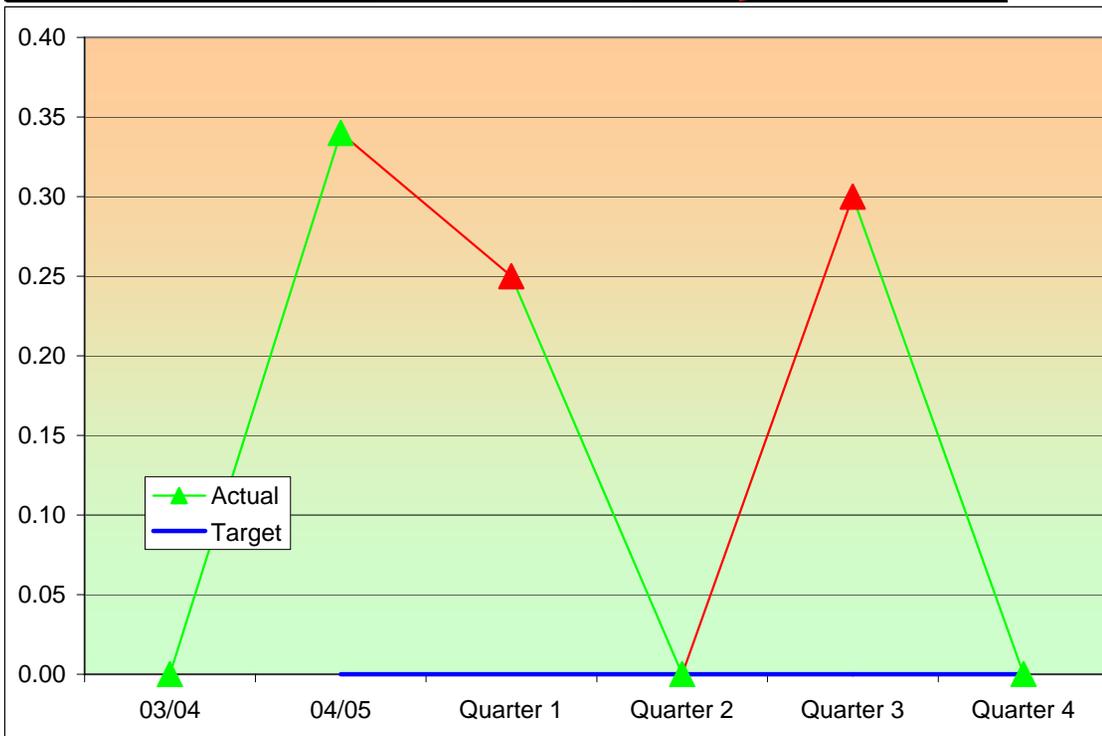
Comments

The Council continues to support all its long term sickness through Occupational Health, and it is only once all avenues for alternative employment have been explored do the Council ask Occupational Health to support an application for ill-health retirement.

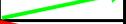
Top Quartile for Quarter 4 = 0%

Planned Action

Training for Line Managers on effective sickness absence management will be delivered through the 06/07 Training Programme.
CMT have agreed to set Departmental/Service specific targets for short-term sickness to help drive the improvements in management of this area (CMT to consider and agree by end April 2006). HR is reviewing the management information available to support line managers in dealing with sickness absence.



9	BVPI 16 - Disability percentages	Annual Trend		
This is an indicator which shows the performance of 16a in proportion to the Census data (BVPI 16b). It expresses as a percentage 16a / 16b. It is this ratio that is monitored by the Audit Commission.		Current variation from target	-59.00%	 
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Latest, percentage, bigger is better)						
16	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	3.26	n/a	n/a	n/a	n/a
04/05	18.13	4.69	R		-74.13%	4
Quarter 1	17.05	6.31	R		-62.99%	4
Quarter 2	17.05	4.52	R		-73.49%	4
Quarter 3	17.05	4.60	R		-73.02%	4
Quarter 4	17.05	6.99	R		-59.00%	4
05/06	17.05	6.99	R		-59.00%	4

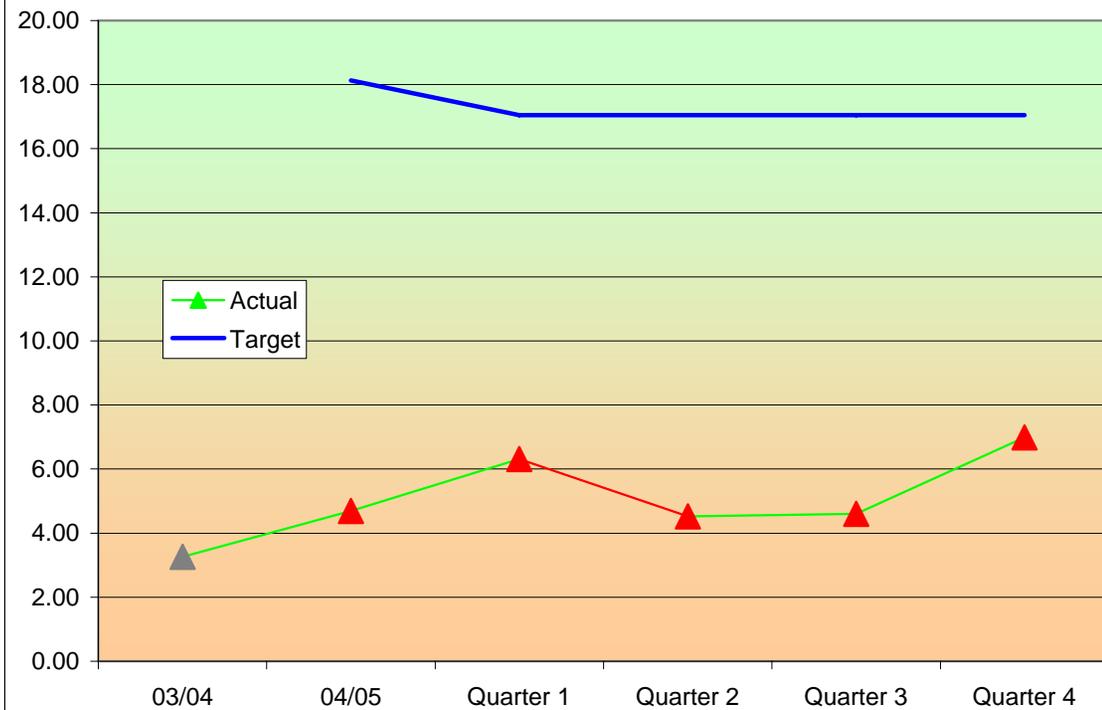
Comments

The Charity, SCOPE, are facilitating a training day on 20th April, 2006, at BDC for key senior staff, partners and Members on the practical implications of the new DDA regulations that come into force in October 2006.

Top Quartile for Quarter 4 = 34.77%

Planned Action

Equality & Diversity Forum includes Disability Access Charity partners who have agreed to help the Council in identifying suitable placement opportunities for its vacancy adverts and communication links with available pools of potential disabled applicants. This feedback will be used in the review of the Recruitment & Retention Policies (by July 2006)

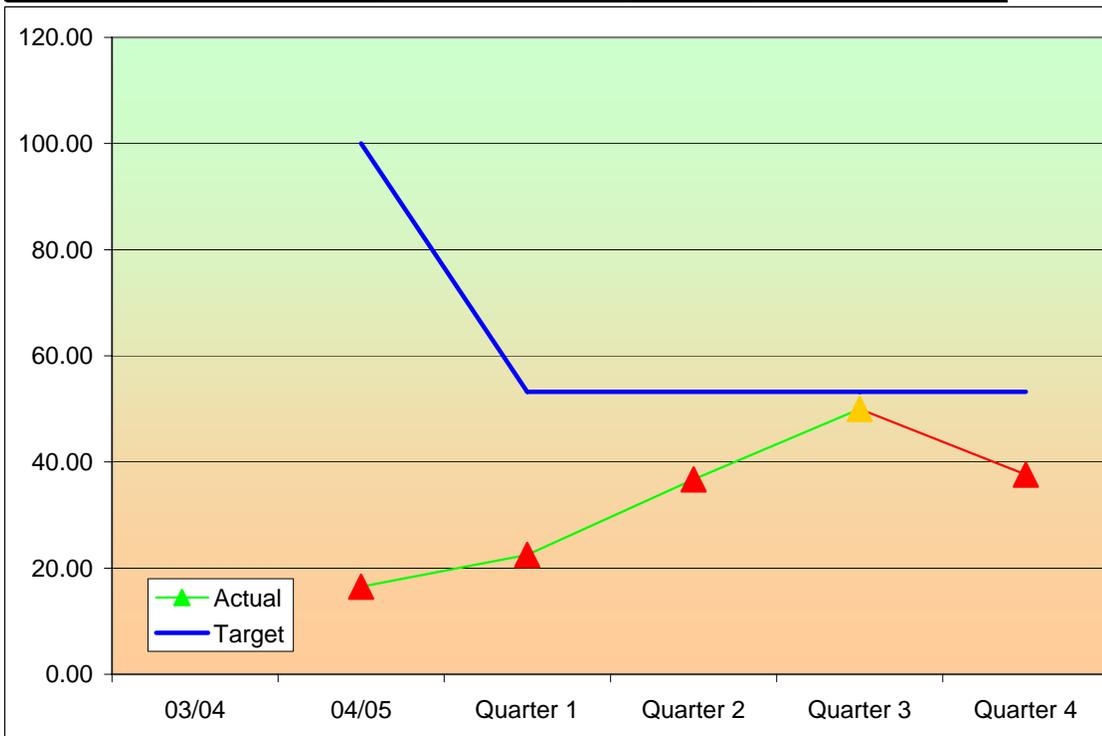


10	BVPI 17 - Ethnic Minority percentages	Annual Trend		
This is an indicator which shows the performance of 17a in proportion to the Census data (BVPI 17b). It expresses as a percentage 17a / 17b. It is this ratio that is monitored by the Audit Commission.		Current variation from target	-29.32%	 
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Latest, percentage, bigger is better)						
17	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	n/a	n/a	n/a	n/a	n/a
04/05	100.00	16.51	R	n/a	-83.49%	4
Quarter 1	53.21	22.48	R		-57.75%	4
Quarter 2	53.21	36.70	R		-31.03%	4
Quarter 3	53.21	50.00	A		-6.03%	3
Quarter 4	53.21	37.61	R		-29.32%	4
05/06	53.21	37.61	R		-29.32%	4

Comments

Top Quartile for Quarter 4 = 108.5%



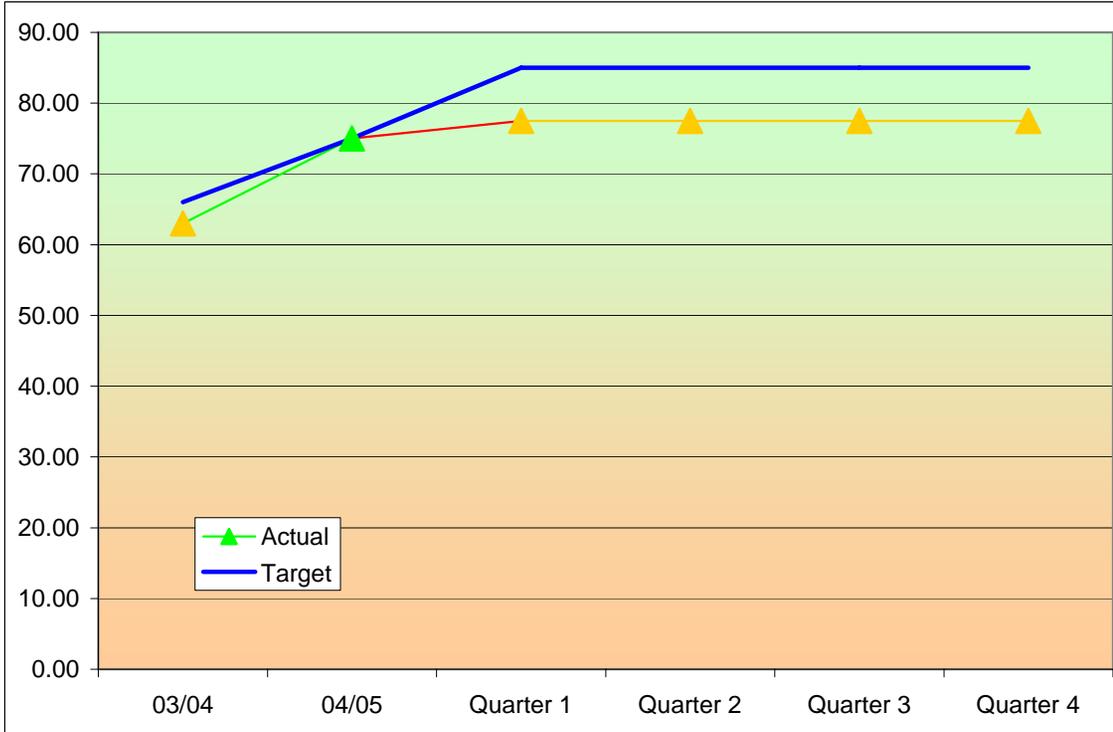
Planned Action

Equality & Diversity Forum includes BME partners who have agreed to help the Council in identifying suitable placement opportunities for its vacancy adverts and communication links with available pools of potential applicants from BME groups. This feedback will be used in the review of the Recruitment & Retention Policy (by July 2006).

11	BVPI 156 - Buildings accessible to people with a disability	Annual Trend	→	○
The percentage of authority buildings open to the public in which all public areas are suitable for, and accessible to, disabled people.		Current variation from target	-8.82%	○ A ○
Indicator Owner	Andrew Burton - Head of Legal & Democratic Services			

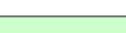
Performance						
156	Target	Actual	Performance	Trend	Variation	Quartile
03/04	66.00	63.00	A	n/a	-4.55%	n/a
04/05	75.00	75.00	G	→	0.00%	n/a
Quarter 1	85.00	77.50	A	→	-8.82%	n/a
Quarter 2	85.00	77.50	A	→	-8.82%	n/a
Quarter 3	85.00	77.50	A	→	-8.82%	n/a
Quarter 4	85.00	77.50	A	→	-8.82%	n/a
05/06	85.00	77.50	A	→	-8.82%	n/a

Comments



Planned Action

12	BVPI 157 - E-government: E-enabled interactions	Annual Trend		
The number of types of interactions that are enabled for electronic delivery as a percentage of the types of interactions that are legally permissible for electronic delivery.		Current variation from target	-29.66%	 
Indicator Owner	Deb Poole - Head of E-Government & Customer Services			

Performance (Latest, percentage, bigger is better)						
157	Target	Actual	Performance	Trend	Variation	Quartile
03/04	75.00	51.00	R	n/a	-32.00%	n/a
04/05	75.00	63.95	R		-14.73%	2
Quarter 1	100.00	67.23	R		-32.77%	3
Quarter 2	100.00	68.28	R		-31.72%	3
Quarter 3	100.00	70.34	R		-29.66%	3
Quarter 4	100.00	70.34	R		-29.66%	3
05/06	100.00	70.34	R		-29.66%	3

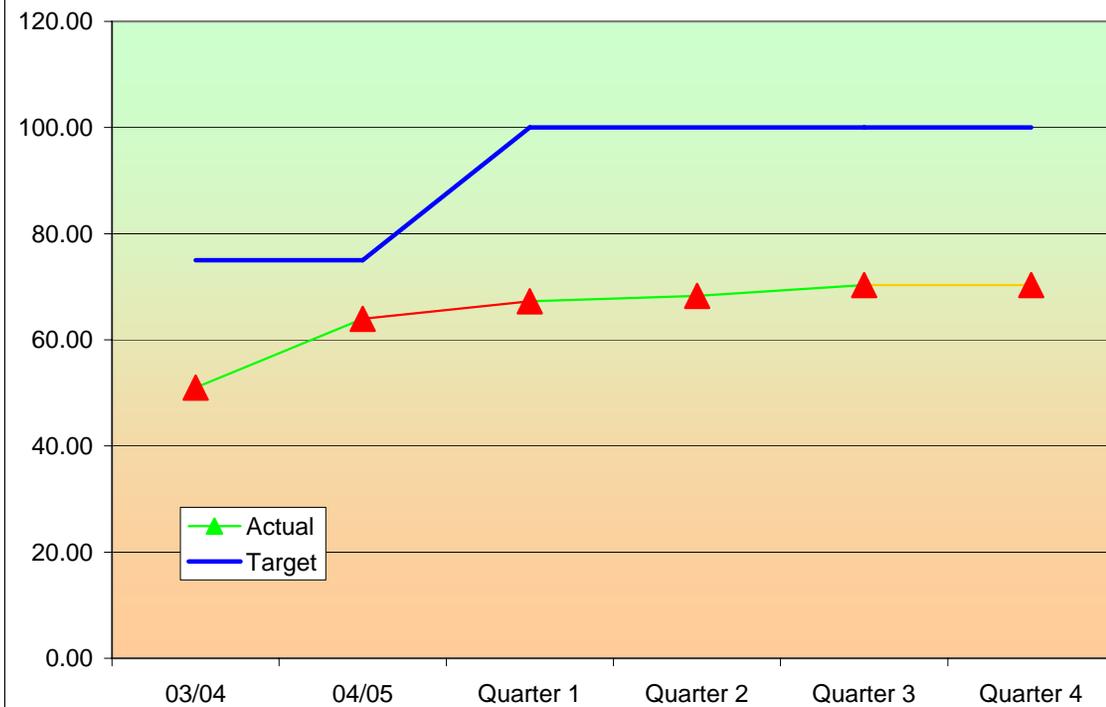
Comments

This indicator measures BD Councils progress towards the electronic delivery of 100% of suitable services. It is reported quarterly to the ODPM as part of the Council's Implementing Electronic Government Statement. The 100% target has been set by government and should have been achieved by March 2006. This indicator has now been deleted by the Audit Commission under instruction from the ODPM.

Top Quartile for Quarter 4 = 84.69%

Planned Action

There are three eGovernment projects that are either underway or planned for the near future that will help to achieve this target. These projects are: the redesign of the corporate website, the ICT Infrastructure project and the Spatial project. The combined improvements delivered by these projects will move BDC closer to achieving the 100% target set by the government.



13	LPI Corporate - % reply cards sent in agreed time.	Annual Trend	n/a	
The percentage of reply cards sent within agreed time to mail received into the Council		Current variation from target	23.48%	
Indicator Owner	Hugh Bennett - Assistant Chief Executive			

Performance (Cumulative, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	80.00	98.69	G	n/a	23.36%	n/a
Quarter 2	80.00	98.72	G		23.40%	n/a
Quarter 3	80.00	98.60	G		23.25%	n/a
Quarter 4	80.00	98.78	G		23.48%	n/a
05/06	80.00	98.78	G	n/a	23.48%	n/a

Comments

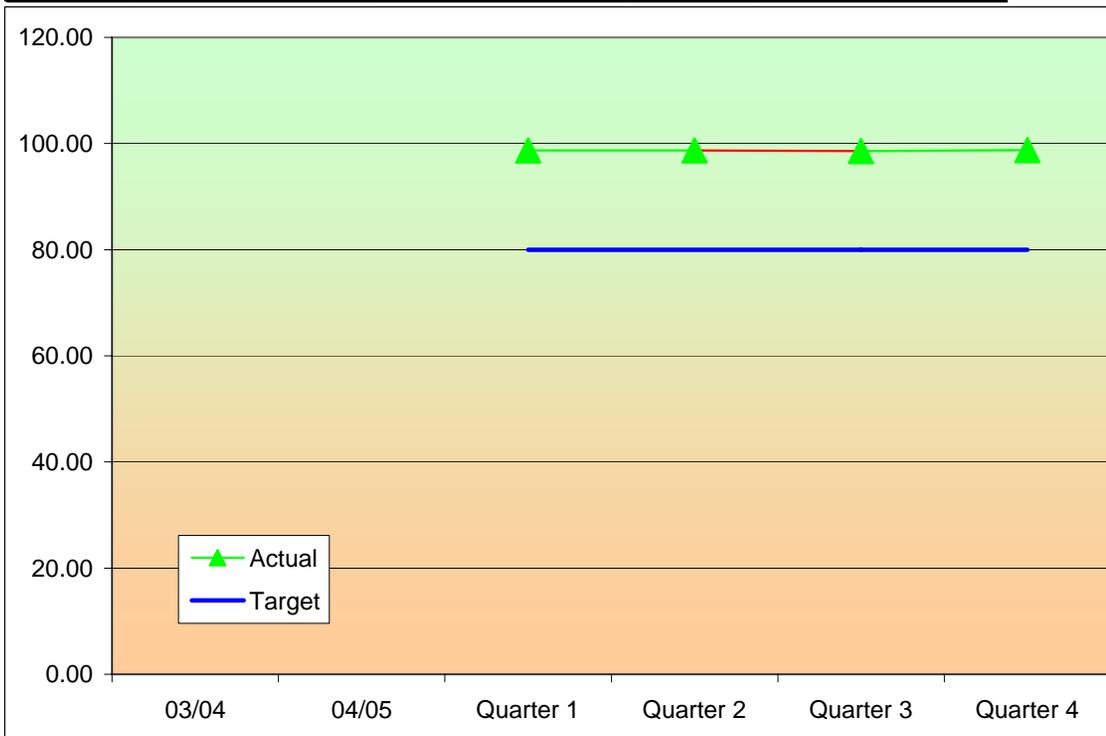
Although the figure looks positive, the information on Performance Plus appears to only relate to the Chief Executive's office and the Depot.

A report was taken to CMT (28/03/06), to reinvigorate the monitoring process, however agreement was not reached on how to progress.

Planned Action

The Assistant Chief Executive will review the process and take a report to CMT to ensure that all departments are monitoring their post and replies.

The target for 2006/07 will be reviewed as requested by PMB to make it more challenging.



14	LPI Corporate - % of full responses sent within 10 days	Annual Trend	n/a	
The percentage of full responses sent within 10 working days to mail received into the Council		Current variation from target	-11.65%	
Indicator Owner	Hugh Bennett - Assistant Chief Executive			

Performance (Cumulative, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	75.00	74.46	A	n/a	-0.72%	n/a
Quarter 2	75.00	68.07	A		-9.24%	n/a
Quarter 3	75.00	65.55	R		-12.60%	n/a
Quarter 4	75.00	66.26	R		-11.65%	n/a
05/06	75.00	66.26	R	n/a	-11.65%	n/a

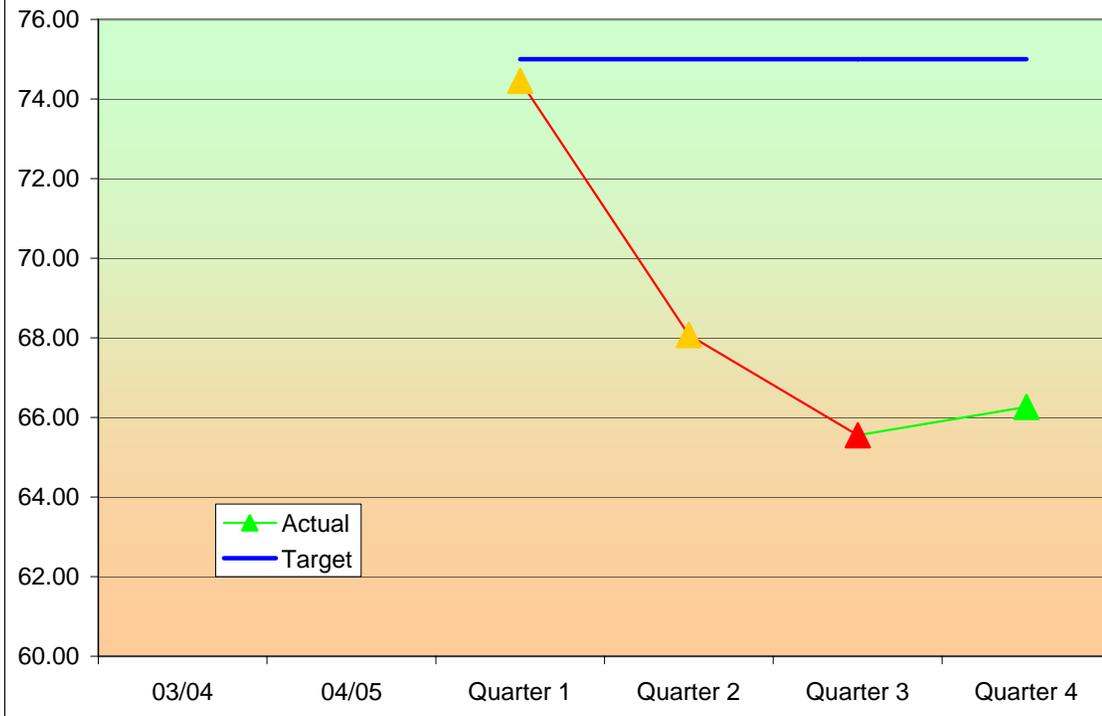
Comments

Performance is worsening and the information on Performance Plus appears to only relate to the Chief Executive's office and the Depot. The quarter 1 figures suggests the target is realistic; however, the lack of data on Performance Plus and worsening performance suggests that this area requires management focus to reinforce the importance of delivering this target.

A report was taken to CMT (28/03/06), to reinvigorate the monitoring process, however agreement was not reached on how to progress.

Planned Action

The Assistant Chief Executive will review the process and take a report to CMT to ensure that all departments are monitoring their post and replies.



15	LPI Legal Services - % of Housing Benefit Court Proceedings begun within 10 days	Annual Trend	n/a	
Indicator reports the percentage of proceedings to recover overpaid Housing Benefit which are commenced within 10 working days of full information enabling the case to start.		Current variation from target	-16.67%	
Indicator Owner	Andrew Burton - Head of Legal & Democratic Services			

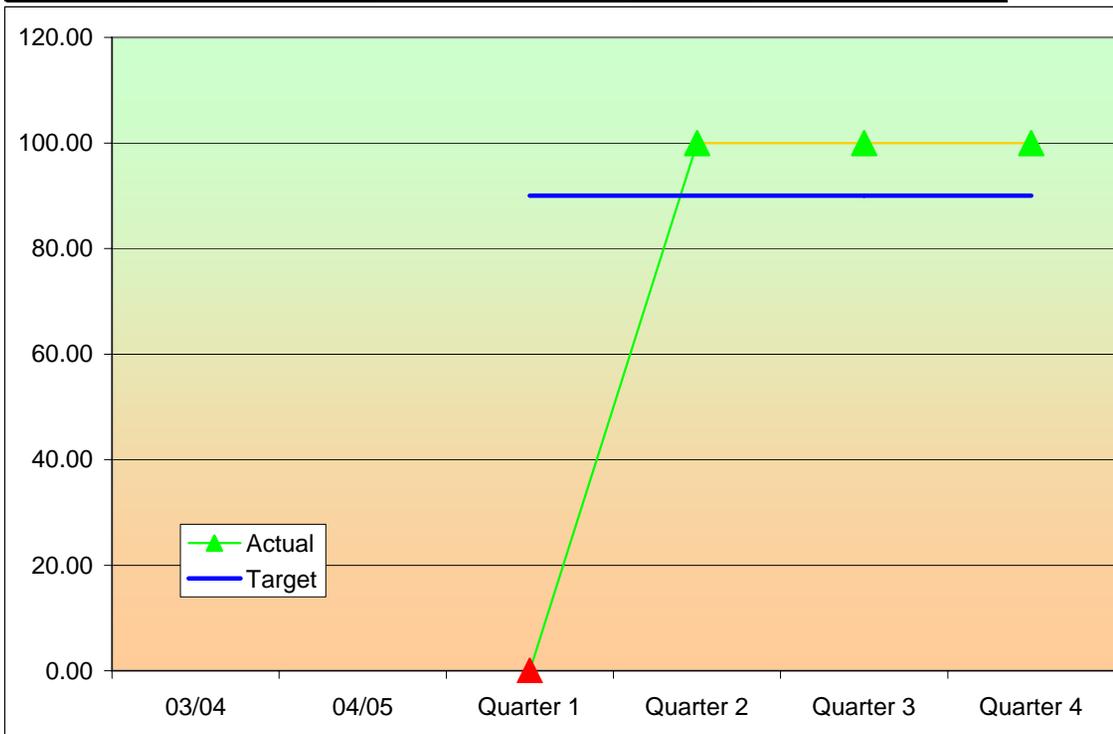
Performance (Latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	90.00	0.00	R	n/a	-100.00%	n/a
Quarter 2	90.00	100.00	G	▲	11.11%	n/a
Quarter 3	90.00	100.00	G	→	11.11%	n/a
Quarter 4	90.00	100.00	G	→	11.11%	n/a
05/06	90.00	75.00	R	n/a	-16.67%	n/a

Comments

Performance in the first quarter was affected by a small number of cases of unusual complexity which brought down the average performance return. Performance for the remainder of the year has been ahead of target, notwithstanding the paucity of legal department staff (until recently).

Planned Action

Additional staff now recruited and in post will assist with delivery of service in accordance with requirements of the client department.

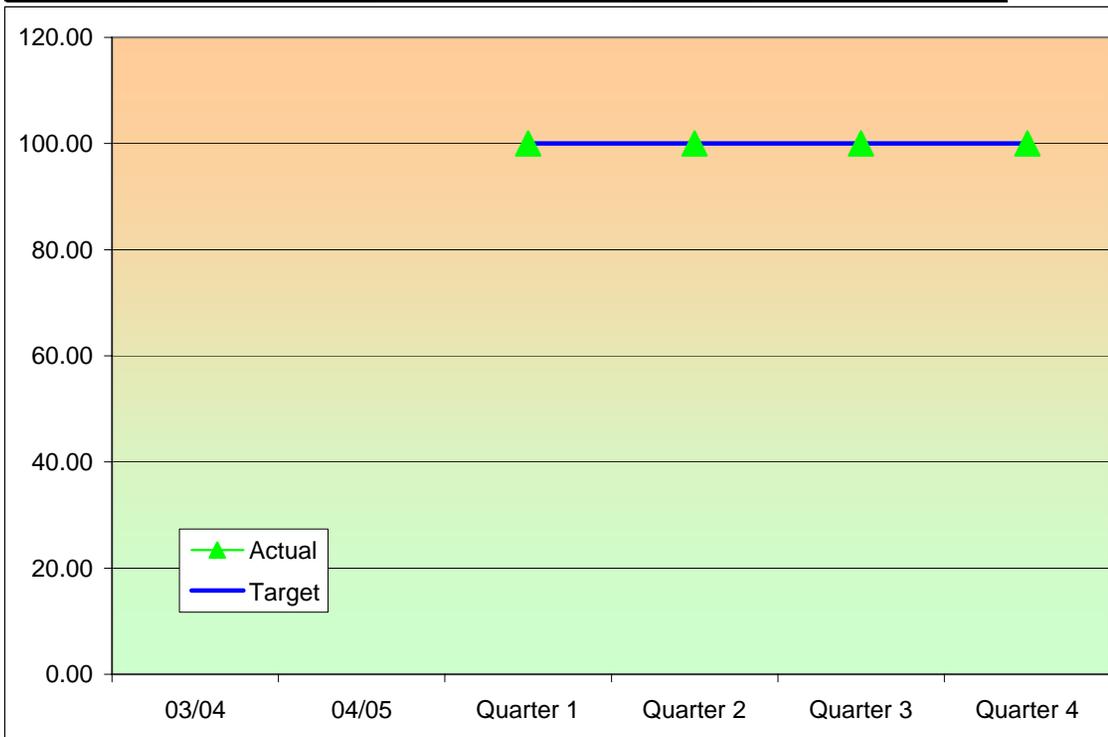


16	LPI Financial Services - Financial monitoring reports sent to members	Annual Trend	n/a	
This indicator represents the percentage of financial monitoring information that has been presented to members within the locally set deadline.		Current variation from target	0.00%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (Latest, percentage, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	100.00	100.00	G	n/a	0.00%	n/a
Quarter 2	100.00	100.00	G		0.00%	n/a
Quarter 3	100.00	100.00	G		0.00%	n/a
Quarter 4	100.00	100.00	G		0.00%	n/a
05/06	100.00	100.00	G	n/a	0.00%	n/a

Comments

The financial reports are submitted and presented to members on a quarterly basis. This indicator demonstrates the performance of the team in reporting the financial position for both revenue and capital items. Financial monitoring statements are sent to budget holders on a monthly basis for their consideration and areas of concern are highlighted for future action. The information obtained from regular meetings with budget holders is used to prepare the most information financial statements available for members.



Planned Action

As part of the review of financial and performance monitoring there is an aim to link the performance management information with the financial information to give members a true reflection of the standing of all activities within the Council. The quarter 2 information (Sept 06) will show the information in a combined report.

17	LPI Financial Services - Number of days to do bank reconciliations	Annual Trend	n/a	
This represents the number of days that it takes to complete system reconciliations of the general bank account for the Council.		Current variation from target	5.20%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

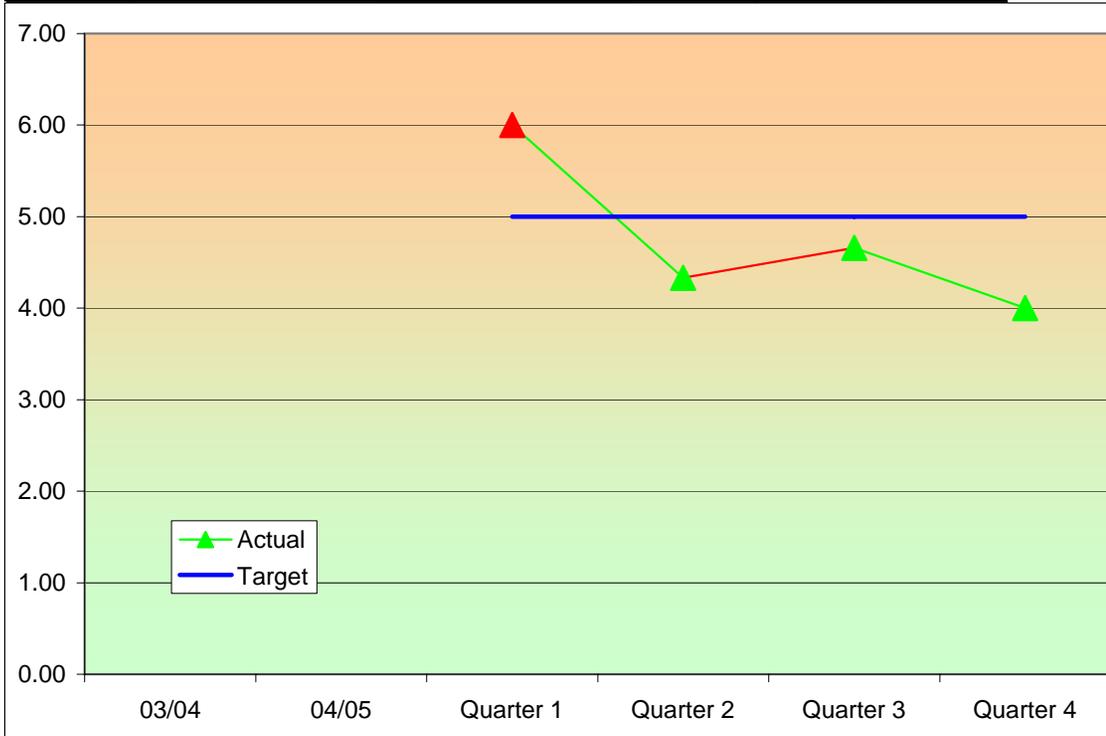
Performance (Latest, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	5.00	6.00	R	n/a	-20.00%	n/a
Quarter 2	5.00	4.33	G		13.40%	n/a
Quarter 3	5.00	4.66	G		6.80%	n/a
Quarter 4	5.00	4.00	G		20.00%	n/a
05/06	5.00	4.74	G	n/a	5.20%	n/a

Comments

The indicator relates to the number of days that the finance team takes after month end to complete a full reconciliation of the general bank account. The preparation and accuracy of the system recs has been an issue for a number of years from both internal and external audit and therefore the indicators are in place to ensure the records are kept up to date. The factors effecting the number of days include payments received that are not clearly identified or the delay in information being obtained from the bank. The on-line banking system is currently being set up within the accountancy section.

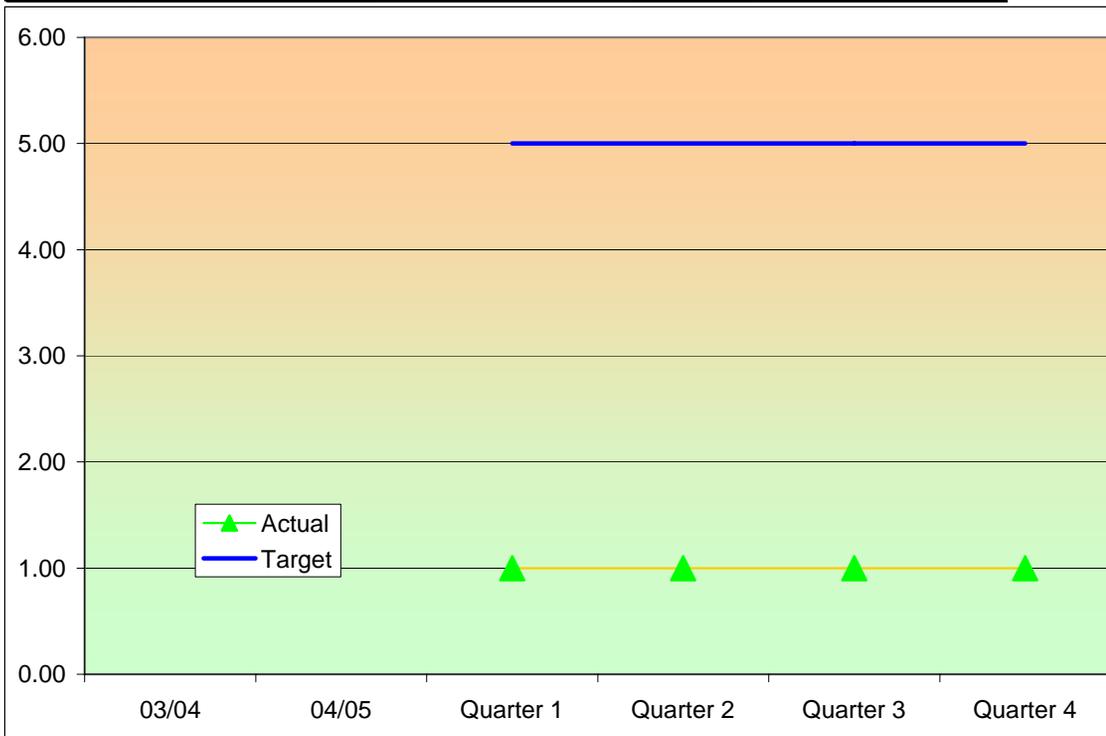
Planned Action

The reimplementation of elements of the cash receiving system (Radius) was approved as part of the capital programme 2006/07 and when this project is complete it will improve the automation of the allocation of the cash into the general ledger. The target date for the project is July 06. There will continue to be an ongoing review of the processes and targets achieved for the bank reconciliation with the aim to improve the target to 4 working days during 2006/07. The reconciliations will all be monitored within one local target relating to system recs during 2006/07



18	LPI Financial Services - Number of days to do income reconciliations	Annual Trend	n/a	
This represents the number of days that it takes to complete reconciliations of the cash systems for the Council.		Current variation from target	80.00%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (Latest, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	5.00	1.00	G	n/a	80.00%	n/a
Quarter 2	5.00	1.00	G	→	80.00%	n/a
Quarter 3	5.00	1.00	G	→	80.00%	n/a
Quarter 4	5.00	1.00	G	→	80.00%	n/a
05/06	5.00	1.00	G	n/a	80.00%	n/a



Comments

The indicator relates to the number of days that the finance team takes after month end to complete a full reconciliation of the cash collected by the Council. This reconciliation includes all cash received from the councils operations - leisure centres / customer service centre and the allocation of this cash into the general ledger. The preparation and accuracy of the system recs has been an issue for a number of years from both internal and external audit and therefore the indicators are in place to ensure the records are kept up to date.

Planned Action

The review and reimplementation of elements of the cash receipting system (Radius) that will improve the automation of the allocation of the cash into the general ledger. This will reduce the need for the number of manual postings and processes that are currently undertaken to achieve the income rec. The project target date is July 2006.

There will continue to be an ongoing review of the processes and targets achieved for the income reconciliation with the aim to improve the target to 4 working days during 2006/07.

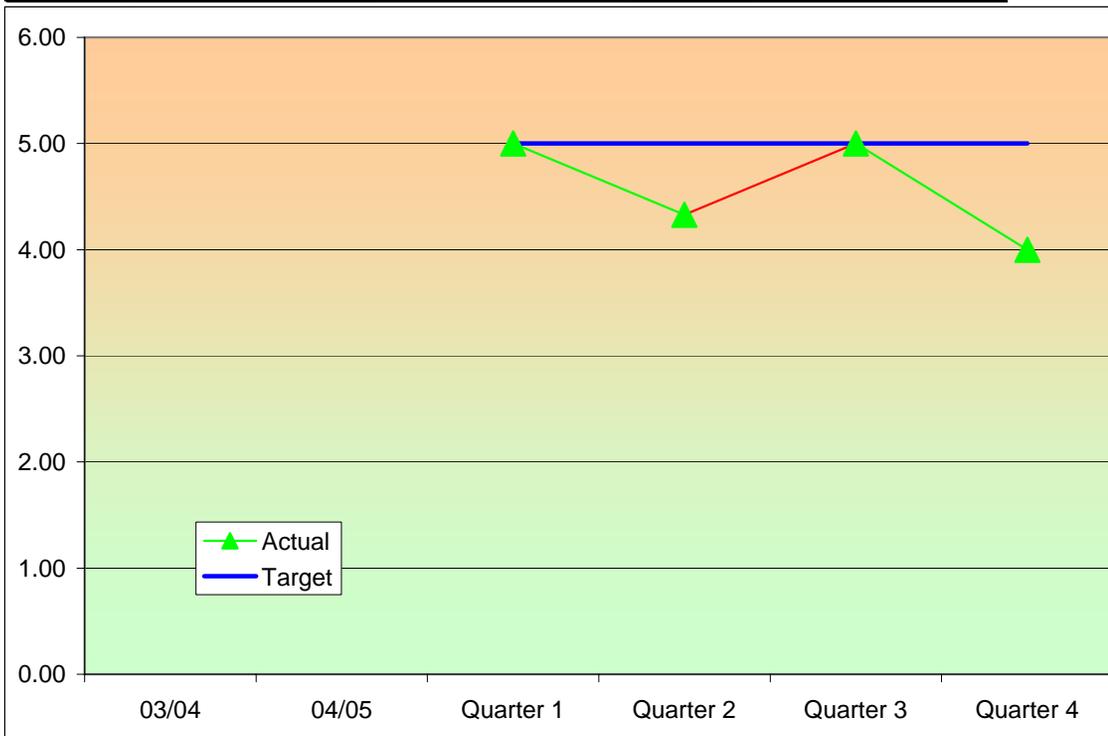
The reconciliations will all be monitored within one local target relating to system recs during 2006/07.

19	LPI Financial Services - Number of days to do payroll reconciliations	Annual Trend	n/a	
This represents the number of days that it takes to complete reconciliations of the payroll systems for the Council.		Current variation from target	8.40%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (Latest, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	5.00	5.00	G	n/a	0.00%	n/a
Quarter 2	5.00	4.33	G		13.40%	n/a
Quarter 3	5.00	5.00	G		0.00%	n/a
Quarter 4	5.00	4.00	G		20.00%	n/a
05/06	5.00	4.58	G	n/a	8.40%	n/a

Comments

The indicator relates to the number of days that the finance team takes after month end to complete a full reconciliation of the payroll by the Council. This reconciliation includes the balancing of the payroll system , BACS payments , payroll deductions and pension and tax calculations into the general ledger. The preparation and accuracy of the system recs has been an issue for a number of years from both internal and external audit and therefore the indicators are in place to ensure the records are kept up to date.

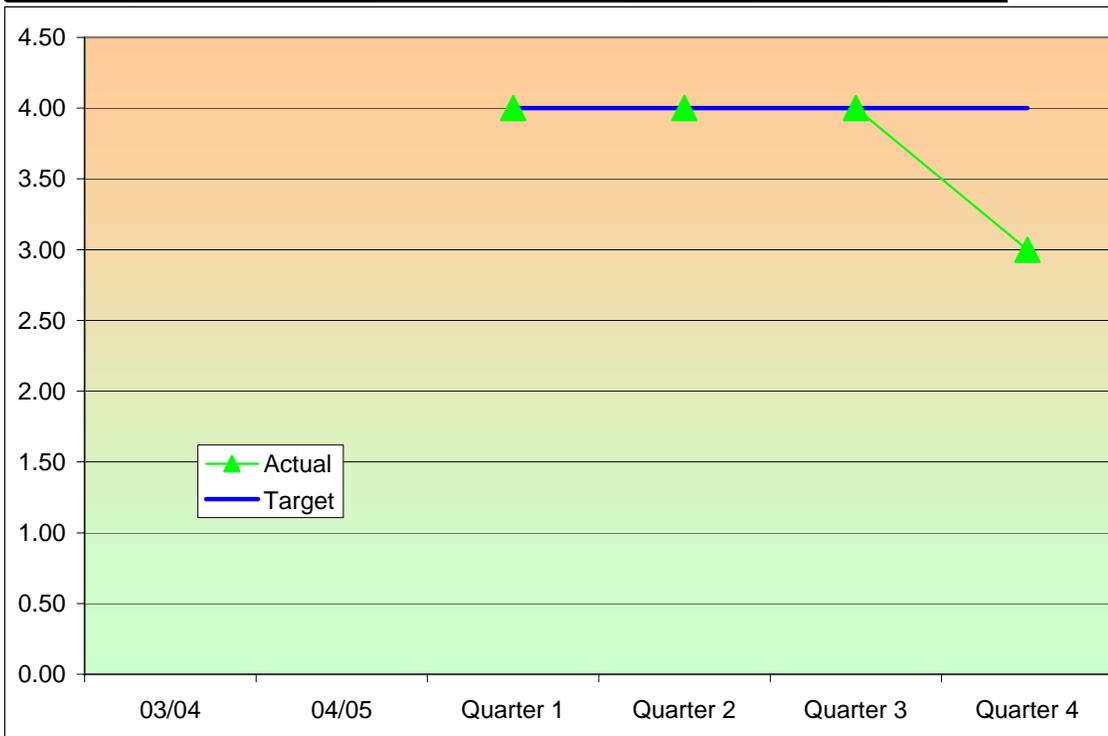


Planned Action

There will continue to be an ongoing review of the processes and targets achieved for the payroll reconciliation with the aim to improve the target to 4 working days during 2006/07. The reconciliations will all be monitored within one local target relating to system recs during 2006/07.

20	LPI Financial Services - Number of weeks to do NDR & CTax reconciliations	Annual Trend	n/a	
This represents the number of weeks that it takes to complete reconciliations of the NNDR accounting systems for the Council.		Current variation from target	6.25%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (Latest, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	4.00	4.00	G	n/a	0.00%	n/a
Quarter 2	4.00	4.00	G	→	0.00%	n/a
Quarter 3	4.00	4.00	G	→	0.00%	n/a
Quarter 4	4.00	3.00	G	↘	25.00%	n/a
05/06	4.00	3.75	G	n/a	6.25%	n/a



Comments

The indicator demonstrates the performance of the finance team in reconciling the NNDR accounts for the Council.

The period of time for the reconciliation to be complete is within a month from year end as there is a high degree of analytical investigation between the Academy, cash and Agresso systems.

Planned Action

The review and reimplementation of elements of the cash receipting system (Radius) that will improve the automation of the allocation of the cash into the general ledger and into the Academy system which in turn will improve the time spent on this reconciliation.

There will continue to be an ongoing review of the processes and targets achieved for the income reconciliation with the aim to improve the target during 2006/07.

The reconciliations will all be monitored within one local target relating to system recs during 2006/07.

21	LPI Financial Services - % of audit assignments completed in timescale	Annual Trend	n/a	
This indicator reflects the percentage of audit assignments completed within agreed timescales		Current variation from target	-12.22%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

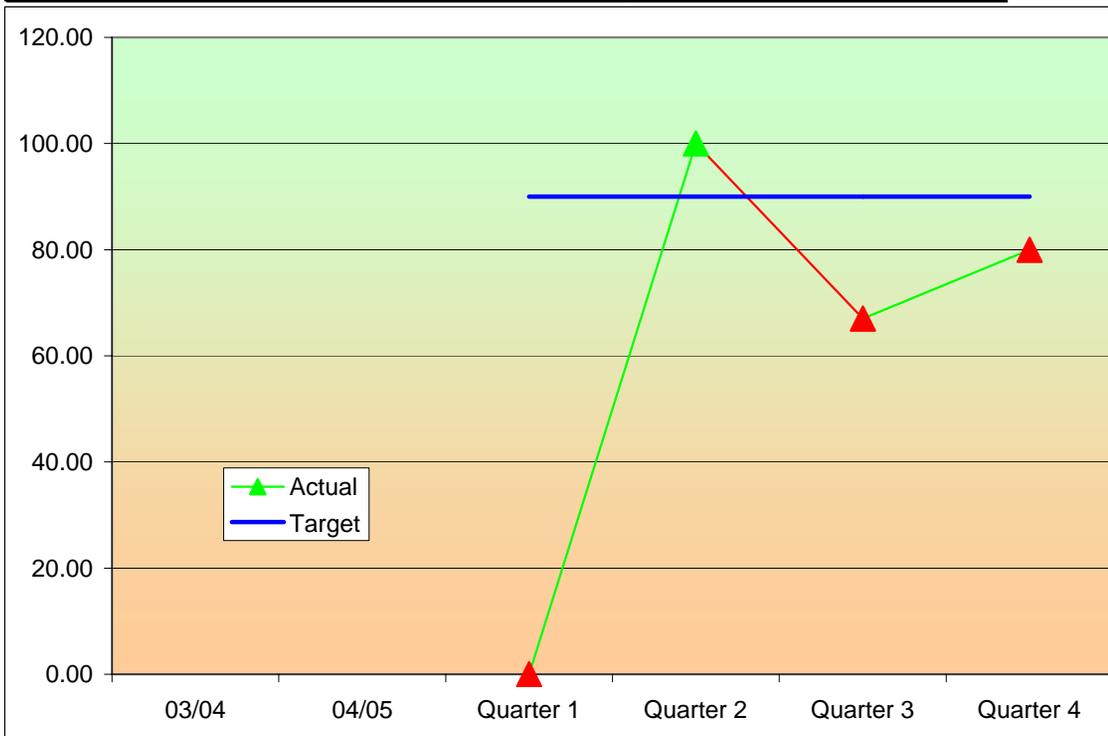
Performance (Latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	90.00	0.00	R	n/a	-100.00%	n/a
Quarter 2	90.00	100.00	G		11.11%	n/a
Quarter 3	90.00	67.00	R		-25.56%	n/a
Quarter 4	90.00	80.00	R		-11.11%	n/a
05/06	90.00	79.00	R	n/a	-12.22%	n/a

Comments

The indicator is used to demonstrate the performance of the audit team in completing the audit assignments with the agreed timeline. The timescale is different for each audit depending on the level of expertise /risk associated with the audit being undertaken. The quarter shows a increase in the performance from 67% to 80% this is as a result of the impoved policies and procedures that are undertaken by the audit team.

Planned Action

The recruitment of the staff is complete - the new posts have been filled by part qualified auditors to ensure a high quality and turnaround of audit assignments. One member started in April and a further is to start in early May. The new processes and procedures are now fully documented for use by the team. With a full year of information regarding the time taken on assignments we will be looking to continually review the performance of individual members of the team.



22	LPI Financial Services - % of the scheduled audit plan delivered	Annual Trend	n/a	  
This indicator reflects the percentage of audit plan delivered within period.		Current variation from target	-18.89%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

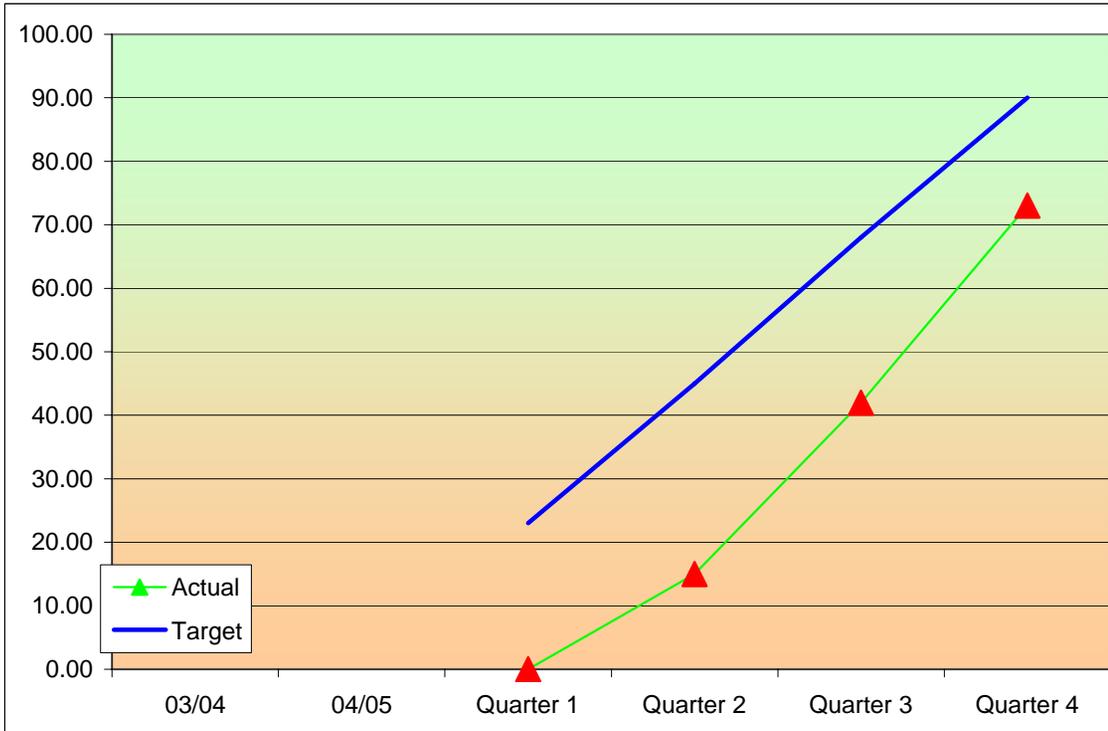
Performance (Cumulative, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	23.00	0.00	R	n/a	-100.00%	n/a
Quarter 2	45.00	15.00	R		-66.67%	n/a
Quarter 3	68.00	42.00	R		-38.24%	n/a
Quarter 4	90.00	73.00	R		-18.89%	n/a
05/06	90.00	73.00	R	n/a	-18.89%	n/a

Comments

The audit plan is agreed and approved at the start of the financial year. During the year the plan is reviewed to assess implications of additional work / delays in audits. The actual has been under performing to that expected during 2005/06 due to the vacancies of staff within the team (50%) and the implementation of the new processes and procedures that will take up to 12 months to be fully embedded into the culture of the team.

Planned Action

The recruitment of the staff is complete - the new posts have been filled by part qualified auditors to ensure a high quality and turnaround of audit assignments. One member started in April and a further is to start in early May.
The new processes and procedures are now fully documented for use by the team.
With a full year of information regarding the time taken on assignments we will be looking to continually review the performance of individual members of the team.

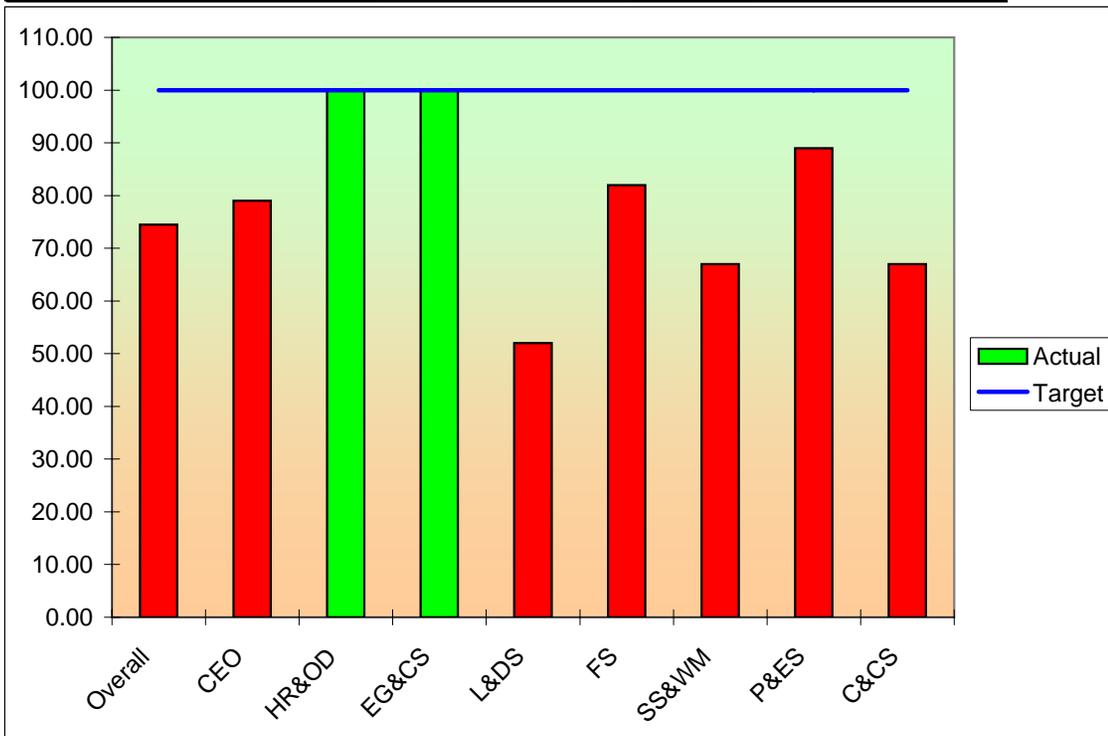


23	LPI Human Resources - % of staff appraisals undertaken	Annual Trend	n/a	
The percentage of staff appraisals (PDRs) undertaken.		Current variation from target	-25.52%	
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	0.00	n/a	n/a	n/a	n/a	n/a
Quarter 2	0.00	n/a	n/a	n/a	n/a	n/a
Quarter 3	100.00	57.00	R	n/a	-43.00%	n/a
Quarter 4	100.00	74.48	R		-25.52%	n/a
05/06	100.00	74.48	R	n/a	-25.52%	n/a

Comments

The graph shows the latest quarters figures for each department. All Heads of Services are aware of the deadlines for completion of the PDRs for all staff in their Service. An up-to-date list of PDRs received is attached.

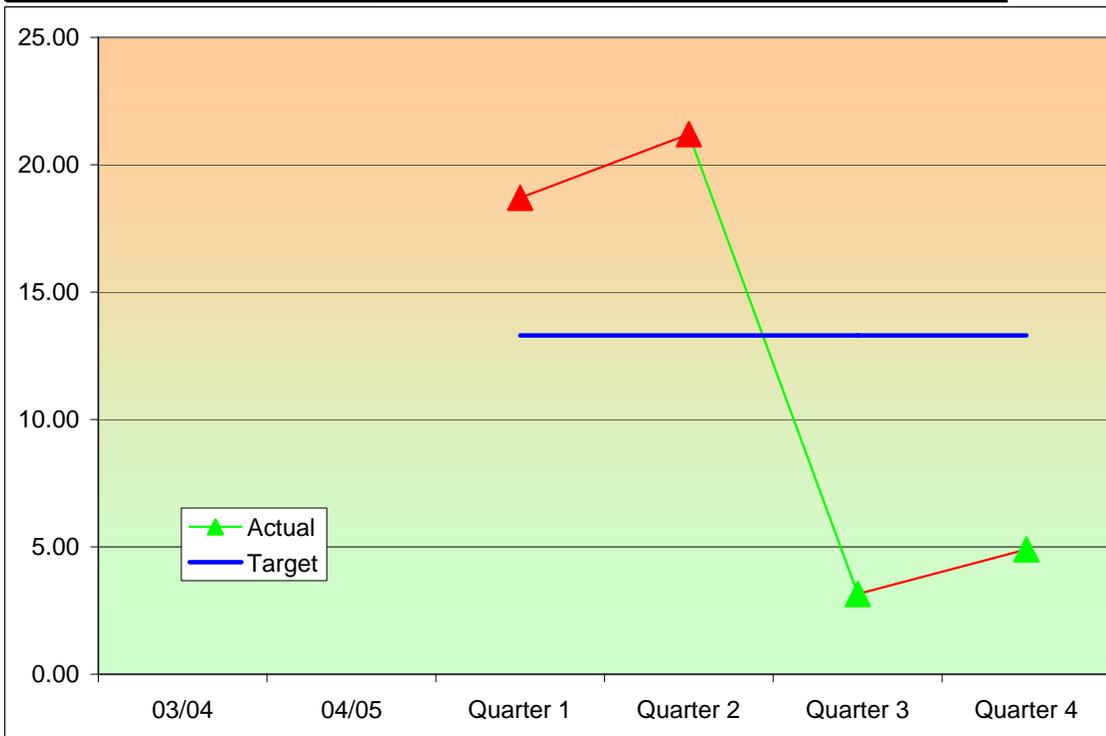


Planned Action

A revised timetable will be put before CMT by end of April 06.

24	LPI Human Resources - % of staff turnover	Annual Trend	n/a	
The percentage of staff turnover. This is the number of changes in personnel expressed as a percentage of the total number of employees.		Current variation from target	-41.35%	
Indicator Owner	Clare Armour - Interim Head of Human Resources & Organisational Development			

Performance (Latest, percentage, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	13.30	18.70	R	n/a	-40.60%	n/a
Quarter 2	13.30	21.20	R		-59.40%	n/a
Quarter 3	13.30	3.15	G		76.32%	n/a
Quarter 4	13.30	4.90	G		63.16%	n/a
05/06	13.30	18.80	R	n/a	-41.35%	n/a



Comments
It should be noted that too little turnover is not necessarily a good thing, but the Council should seek to ensure that people are leaving and staying for the right reasons, ie: that Bromsgrove Council seeks to become a preferred employer.

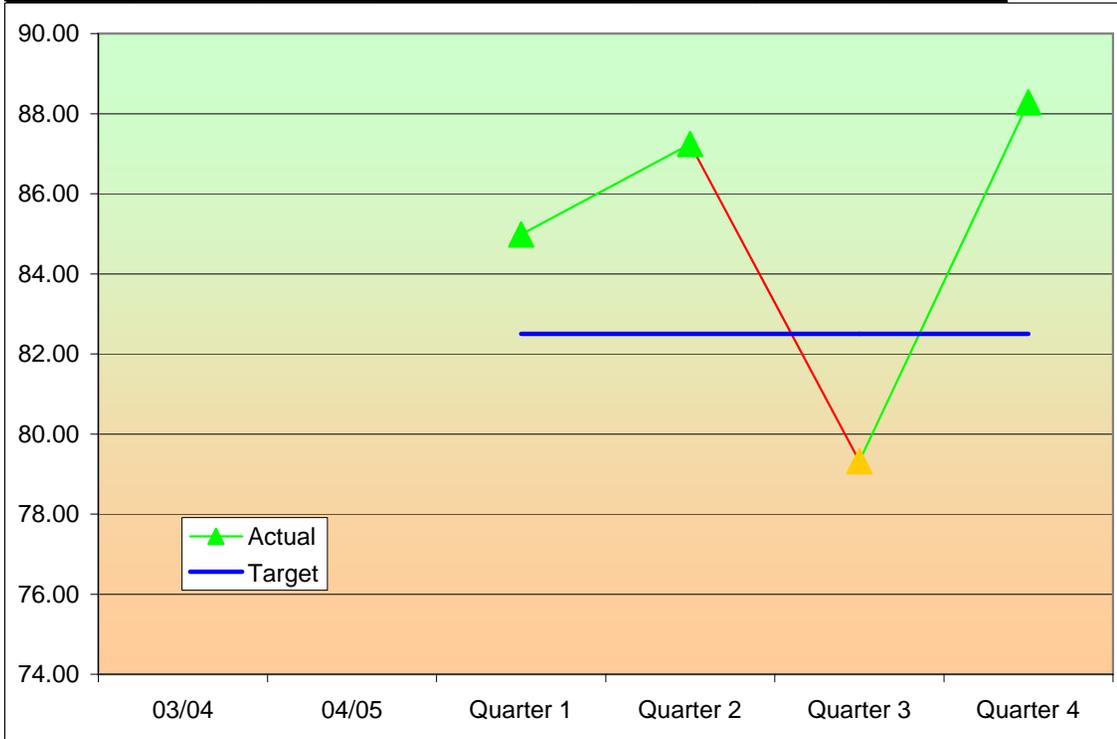
Planned Action
HR is reviewing the Council's Recruitment and retention policy (by July 06). The Council is also promoting its flexible working arrangements. The actions from both the IIP assessment and the Staff survey will be reviewed for implications on staff turnover with a view to a repeat staff survey in Jan 07 and an IIP assessment in March/April 07.

25	LPI IT Services - Percentage of helpdesk calls closed within timescales	Annual Trend	n/a	
The percentage of IT helpdesk calls that have been closed within timescales		Current variation from target	2.97%	
Indicator Owner	Deb Poole - Head of E-Government & Customer Services			

Performance (Latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	82.50	84.98	G	n/a	3.01%	n/a
Quarter 2	82.50	87.24	G		5.75%	n/a
Quarter 3	82.50	79.32	A		-3.85%	n/a
Quarter 4	82.50	88.28	G		7.01%	n/a
05/06	82.50	84.95	G	n/a	2.97%	n/a

Comments
 The introduction of a new external helpdesk and internal changes to call handling procedures have delivered an improvement in call clearance times.

Planned Action
 To continue to monitor the overall performance of the external helpdesk to ensure a quality service. To work with our external helpdesk supplier to develop and improve the helpdesk system. To use the helpdesk system to provide more management information reports. This information will be used to highlight areas of good and bad performance and to formulate planned improvements/developments. The overall target will be increased for 06/07. The target will also be measured against the Society of IT Management KPI benchmarks.



BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

19th May 2006

TOP 45 PERFORMANCE INDICATORS – QUARTER 4 2005/06

Responsible Member	Chairman of Performance Management Board
Responsible Head of Service	Mr H Bennett – Assistant Chief Executive

1.0 Summary

- 1.1 This report provides details of the current performance of the Top 45 set of indicators in order to provide a strategic focus for performance management. This approach is consistent with Audit Commission good practice.

2.0 Recommendations

- 2.1 It is recommended that the Performance Management Board:
- (a) considers the performance information contained in the report;
 - (b) receives verbal reports from officers on some of the indicators;
 - (c) based on the discussion with Heads of Service makes recommendations for improvement to the Portfolio Holder and Cabinet ; and
 - (d) if appropriate, identifies indicators on which the Board would like more detailed reports from the Heads of Service at its next meeting.

3.0 Background

- 3.1 A previously agreed set of Top 45 indicators covering the Services Directorate is reported on a quarterly basis. This report provides performance information for the 4th quarter (April 2005 to March 2006) for the Top 45 indicators.

4. Report

- 4.1 The attached Top 45 Indicator report provides the reader with the information in various formats, so that Members and managers can consider the information in their preferred learning style i.e. some people like graphical information, others prefer numbers, others prefer narrative. The format covers all of these and makes use of a “traffic light system” to enable the reader to quickly focus on which indicators are more than 10% below target (red indicators), between 0% and 10% off target (amber) or on target (green).

- 4.2 There are too many indicators for the Board to go through every single one in detail at the meeting. The “traffic light system” should help provide a focus and the Board will rightly want to consider how performance can be improved in discussion with the Heads of Service. Through a pre-meeting with the Chairman, Vice-Chairman and the Assistant Chief Executive, a steer has been provided to the Assistant Chief Executive on which Heads of Service the Board would like to attend the meeting to discuss performance issues.
- 4.3 Based on discussions at the Board’s meeting, Members will need to make recommendations to Cabinet on corrective action required. If the Board considers that urgent action is required then the Chairman should discuss the required action and seek agreement with the relevant Portfolio Holder after the meeting. In some instances, further information may be required and the Board may wish to decide that a separate report on a particular indicator be put on the agenda for the next Board meeting.

5.0 Financial Implications

- 5.1 Any financial implications can only be identified when failing indicators have been fully analysed and appropriate improvement action plans have been developed. Where these have already been done, details will be included within the Planned Action box in the report.

6.0 Legal Implications

- 6.1 National Best Value Performance Indicators are audited annually by the External Auditors (KPMG), and the results are published.

7.0 Corporate Governance

- 7.1 This Council is committed to addressing the changes required to exhibit good corporate governance and therefore is committed to putting into place an effective and efficient performance management framework. Good performance management requires the availability of accurate and timely performance data. The information in this report is therefore essential and should be used appropriately, re-defining its content as change is identified and thus ensuring that it remains relevant and useful.

Report Author

Name: Steve Clarke – Policy & Performance Officer
E-mail: s.clarke@bromsgrove.gov.uk
Tel: (01527) 881286



Top 45

The Top 45 key indicators for 2005/06

Corporate Communications, Performance and Policy Team

Quarter 4 2005/06

7	Indicator Type	Short Description	Page Number
-	Top 45 Performance Summary		3
-	Top 45 Legend		4
2	BV76	Housing benefit security	6 - 9
4	BV79	Accuracy of benefit claims & recovery of overpayments	12 - 15
6	BV84	Amount of waste collected per head	20 - 21
8	BV106	% of new homes built on brownfield sites	24
10	BV126	Domestic burglaries per 1000 households	28
12	BV128	Vehicle crimes per 1000 population	31
14	BV170	Usage of museums	33 - 35
16	BV183	Length of stay in temporary accommodation	37 - 38
18	BV200	Plan making - development plan	43 - 45
20	BV203	Number of families in temporary accommodation	47
22	BV205	Quality of planning service checklist	49
24	BV214	Repeat homelessness	51
26	BV219	Conservation areas	54 - 56
28	LPI Planning	Score on Building Control performance matrix	58
30	LPI CEO	% of business survival rate	60
32	LPI Depot	% of flytips dealt with in response time	62
34	LPI Depot	Number of missed recycle waste collections	64
36	LPI Depot	Number of written complaints	66
38	LPI Sports Services	Dolphin Centre Usage	68
40	LPI Sports Services	Woodrush Sports Centre Usage	70
42	LPI Community Safety	Respond to emergency calls in 20 secs	72
44	LPI Community Safety	Urgent Lifeline equipment installed in 24 hours	74

Indicator Ref No.	Indicator Type	Short Description	Page Number
1	BV64	Number of private sector dwellings returned into occupation	5
3	BV78	Speed of processing HB/CTB claims	10 - 11
5	BV82	Recycling & Composting of household waste	16 - 19
7	BV91	Coverage of kerbside recycling collection service	22 - 23
9	BV109	Timeliness of processing of planning applications	25 - 27
11	BV127	Violent crimes & robberies per 1000 populations	29 - 30
13	BV166 a	Environmental health checklist of best practice	32
15	BV175	Racial incidents resulting in further action	36
17	BV199	Local street and environmental cleanliness	39 - 42
19	BV202	Number of rough sleepers	46
21	BV204	% of planning appeals allowed	48
23	BV213	H.A.S. - preventing homelessness	50
25	BV218	Abandoned vehicles	52 - 53
27	BV225	Actions against domestic violence	57
29	LPI CEO	Number of small business start ups	59
31	LPI Depot	% animal/debris cleared within timescales	61
33	LPI Depot	Number of missed household waste collections	63
35	LPI Depot	Number of missed trade waste collections	65
37	LPI Community Services	Number of attendances at arts events	67
39	LPI Sports Services	Haybridge Sport Centre Usage	69
41	LPI Community Safety	Respond to emergency calls in 5 secs	71
43	LPI Community Safety	Lifeline equipment installed within 5 days	73
45	LPI Transport Services	% responses to Excess Charge appeals in 3 days	75

Top 45 PERFORMANCE SUMMARY

Performance against Target	Total	Total
Meeting or exceeding target for performance	30	42%
Not meeting target - difference is less than 10%	13	18%
Not meeting target - difference is 10% or more	15	21%
Information not reportable	13	18%
Total	71	100%

Performance Trend	Total	Total
Improving performance	11	15%
Stable performance	2	3%
Declining performance	14	20%
Information not reportable	44	62%
Total	71	100%

Performance against Quartiles	Total	Total
Indicators in Top Quartile	4	6%
Indicators in Second Quartile	1	1%
Indicators in Third Quartile	11	15%
Indicators in Bottom Quartile	11	15%
Information not reportable	44	62%
Total	71	100%

TOP 45 LEGEND

Key for Outcomes (comparison against target)

[Signified by coloured block]

	%
G Meeting or exceeding target 	42%
A Not meeting target - difference is less than 10% 	18%
R Not meeting target - difference is 10% or more 	21%
Information not available 	18%

Key for Performance Trends (over previous period)

[Signified by direction of arrow next to coloured block]

	%
 Improving performance 	15%
 Stable performance 	3%
 Declining performance 	20%
Information not available	62%

Please note:
 Direction of arrow signifies the performance trend.
 Colour of arrow signifies the relationship to target;
 Green arrow = performance at or above target
 Amber arrow = performance below target by less than 10%
 Red arrow = performance below target by 10% or more

For certain indicators high performance requires high percentages/numbers being achieved, for others high performance requires low percentages/numbers being achieved. The indicator information identifies which criteria applies.

The graph background shading indicates performance with green shading indicating higher performance and red shading indicating lower performance.

 Actual figure - Colour denotes variance from Target: Red = 10% or below, Amber = below by less than 10%, Green = equal or better than target

 Trend line between Actual figure - Colour denotes movement: Red = declining, Amber = stable, Green = improving

 2005/06 target

1	BVPI 64 - Vacant dwellings returned to occupation or demolished	Annual Trend		
Number of non-local authority-owned dwellings returned to occupation or demolished during the financial year as a direct result of action by the local authority		Current variation from target	0.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance (cumulative, number, bigger is better)						
64	Target	Actual	Performance	Trend	Variation	Quartile
03/04	3.00	3.00	G	n/a	0.00%	n/a
04/05	3.00	2.00	R		-33.33%	4
Quarter 1	3.00	3.00	G		0.00%	3
Quarter 2	3.00	3.00	G		0.00%	3
Quarter 3	3.00	3.00	G		0.00%	3
Quarter 4	3.00	3.00	G		0.00%	3
05/06	3.00	3.00	G		0.00%	3

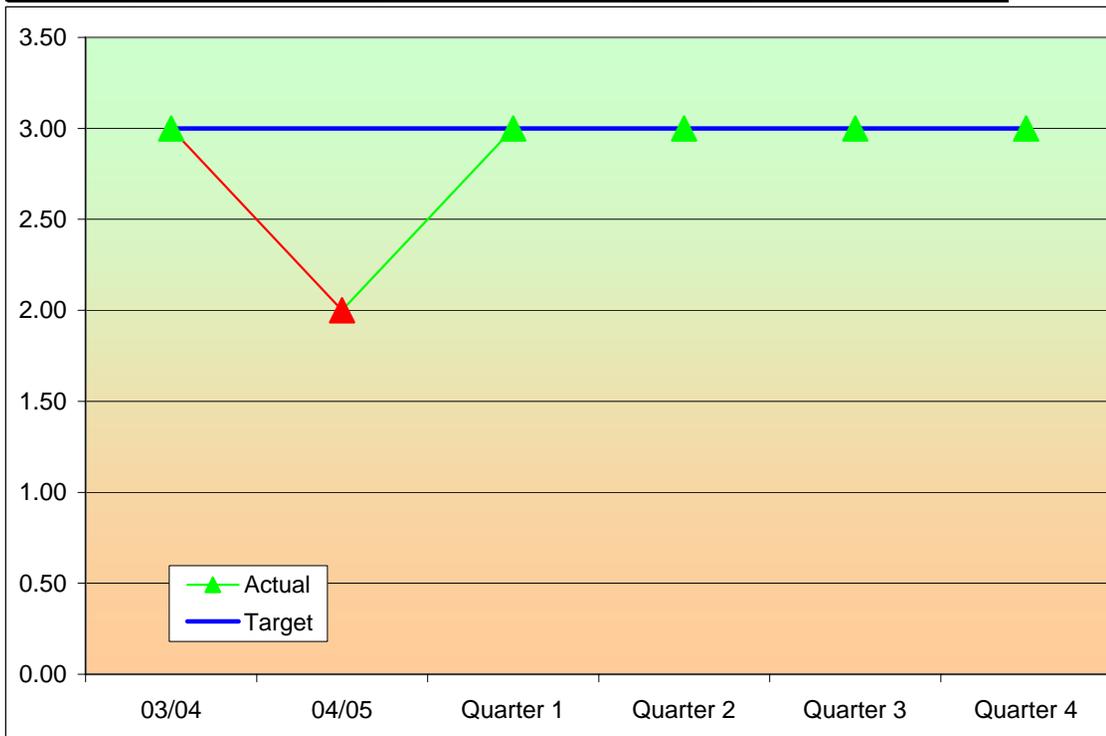
Comments

There are many unoccupied properties that can be made available for the homeless. This indicator shows how successful the Council and partners have been in encouraging owners to reinstate their properties and made them suitable for occupation.

Current performance is meeting the target, and has met the total

Top Quartile for Quarter 4 = 25

Planned Action



2	BVPI 76 - Housing Benefit Security			
76a - The number of housing benefit claimants in the local authority area visited, per 1,000 caseload		Annual Trend		
Indicator Owner	Jayne Pickering - Head of Financial Services	Current variation from target	-6.52%	

Performance (cumulative, number, bigger is better)						
76a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	118.00	237.00	G	n/a	100.85%	n/a
04/05	230.00	221.80	A		-3.57%	3
Quarter 1	57.50	48.78	R		-15.17%	3
Quarter 2	115.00	125.71	G		9.31%	2
Quarter 3	172.50	173.57	G		0.62%	2
Quarter 4	230.00	215.00	A		-6.52%	3
05/06	230.00	215.00	A		-6.52%	3

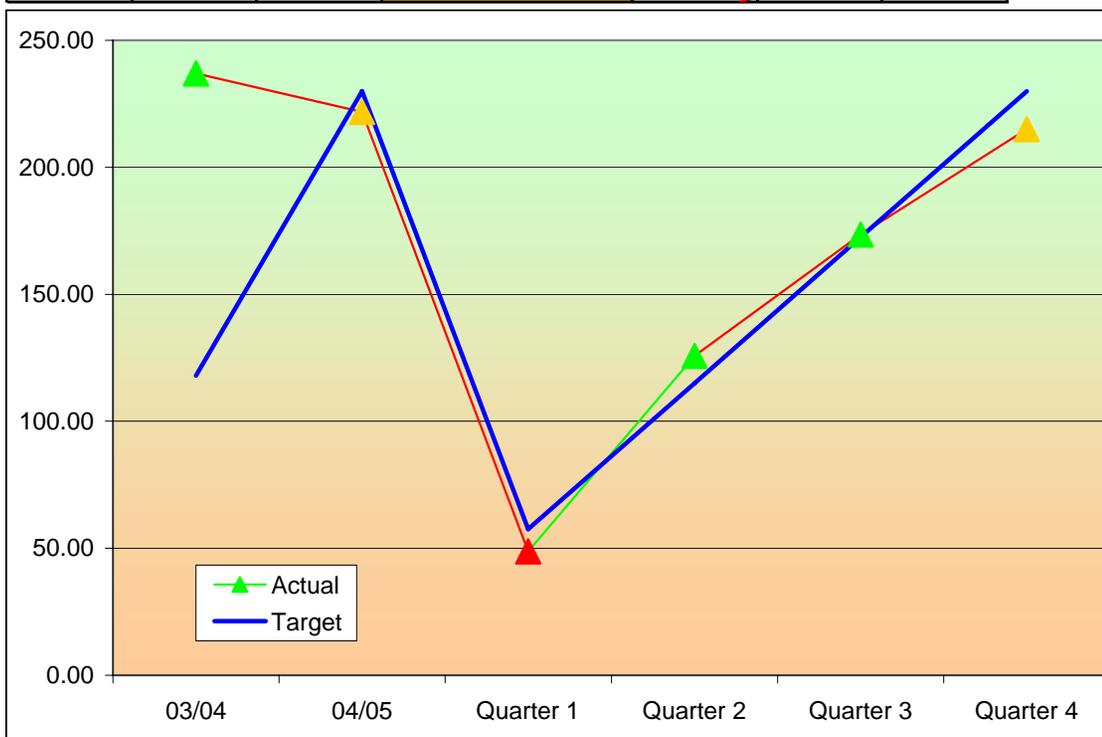
Comments

This indicator relates to the number of housing benefit claimants visited per 1000 caseload. The current caseload is approximately 2600.
 The actual is below target mainly due to a long term sickness and vacancy within the team. The recruitment to the vacant post is underway with the aim to have appointed a member of staff in post by the end June 2006.

Top Quartile for Quarter 4 = 296.6

Planned Action

To ensure that the recruitment is achieved to the vacant post and to support the team with any development or training needs as identified in the Personal Development Reviews.



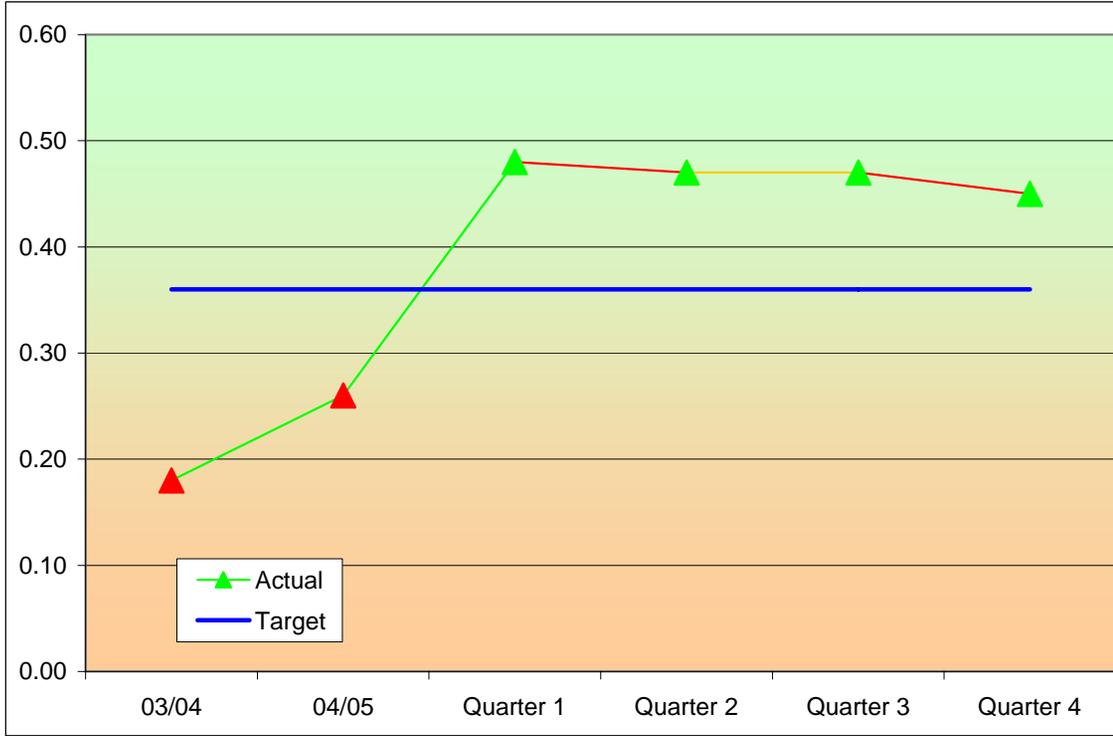
2	BVPI 76 - Housing Benefit Security			
76b - The number of fraud investigators employed by the Local Authority, per 1,000 caseload		Annual Trend		
Indicator Owner		Current variation from target	25.00%	
Jayne Pickering - Head of Financial Services				

Performance (cumulative, number, bigger is better)						
76b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	0.36	0.18	R	n/a	-50.00%	n/a
04/05	0.36	0.26	R		-27.78%	n/a
Quarter 1	0.36	0.48	G		33.33%	n/a
Quarter 2	0.36	0.47	G		30.56%	n/a
Quarter 3	0.36	0.47	G		30.56%	n/a
Quarter 4	0.36	0.45	G		25.00%	n/a
05/06	0.36	0.45	G		25.00%	n/a

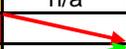
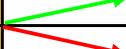
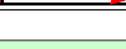
Comments
 This indicator reflects the number of investigators within the fraud team per 1000 caseload. The caseload includes all claimants (Housing Benefit and Council Tax) and is approximately 4,700.

The current structure within the fraud team equates to 2 full time equivalent investigators

Planned Action
 To maintain the current performance. To review target when appropriate.



2	BVPI 76 - Housing Benefit Security	Annual Trend		
76c - The number of Housing Benefit and Council tax Benefit fraud investigations carried out, per 1,000 caseload		Current variation from target	-23.01%	 
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (cumulative, number, bigger is better)						
76c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	69.50	67.63	A	n/a	-2.69%	n/a
04/05	70.00	56.84	R		-18.80%	2
Quarter 1	15.42	15.12	A		-1.95%	1
Quarter 2	30.85	28.09	A		-8.95%	2
Quarter 3	46.27	37.14	R		-19.73%	2
Quarter 4	61.70	47.50	R		-23.01%	2
05/06	61.70	47.50	R		-23.01%	2

Comments

This indicator reflects the number of investigators within the fraud team per 1000 caseload. The caseload includes all claimants (Housing Benefit and Council Tax) and is approximately 4,700.

The current structure within the fraud team equates to 2 full time equivalent investigators.

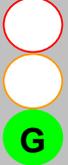
The new structure comprises of 2.5 Fraud Investigators and it is hoped that by June 2006 we will be at full compliment.

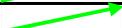
Top Quartile for Quarter 4 = 59.53

Planned Action

To ensure that the recruitment is achieved to the vacant post and to support the team with any development or training needs as identified in the Personal Development Reviews.



2	BVPI 76 - Housing Benefit Security	Annual Trend		
76d - The number of Housing benefit and Council Tax Benefit prosecutions & sanctions, per 1,000 caseload		Current variation from target	71.53%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (cumulative, number, bigger is better)						
76d	Target	Actual	Performance	Trend	Variation	Quartile
03/04	2.70	6.72	G	n/a	148.89%	n/a
04/05	6.50	6.57	G		1.08%	1
Quarter 1	1.46	1.70	G		16.44%	1
Quarter 2	2.91	3.80	G		30.58%	1
Quarter 3	4.37	6.42	G		46.91%	1
Quarter 4	5.83	10.00	G		71.53%	1
05/06	5.83	10.00	G		71.53%	1

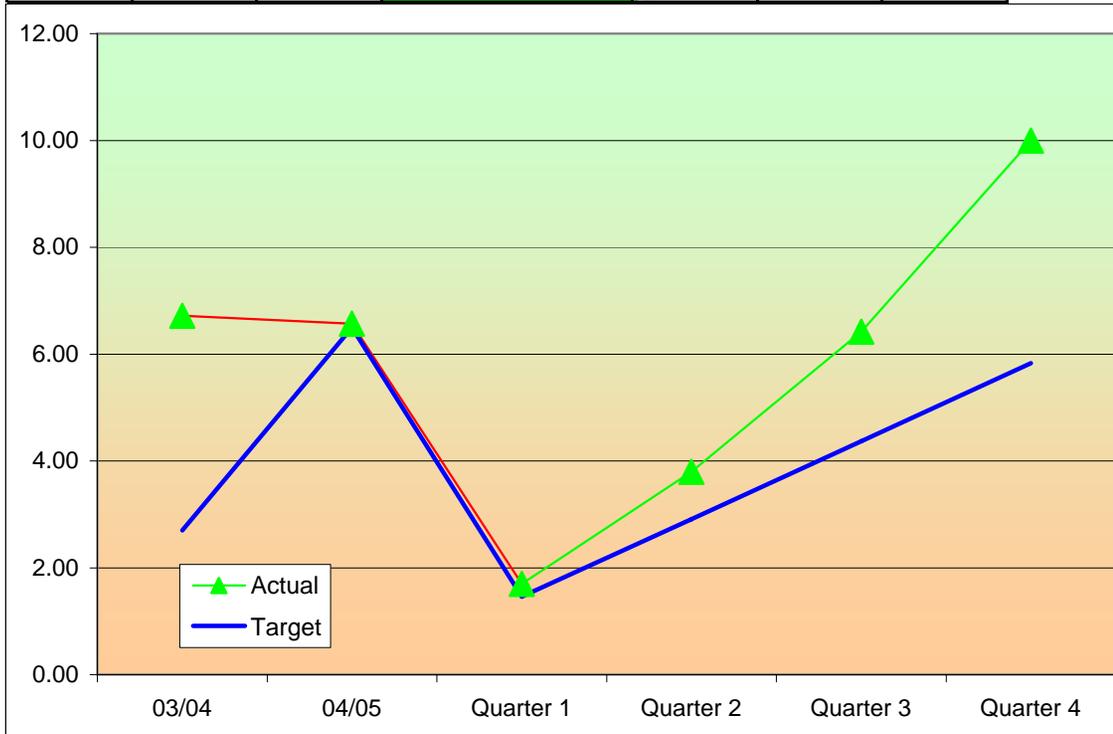
Comments

This indicator reflects the number of sanctions and prosecutions based on our caseload of 4,700. The national top quartile is 5.83. As shown the department currently is exceeding both national and locally set targets.

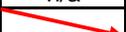
Top Quartile for Quarter 4 = 6.25

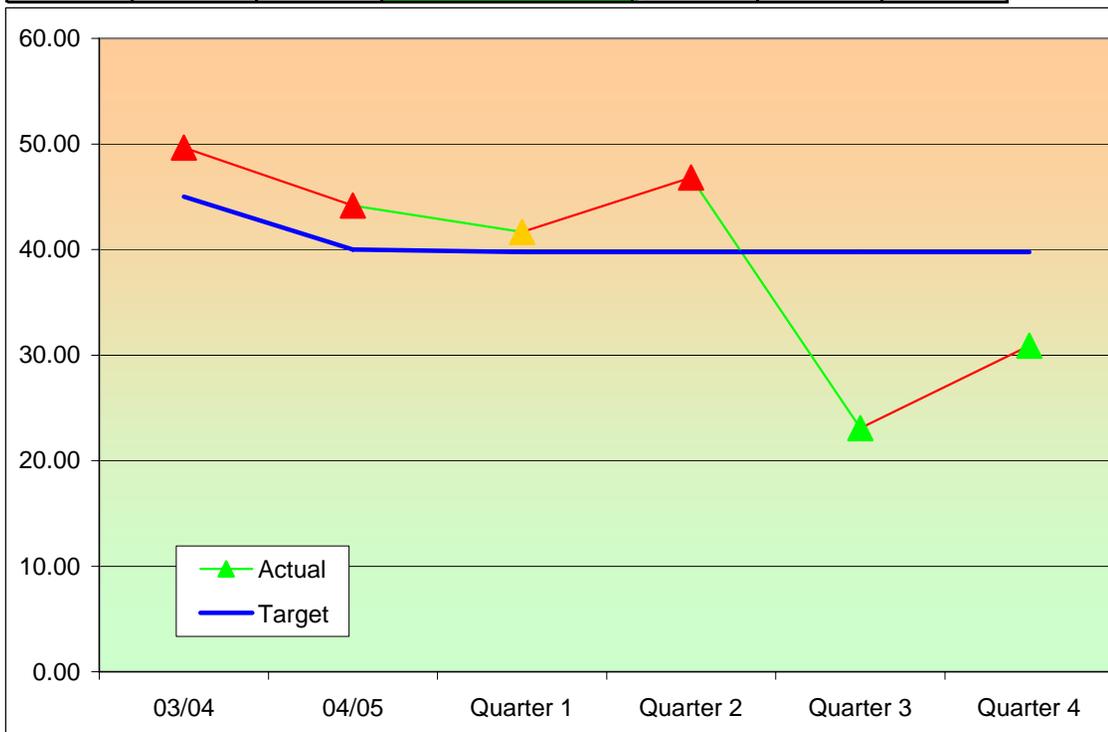
Planned Action

To maintain the current performance.



3	BVPI 78 - Speed of processing Housing Benefit and Council Tax Benefit (HB/CTB) claims	Annual Trend		  
78a - The average processing time taken for all new HB/CTB claims submitted to the Local Authority, for which the date of decision is within the financial year being reported.		Current variation from target	4.88%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (latest, number, smaller is better)						
78a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	45.00	49.66	R	n/a	-10.36%	n/a
04/05	40.00	44.16	R		-10.40%	4
Quarter 1	39.75	41.67	A		-4.83%	4
Quarter 2	39.75	46.83	R		-17.81%	4
Quarter 3	39.75	23.08	G		41.94%	1
Quarter 4	39.75	30.90	G		22.26%	2
05/06	39.75	37.81	G		4.88%	3

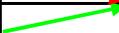


Comments
This indicator reflects how quickly new claims for both Housing and Council Tax benefit are processed. The national target is 36 days, the target in 2005/06 for the Council processing is 39.75. The quarter 4 indicator demonstrates the progress that the team have made to process claims within the national target. The year end cumulative days are 37.81 which is slightly higher than the national target. There was a higher number of staff off sick than anticipated in March which led to the increase in processing times.

Top Quartile for Quarter 4 = 28

Planned Action
To continue the weekly performance monitoring of the new claims within the team with the aim to improve the actual processing times. It is anticipated that the progress in quarters 3 & 4 of 2005/06 will continue into 2006/07 and therefore the Council will be performing in top quartile during next year.

3	BVPI 78 - Speed of processing Housing Benefit and Council Tax Benefit (HB/CTB) claims	Annual Trend		  
78b - The average processing time taken for all written notification to the Local Authority of changes to a claimant's circumstances that require a new decision on behalf of the Authority		Current variation from target	1.00%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (latest, number, smaller is better)						
78b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	12.00	18.94	R	n/a	-57.83%	n/a
04/05	10.00	14.92	R		-49.20%	4
Quarter 1	12.00	12.03	A		-0.25%	3
Quarter 2	12.00	13.95	R		-16.25%	4
Quarter 3	12.00	9.63	G		19.75%	3
Quarter 4	12.00	11.23	G		6.42%	3
05/06	12.00	11.88	G		1.00%	3

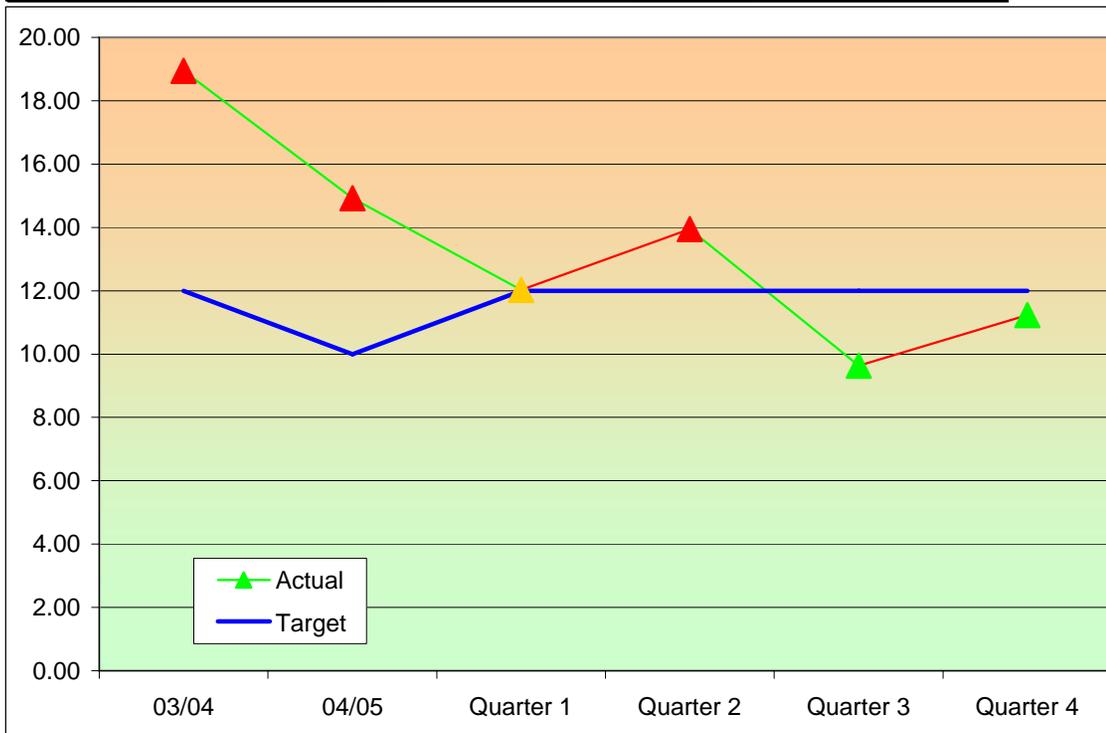
Comments

This indicator reflects how quickly changes in circumstances for both Housing and Council Tax benefit are processed. The national target is 7.2 days, the target in 2005/06 for the Council processing is 12. The quarter 4 indicator and the cumulative actual for 2005/06 shows that we have now performed under this target.

Top Quartile for Quarter 4 = 6.8

Planned Action

To continue the weekly performance monitoring of the processing times within the team with the aim to improve where possible. It is important to sustain this target prior to amending the target as there are many variations to the criteria laid down in legislation regarding the calculation of the change in circumstances figure.



4	BVPI 79 - Accuracy of processing HB/CTB claims & recovery of overpayments	Annual Trend		
79a - The percentage of cases within a random sample for which the Authority's calculation of Housing and Council Tax Benefit (HB/CTB) is found to be correct		Current variation from target	-3.03%	 
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (latest, percentage, bigger is better)						
79a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	99.00	98.13	A	n/a	-0.88%	n/a
04/05	99.00	98.80	A		-0.20%	2
Quarter 1	99.00	95.20	A		-3.84%	4
Quarter 2	99.00	89.60	A		-9.49%	4
Quarter 3	99.00	94.38	A		-4.67%	4
Quarter 4	99.00	96.00	A		-3.03%	4
05/06	99.00	96.00	A		-3.03%	4

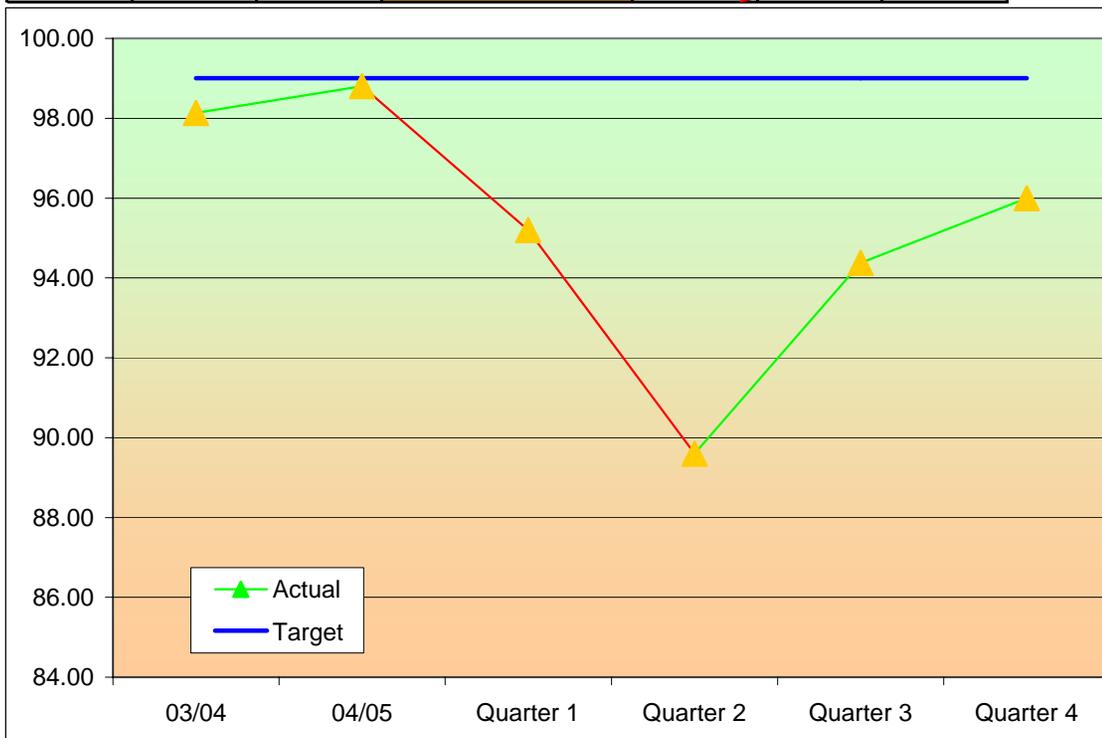
Comments

This indicator reflects how many calculations made on benefit are proved to be correct. A random sample is taken of 125 per quarter. The current target of 99% reflects top quartile performance. The slight under performance at the end of 2005/06 is due to the reduction in staff numbers within the team for this period.

Top Quartile for Quarter 4 = 99

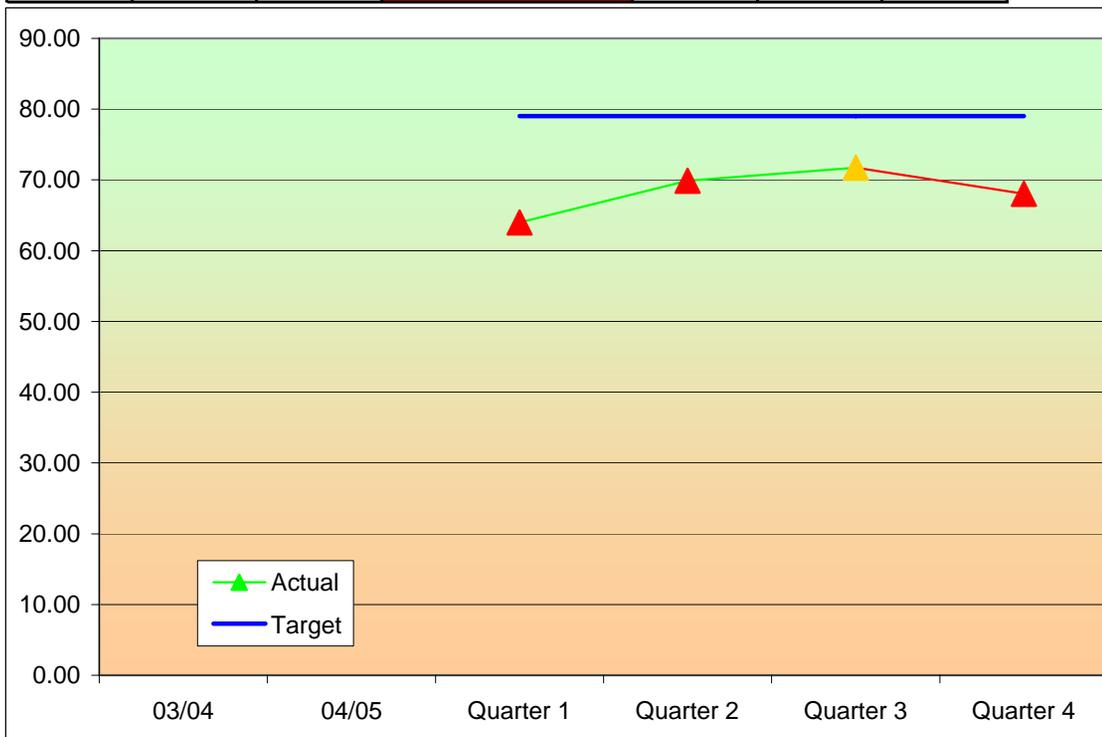
Planned Action

A training and development need has been identified and there is a planned programme of training for staff in place. It is planned that from May/June 2006 as part of a DWP nationally funded project we will be implementing quality assurance modules which automatically checks calculations as they are entered onto the system.



4	BVPI 79 - Accuracy of processing HB/CTB claims & recovery of overpayments	Annual Trend	n/a	
79bi - The amount of Housing Benefit overpayments (HB) recovered during the period being reported on as a percentage of HB deemed recoverable overpayments payments during that period.		Current variation from target	-13.86%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (latest, percentage, bigger is better)						
79b i	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	79.00	64.00	R	n/a	-18.99%	n/a
Quarter 2	79.00	69.89	R		-11.53%	n/a
Quarter 3	79.00	71.75	A		-9.18%	n/a
Quarter 4	79.00	68.05	R		-13.86%	n/a
05/06	79.00	68.05	R	n/a	-13.86%	n/a



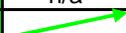
Comments

This is a new indicator from 1.4.2005. The indicator reflects the level of recovered Housing Benefit overpayments. This is reported against the level of overpayments made in the current year. There is no national target and the council has therefore set a local target of 79% per annum. Current performance is below target and we are addressing this to improve on the figure reported.

Planned Action

The recruitment of the overpayments officer will address the issue of performance and will ensure that there is more focus on this area. The target has been increased for 2006/07. There will be a nationally set target levelled during 2006/07.

4	BVPI 79 - Accuracy of processing HB/CTB claims & recovery of overpayments	Annual Trend	n/a	
79bii - HB overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period.		Current variation from target	-1.27%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

Performance (cumulative, percentage, bigger is better)						
79b ii	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	12.00	12.00	G	n/a	0.00%	n/a
Quarter 2	24.00	33.44	G		39.33%	n/a
Quarter 3	36.00	42.47	G		17.97%	n/a
Quarter 4	48.00	47.39	A		-1.27%	n/a
05/06	48.00	47.39	A	n/a	-1.27%	n/a

Comments

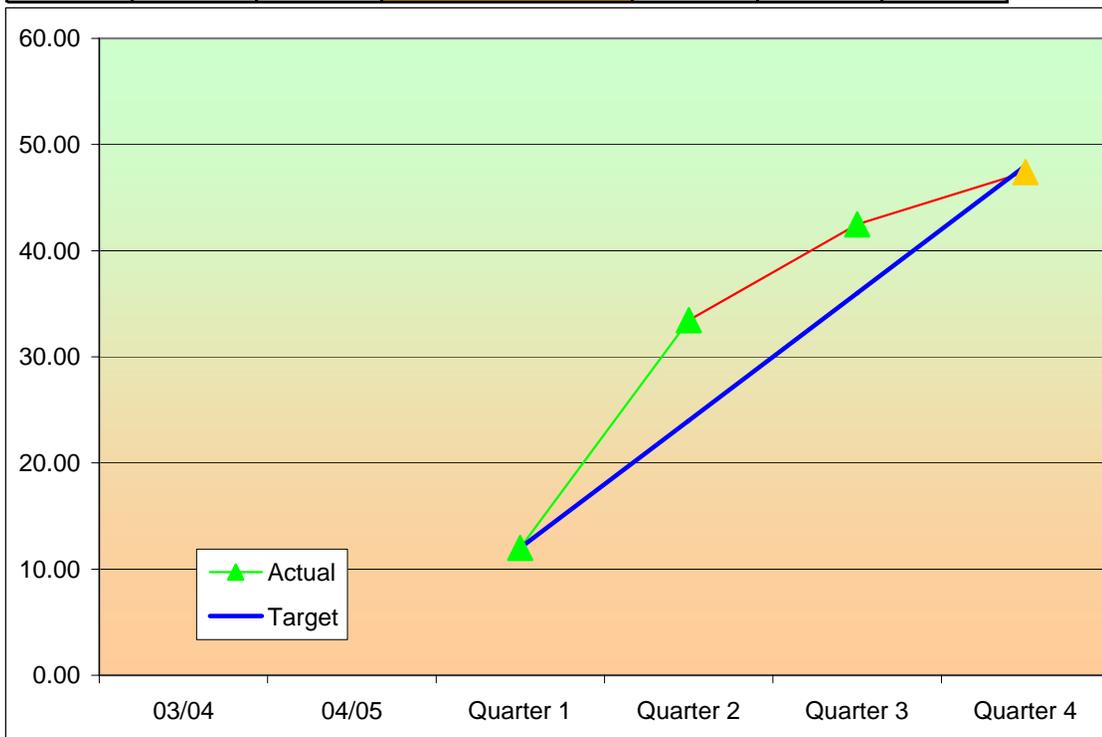
This is a new indicator from 1.4.2005. The indicator reflects the level of recovered Housing Benefit overpayments. This is reported against the level of overpayments made to date.

There is no national target and the council has therefore set a local target of 48% per annum. Current performance is slightly below target.

Planned Action

To improve the current performance. The target has been increased for 2006/07. There will be a nationally set target levelled during 2006/07. A training and development need has been identified and there is a planned programme of training for staff in place.

It is planned that from May/June 2006 as part of a DWP nationally funded project we will be implementing quality assurance modules which automatically checks calculations as they are entered onto the system.



4	BVPI 79 - Accuracy of processing HB/CTB claims & recovery of overpayments	Annual Trend	n/a	  
79biii - Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period, plus amount of HB overpayments identified during the period.		Current variation from target	-104.00%	
Indicator Owner	Jayne Pickering - Head of Financial Services			

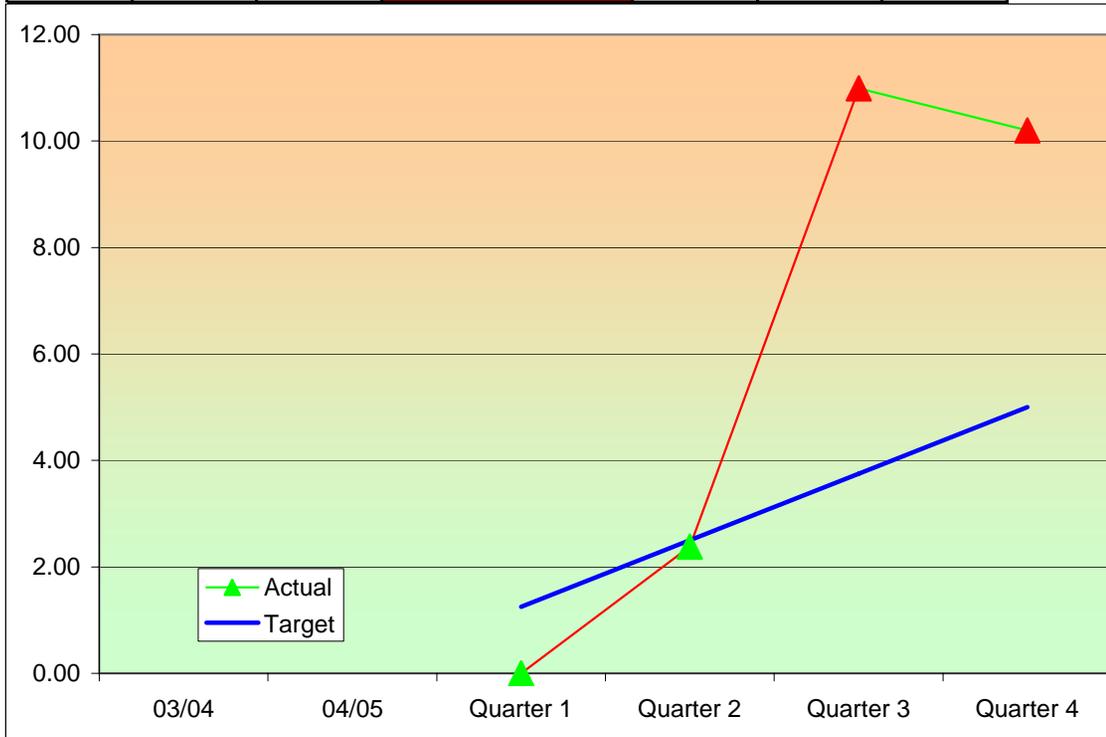
Performance (cumulative, percentage, smaller is better)						
79b iii	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	1.25	0.00	G	n/a	100.00%	n/a
Quarter 2	2.50	2.38	G		4.80%	n/a
Quarter 3	3.75	10.99	R		-193.07%	n/a
Quarter 4	5.00	10.20	R		-104.00%	n/a
05/06	5.00	10.20	R	n/a	-104.00%	n/a

Comments

This indicator reflects the percentage of overpayment in relation to housing benefit that has been written off in the year. A local target was set at less than 5%. Our current performance is 10.20% which is due to one case that following legal advice the debt could not be recovered.

Planned Action

To review the level of overpayments. An appointment has been made to the new post of overpayments and appeals officer to enable the debt to be managed more effectively and to prevent where possible further overpayments. Furthermore the quality assurance and on-line procedures guide will help proactively address issues on claims made.



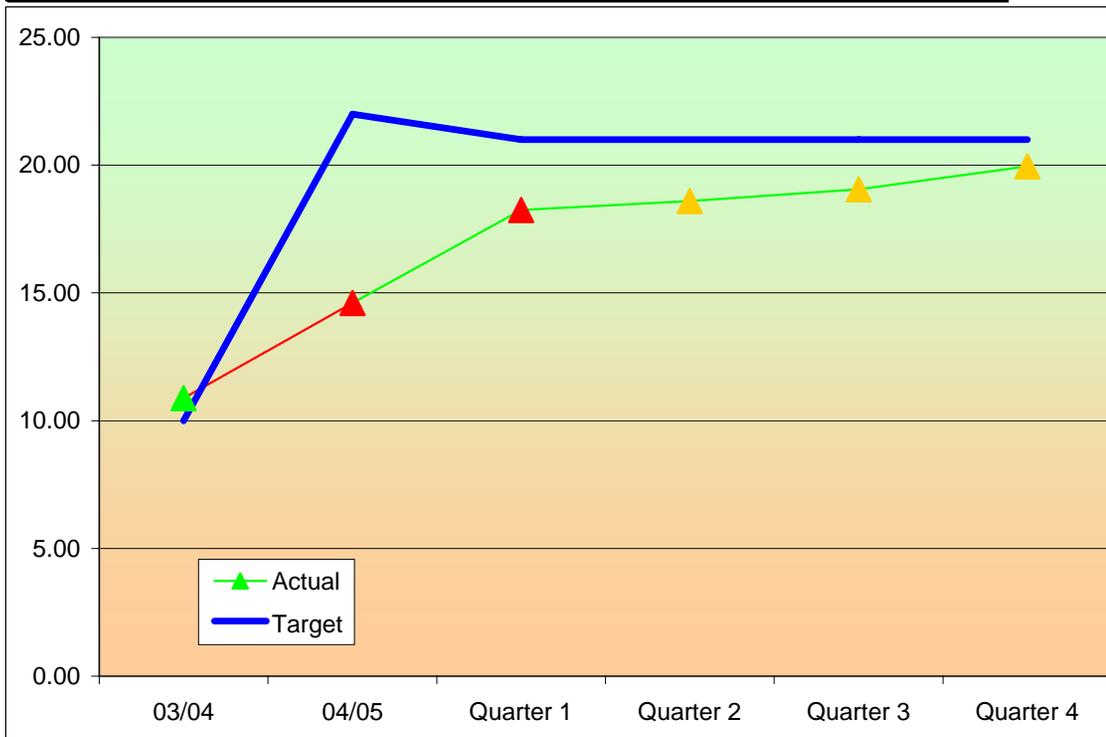
5	BVPI 82 - Household Waste Management - Recycling & Composting rates	Annual Trend		
82a i - Percentage of household waste arisings which have been sent for recycling		Current variation from target	-5.00%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (cumulative, percentage, bigger is better)						
82a i	Target	Actual	Performance	Trend	Variation	Quartile
03/04	10.00	10.88	G	n/a	8.80%	n/a
04/05	22.00	14.61	R		-33.59%	3
Quarter 1	21.00	18.24	R		-13.14%	2
Quarter 2	21.00	18.59	R		-11.48%	2
Quarter 3	21.00	19.06	A		-9.24%	2
Quarter 4	21.00	19.95	A		-5.00%	1
05/06	21.00	19.95	A		-5.00%	1

Comments

This is a percentage figure based on the total tonnage of waste collected.

Top Quartile for Quarter 4 = 19.35



Planned Action

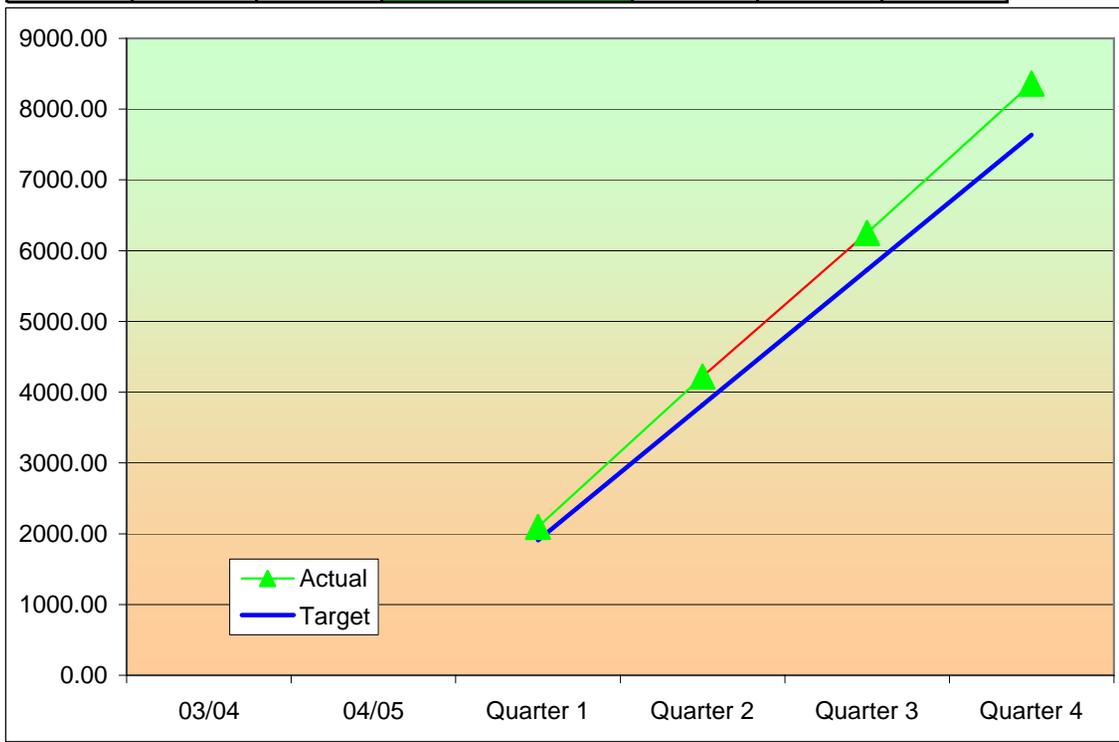
Increase number of residencies on the service. (We are currently discussing with the County Council for an option to collect co-mingled recyclates which will allow us to use smaller less specialised vehicles and thus access some of the properties that we currently cannot reach. This will increase the volume of recyclates collected and thus improve this BVPI.) Develop and increase publicity of waste minimisation opportunities such as re-usable nappy schemes and home composting or macerators in conjunction with Waste Partnership members. (Waste Policy and Promotions Manager has recently been appointed after a vacancy within the post for a period of 5 months which has limited the promotion and minimisation activities.)

5	BVPI 82 - Household Waste Management - Recycling & Composting rates	Annual Trend	n/a	
82a ii - Total tonnage of household waste arisings which have been sent for recycling		Current variation from target	9.49%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (cumulative, number, bigger is better)						
82a ii	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	1909.54	2096.6	G	n/a	9.80%	n/a
Quarter 2	3819.08	4220.6	G		10.51%	n/a
Quarter 3	5728.62	6249.09	G		9.09%	n/a
Quarter 4	7638.16	8362.88	G		9.49%	n/a
05/06	7638.16	8362.88	G	n/a	9.49%	n/a

Comments

Planned Action
 Increase number of residencies on the service. (We are currently discussing with the County Council for an option to collect co-mingled recyclates which will allow us to use smaller less specialised vehicles and thus access some of the properties that we currently cannot reach. This will increase the volume of recyclates collected and thus improve this BVPI.) Develop and increase publicity of waste minimisation opportunities such as re-usable nappy schemes and home composting or macerators in conjunction with Waste Partnership members. (Waste Policy and Promotions Manager has recently been appointed after a vacancy within the post for a period of 5 months which has limited the promotion and minimisation activities.)



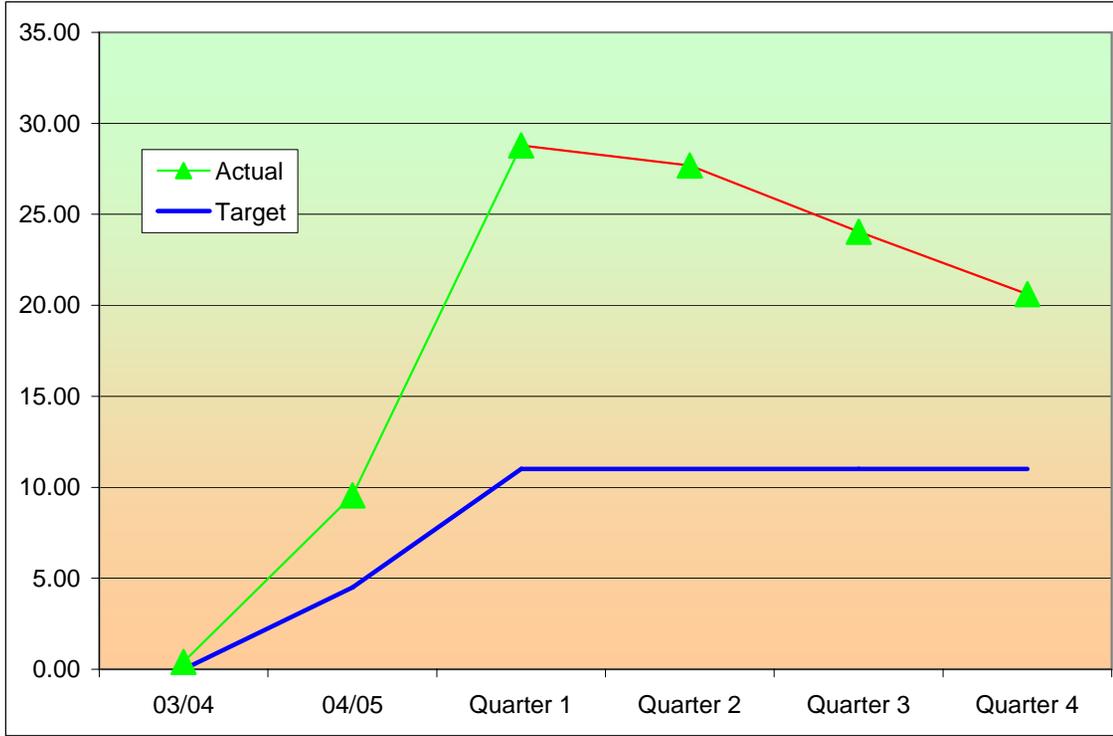
5	BVPI 82 - Household Waste Management - Recycling & Composting rates	Annual Trend	
82b i - Percentage of household waste sent by the Authority for composting or treatment by anaerobic digestion.		Current variation from target	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management		

Performance (cumulative, percentage, bigger is better)						
82b i	Target	Actual	Performance	Trend	Variation	Quartile
03/04	0.00	0.40	G	n/a	-	n/a
04/05	4.50	9.56	G		112.44%	2
Quarter 1	11.00	28.79	G		161.73%	1
Quarter 2	11.00	27.68	G		151.64%	1
Quarter 3	11.00	24.05	G		118.64%	1
Quarter 4	11.00	20.62	G		87.45%	1
05/06	11.00	20.62	G		87.45%	1

Comments
 This PI continues to be well in excess of the target but will vary throughout the year due to the seasonal change of the waste arisings.

 Top Quartile for Quarter 4 = 10.56

Planned Action
 New vehicles will arrive during the summer which will allow the service to be extended to areas currently not receiving this service. This will then increase the percentage of waste sent for composting.

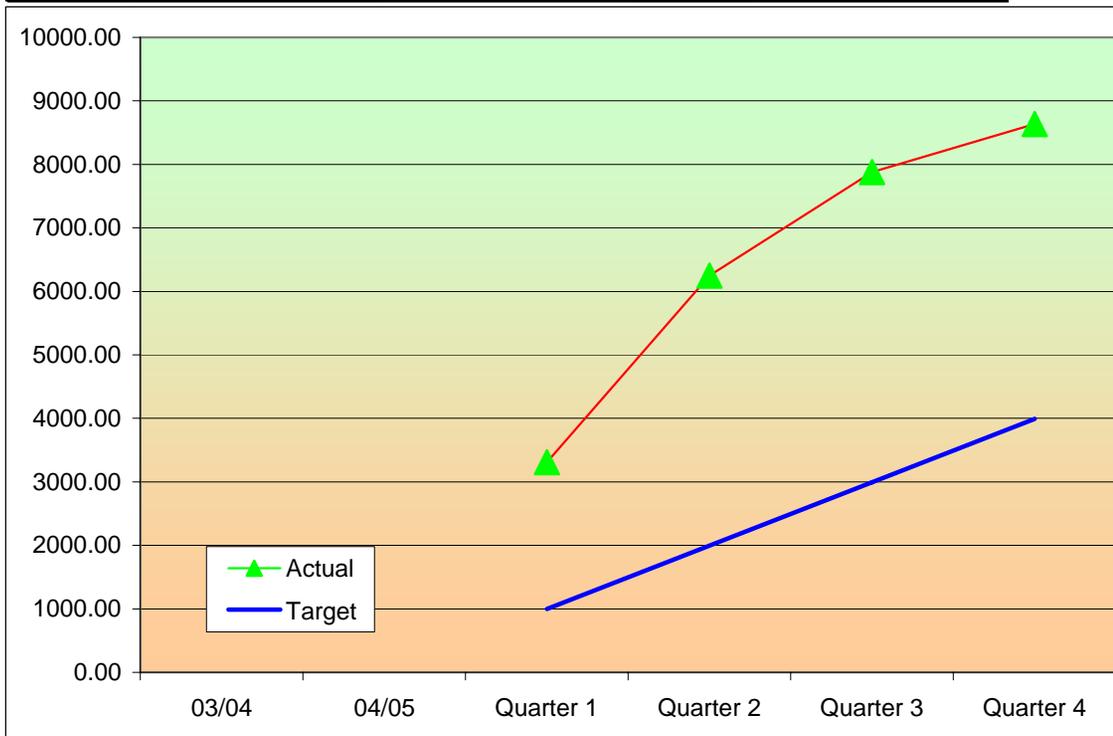


5	BVPI 82 - Household Waste Management - Recycling & Composting rates	Annual Trend	n/a	
82b ii - The tonnage of household waste sent by the Authority for composting or treatment by anaerobic digestion.		Current variation from target	116.28%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (cumulative, number, bigger is better)						
82b ii	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	998.13	3309.55	G	n/a	231.58%	n/a
Quarter 2	1996.26	6250.27	G		213.10%	n/a
Quarter 3	2994.39	7877.85	G		163.09%	n/a
Quarter 4	3992.52	8635.15	G		116.28%	n/a
05/06	3992.52	8635.15	G	n/a	116.28%	n/a

Comments

New vehicles will arrive during the summer which will allow the service to be extended to areas currently not receiving this service. This will then increase the percentage of waste sent for composting.



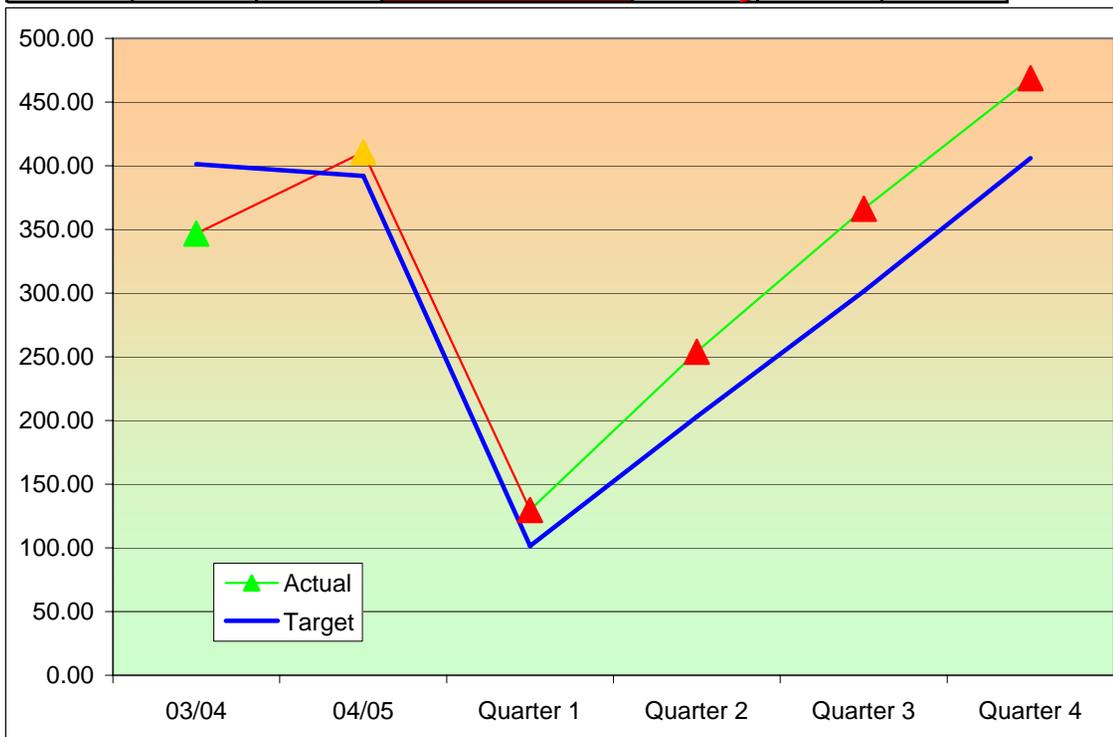
Planned Action

6	BVPI 84 - Household Waste Collection		
84a - Number of kilograms of household waste collected per head of the population		Annual Trend	 R
Indicator Owner Mike Bell - Head of Street Scene and Waste Management		Current variation from target	-15.47%  

Performance (cumulative, number, smaller is better)						
84a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	401.20	346.70	G	n/a	13.58%	n/a
04/05	392.00	410.70	A		-4.77%	3
Quarter 1	101.50	129.86	R		-27.94%	4
Quarter 2	203.00	253.89	R		-25.07%	4
Quarter 3	301.50	366.31	R		-21.50%	4
Quarter 4	406.00	468.79	R		-15.47%	4
05/06	406.00	468.79	R		-15.47%	4

Comments

Top Quartile for Quarter 4 = 380.8



Planned Action

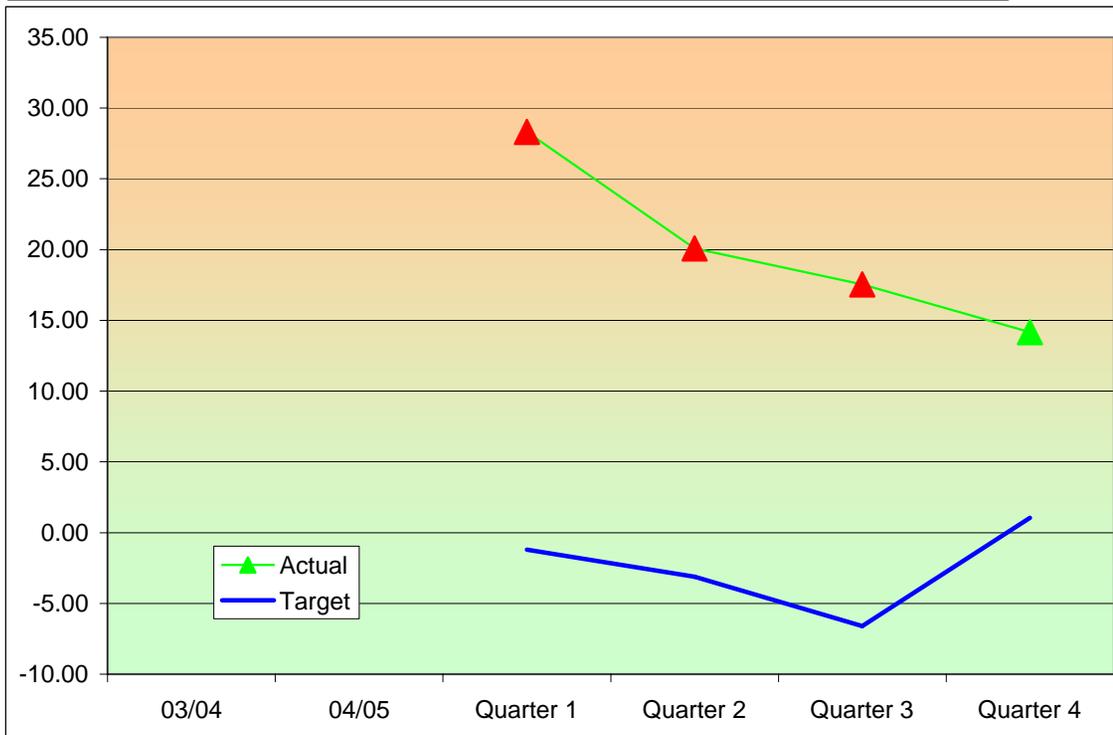
Develop and increase publicity of waste minimisation opportunities such as re-usable nappy schemes and home composting or macerators in conjunction with Waste Partnership members. (Waste Policy and Promotions Manager has recently been appointed after a vacancy within the post for a period of 5 months which has limited the promotion and minimisation activities.)

6	BVPI 84 - Household Waste Collection	Annual Trend	n/a
84b - Percentage change from the previous financial year in the number of kilograms of household waste collected per head of the population		Current variation from target	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management		

Performance (latest, percentage, smaller is better)						
84b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	-1.21	28.32	R	n/a	-2440.50%	n/a
Quarter 2	-3.12	20.09	R		-743.91%	n/a
Quarter 3	-6.60	17.55	R		-365.91%	n/a
Quarter 4	1.05	14.16	R		-1248.57%	n/a
05/06					#DIV/0!	n/a

Comments

Planned Action
 Develop and increase publicity of waste minimisation opportunities such as re-usable nappy schemes and home composting or macerators in conjunction with Waste Partnership members. (Waste Policy and Promotions Manager has recently been appointed after a vacancy within the post for a period of 5 months which has limited the promotion and minimisation activities.)

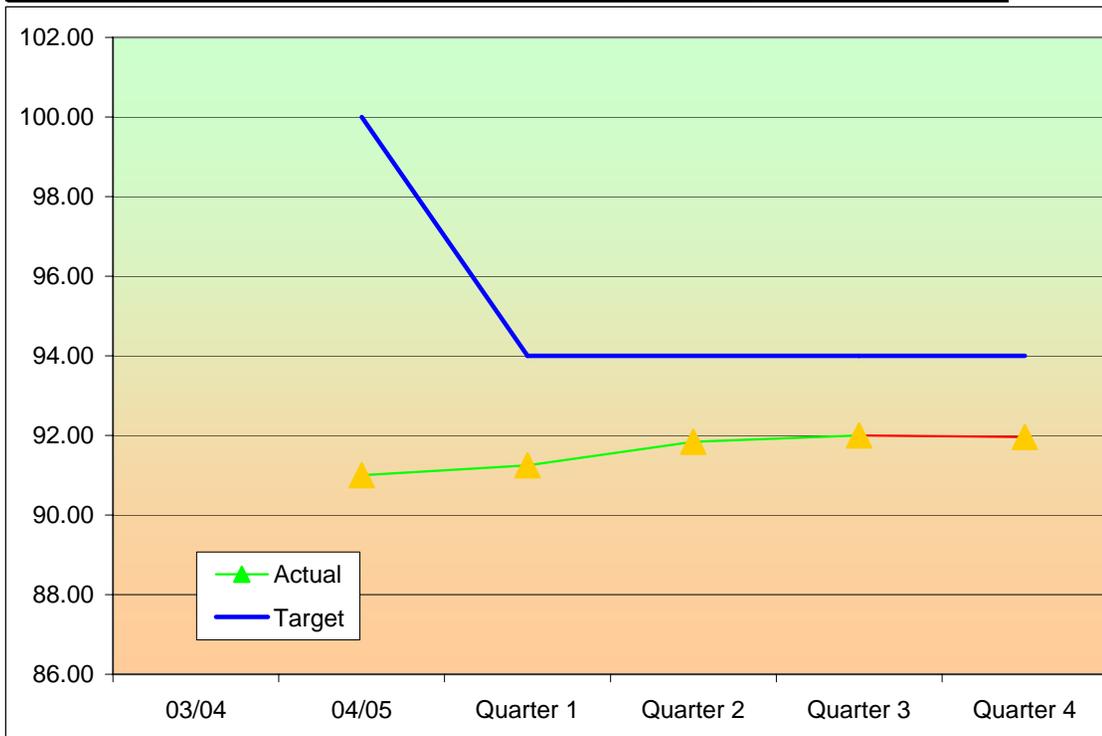


7	BVPI 91 - Kerbside collection of recyclables	Annual Trend		
91a - Percentage of households resident in the authority's area served by kerbside collection of recyclables		Current variation from target	-2.17%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (latest, percentage, bigger is better)						
91a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	n/a	14.12	n/a	n/a	n/a	n/a
04/05	100.00	91.00	A		-9.00%	3
Quarter 1	94.00	91.25	A		-2.93%	3
Quarter 2	94.00	91.84	A		-2.30%	3
Quarter 3	94.00	92.00	A		-2.13%	3
Quarter 4	94.00	91.96	A		-2.17%	3
05/06	94.00	91.96	A		-2.17%	3

Comments

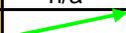
Top Quartile for Quarter 4 = 100



Planned Action

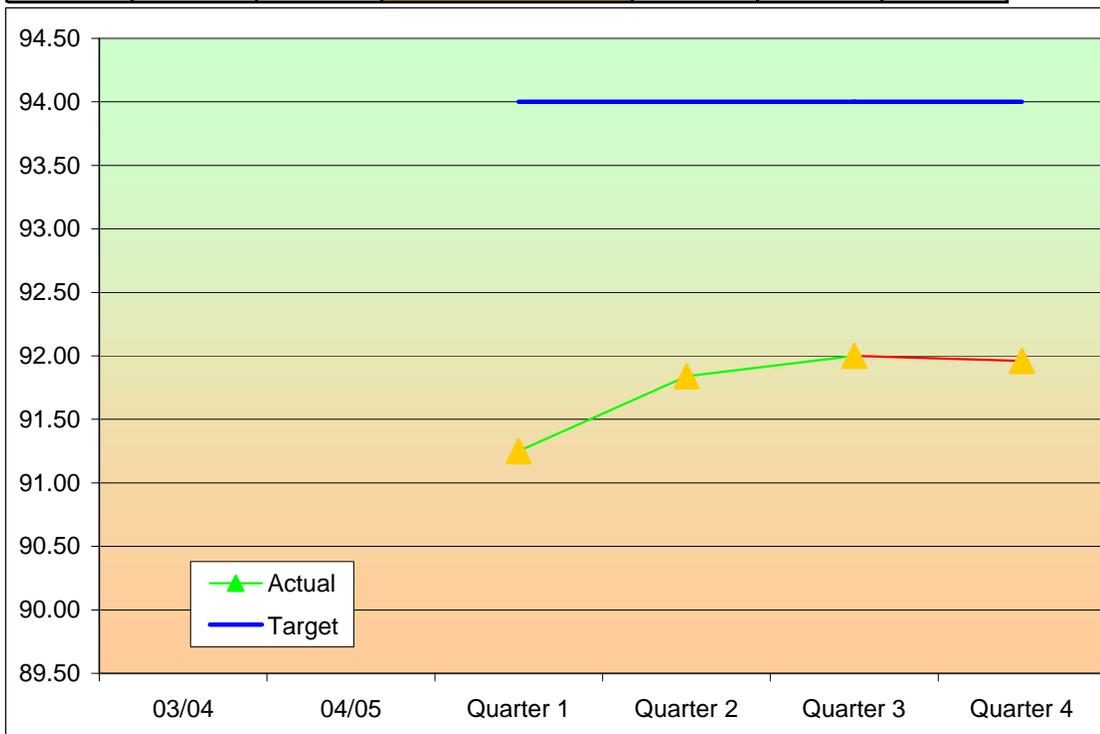
Delivery of new vehicles will provide the opportunity to extend the current green waste collection schemes to properties not currently provides with this service. Vehicles are due within the next few weeks. Work is currently being undertaken on rescheduling of routes to maximise the benefits of the new equipment.

7	BVPI 91 - Kerbside collection of recyclables	Annual Trend	n/a	
91b - Percentage of households resident in the authority's area served by kerbside collection of at least two recyclables		Current variation from target	-2.17%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (latest, percentage, bigger is better)						
91b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	94.00	91.25	A	n/a	-2.93%	n/a
Quarter 2	94.00	91.84	A		-2.30%	n/a
Quarter 3	94.00	92.00	A		-2.13%	n/a
Quarter 4	94.00	91.96	A		-2.17%	n/a
05/06	94.00	91.96	A	n/a	-2.17%	n/a

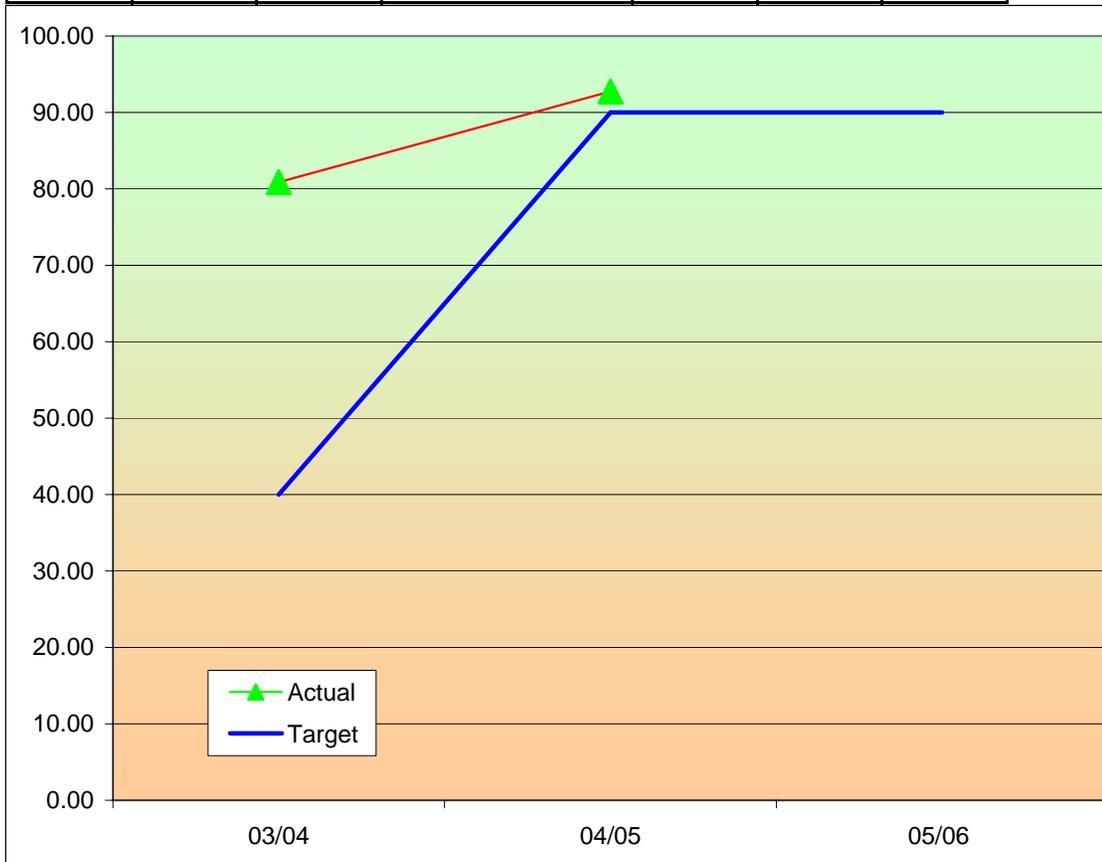
Comments

Planned Action
 Current discussions with the County Council are developing the opportunity to collect recyclables as a co-mingled load. This will mean less specialised vehicles needed for recycling collection and provide the opportunity to extend the scheme to those properties not serviced currently. Because of the lack of disposal facilities able to take co-mingled recyclates this is unlikely to be an option before December 2006. After this date the County Council are confident that they will be able to provide this option.



8	BVPI 106 - New homes on previously developed land	Annual Trend	
Percentage of new homes built on previously developed land			
Indicator Owner	David Hammond - Head of Planning and Environment Services	Current variation from target	

Performance (latest, percentage, bigger is better)						
106	Target	Actual	Performance	Trend	Variation	Quartile
03/04	40.00	80.88	G	n/a	102.20%	n/a
04/05	90.00	92.77	G		3.08%	1
05/06	90.00				-100.00%	4



Comments
 No figures as yet for this year although the figure is expected to be high, as current planning policy is preventing new sites coming forward, meaning the only sites we have to be completed are those which were given permission before the moratorium was imposed. The vast majority of these sites are on previously developed land.

Top Quartile for Quarter 4 = 90.1

Planned Action
 The housing monitoring work will be carried out as soon as possible which will give us an accurate figure of previously developed land completions for this year. An updated version of the housing moratorium is currently being worked on which may begin to release new development sites, although the sites the policy will be targeting will be urban previously developed land.

9	BVPI 109 - Processing of planning applications	Annual Trend	
109a - Percentage of major planning applications determined within 13 weeks.			
Indicator Owner	David Hammond - Head of Planning and Environment Services	Current variation from target	

Performance (latest, percentage, bigger is better)						
109a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	70.00	60.00	R	n/a	-14.29%	n/a
04/05	70.00	48.39	R		-30.87%	3
Quarter 1	55.00	63.00	G		14.55%	2
Quarter 2	55.00	20.00	R		-63.64%	4
Quarter 3	55.00	25.00	R		-54.55%	4
Quarter 4	55.00	30.00	R		-45.45%	4
05/06	55.00				-100.00%	4

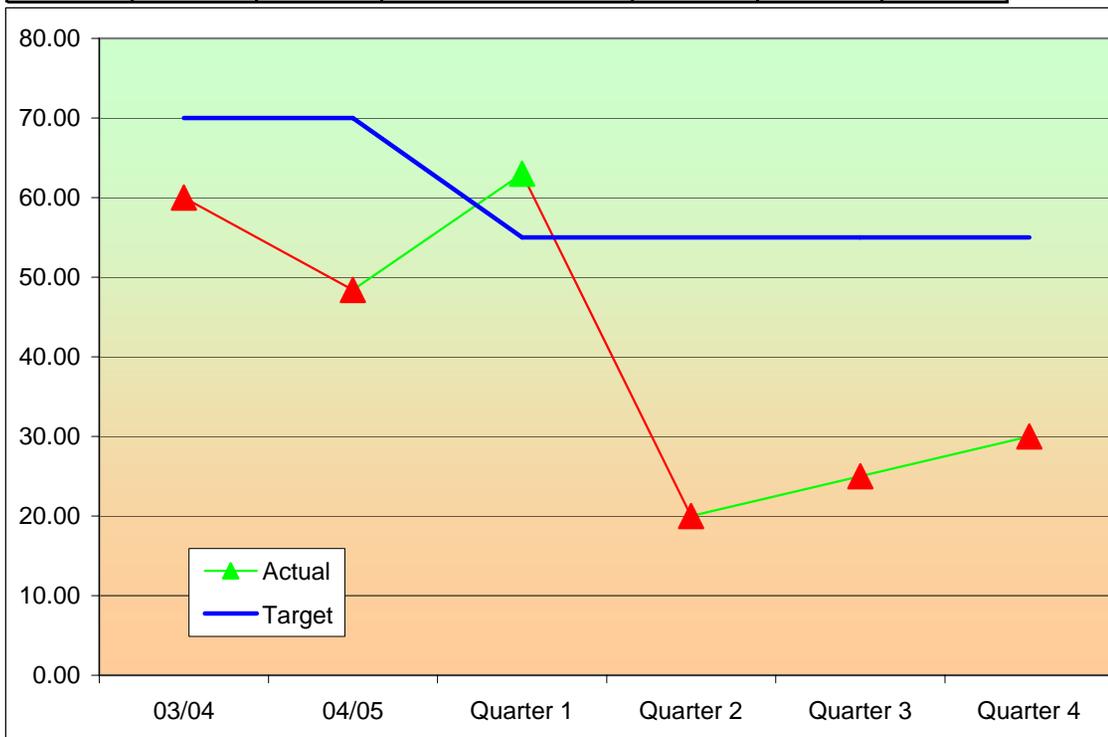
Comments

All major applications are considered by Planning Committee and tend to be the more controversial. The applications involve sensitive negotiation and tend to require legal agreements. In addition we do not get a large number of these applications and therefore the percentage figure can fluctuate as the quarter statistics show. Staff capacity issues have significantly affected this performance.

Top Quartile for Quarter 4 = 71.25

Planned Action

Resolving the capacity issues within Development Control will assist staff in achieving improved performance as resources will impact on workloads and afford staff the opportunity to better manage their caseloads.

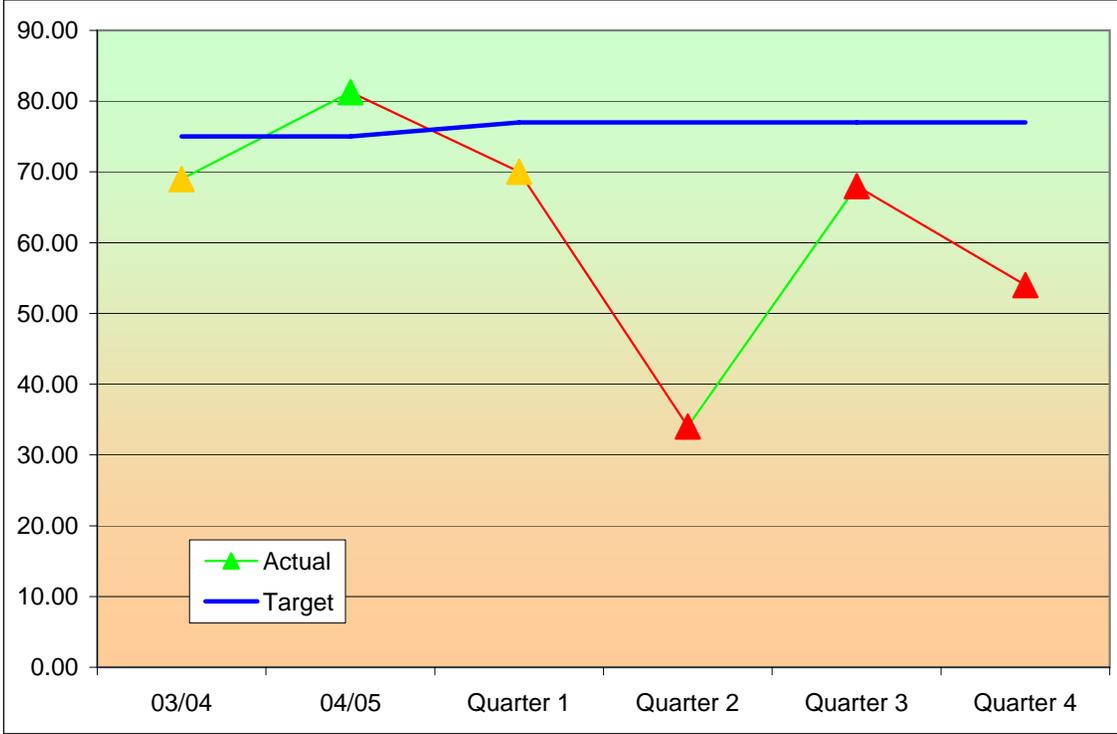


9	BVPI 109 - Processing of planning applications	Annual Trend	
109b - Percentage of minor planning applications determined within 8 weeks.		Current variation from target	
Indicator Owner	David Hammond - Head of Planning and Environment Services		

Performance (latest, percentage, bigger is better)						
109b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	75.00	69.00	A	n/a	-8.00%	n/a
04/05	75.00	81.25	G		8.33%	1
Quarter 1	77.00	70.00	A		-9.09%	2
Quarter 2	77.00	34.00	R		-55.84%	4
Quarter 3	77.00	68.00	R		-11.69%	3
Quarter 4	77.00	54.00	R		-29.87%	4
05/06	77.00				-100.00%	4

Comments
 The majority of this type of application are dealt with under delegated powers. However, the staffing capacity problems within the Development Control section have badly affected the performance of the unit.

Top Quartile for Quarter 4 = 75.33



Planned Action
 Resolving the capacity issues within Development Control will improve the Units performance for this target. New staff have been engaged and start dates are awaited.

9	BVPI 109 - Processing of planning applications	Annual Trend	
109c - Percentage of "other" planning applications determined within 8 weeks.			
Indicator Owner	David Hammond - Head of Planning and Environment Services	Current variation from target	

Performance (latest, percentage, bigger is better)						
109c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	80.00	85.00	G	n/a	6.25%	n/a
04/05	87.00	88.08	G		1.24%	1
Quarter 1	89.00	80.00	R		-10.11%	3
Quarter 2	89.00	71.00	R		-20.22%	4
Quarter 3	89.00	72.00	R		-19.10%	4
Quarter 4	89.00	76.00	R		-14.61%	4
05/06	89.00				-100.00%	4

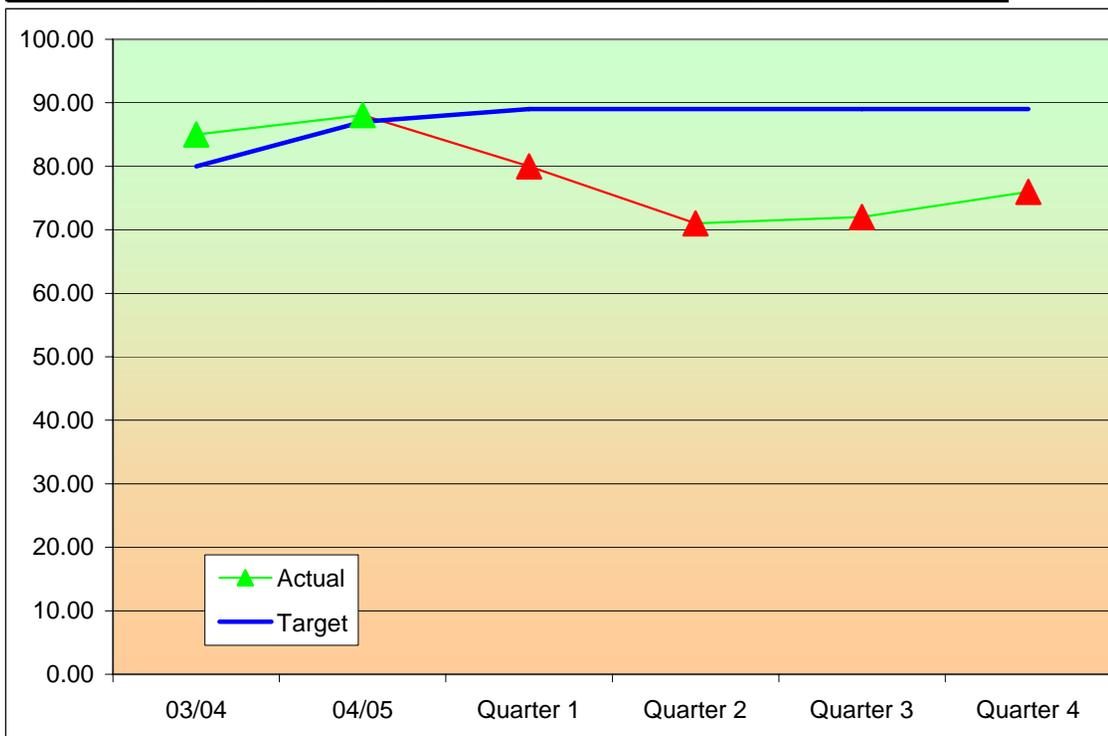
Comments

The majority of this type of application are dealt with under delegated powers. However, the staffing capacity problems within the Development Control section have badly affected the performance of the unit.

Top Quartile for Quarter 4 = 88.03

Planned Action

Resolving the capacity issues within Development Control will improve the Units performance for this target. New staff have been engaged and start dates are awaited.



10	BVPI 126 - Domestic burglaries per 1,000 households	Annual Trend		
Domestic burglaries per year, per 1,000 households in the Local Authority area.		Current variation from target	32.37%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (cumulative, number smaller is better)						
126	Target	Actual	Performance	Trend	Variation	Quartile
03/04	15.70	21.30	R	n/a	-35.67%	n/a
04/05	15.20	13.80	G		9.21%	4
Quarter 1	3.27	2.31	G		29.36%	3
Quarter 2	6.55	4.87	G		25.65%	3
Quarter 3	9.82	7.10	G		27.70%	3
Quarter 4	13.10	8.86	G		32.37%	3
05/06	13.10	8.86	G		32.37%	3

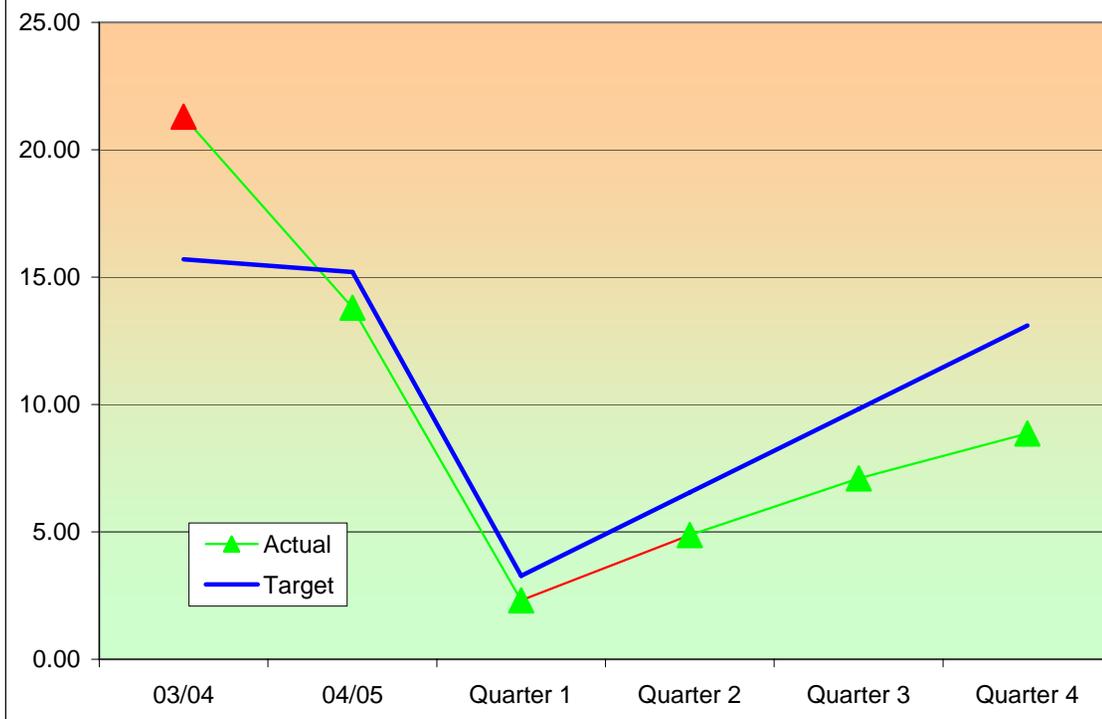
Comments

This indicator measures the number of reported domestic burglaries within the district

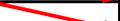
Top Quartile for Quarter 4 = 6.18

Planned Action

All Community Safety performance information is reviewed on a monthly basis by the Community Safety Partnership to ensure that performance is on target to achieve the 17.5% overall reduction in crime by 2008



11	BVPI 127 - Rates of violent crimes and robberies	Annual Trend	
127a - Violent crime per year, per 1,000 population in the Local Authority area		Current variation from target	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services		

Performance (cumulative, number smaller is better)						
127a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	22.80	18.01	G	n/a	21.01%	n/a
04/05	17.40	14.40	G		17.24%	4
Quarter 1	3.45	3.68	A		-6.67%	4
Quarter 2	6.90	6.86	G		0.58%	4
Quarter 3	10.35	9.70	G		6.28%	4
Quarter 4	13.80	14.25	A		-3.26%	4
05/06	13.80	14.25	A		-3.26%	4

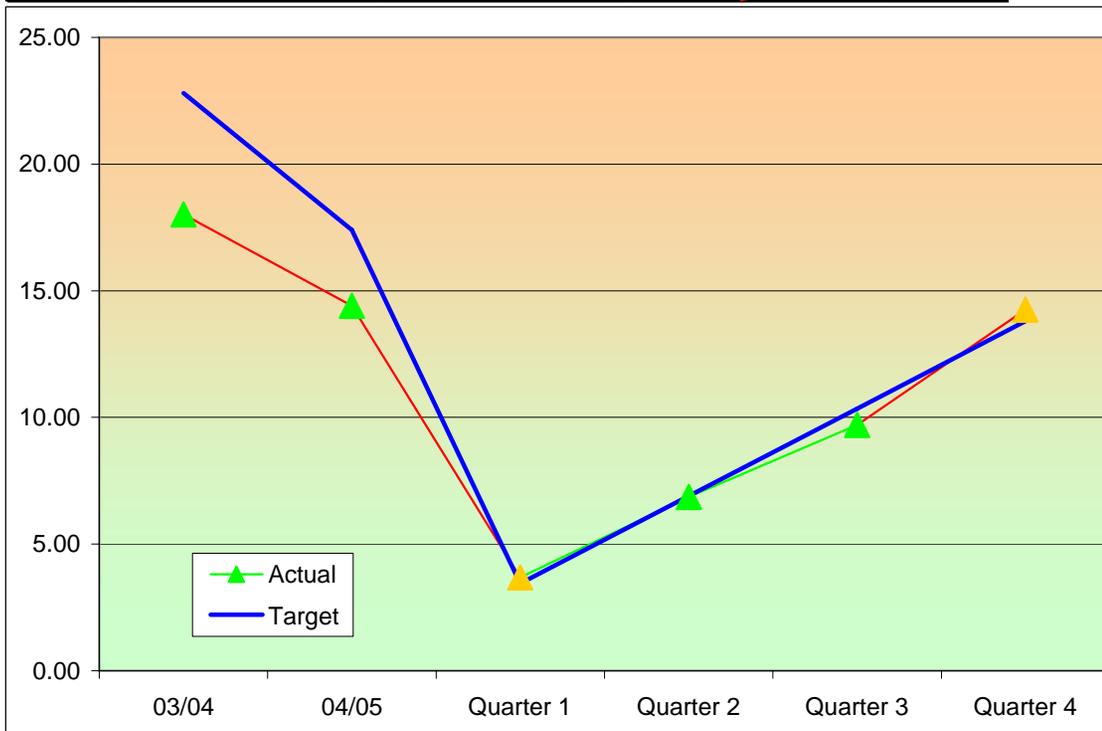
Comments

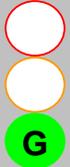
This indicator measures the number of reported violent crimes within the district

Top Quartile for Quarter 4 = 2.45

Planned Action

All Community Safety performance information is reviewed on a monthly basis by the Community Safety Partnership to ensure that performance is on target to achieve the 17.5% overall reduction in crime by 2008. The increase in relation to this indicator will be reviewed at the next meeting of the partnership.



11	BVPI 127 - Rates of violent crimes and robberies	Annual Trend	n/a	
127b - Robberies per year, per 1,000 population in the Local Authority area		Current variation from target	26.67%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

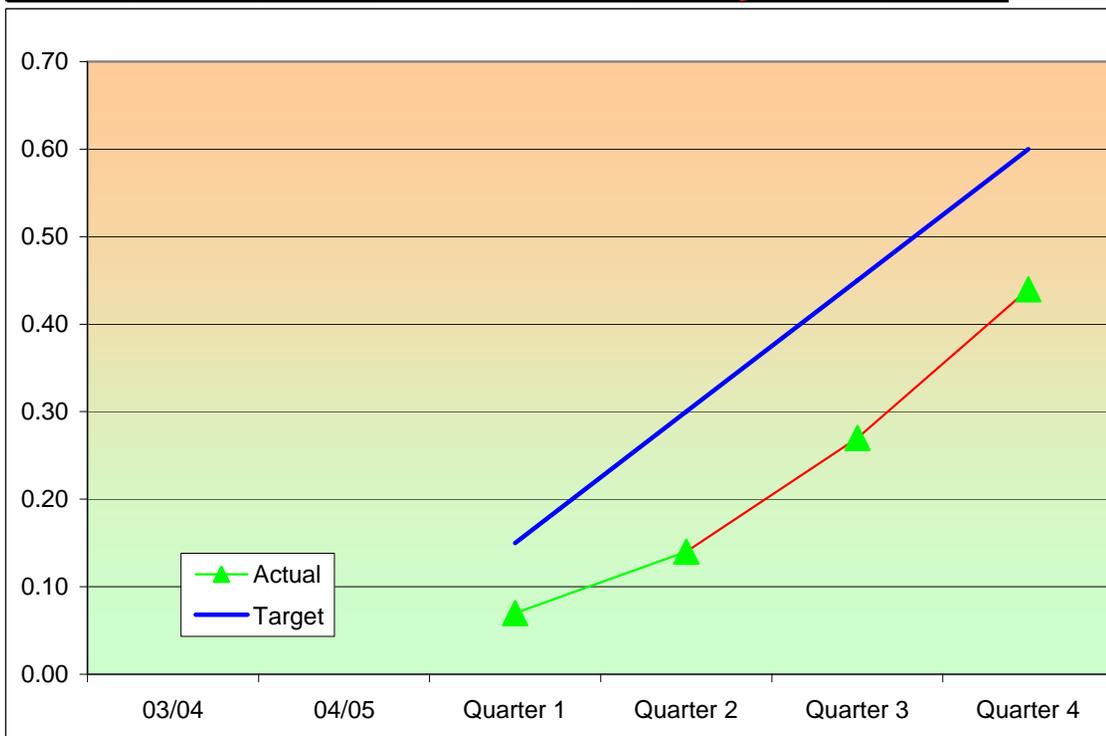
Performance (cumulative, number smaller is better)						
127b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	0.15	0.07	G	n/a	53.33%	n/a
Quarter 2	0.30	0.14	G		53.33%	n/a
Quarter 3	0.45	0.27	G		40.00%	n/a
Quarter 4	0.60	0.44	G		26.67%	n/a
05/06	0.60	0.44	G		26.67%	n/a

Comments

This indicator measures the number of reported violent robberies within the district

Planned Action

All Community Safety performance information is reviewed on a monthly basis by the Community Safety Partnership to ensure that performance is on target to achieve the 17.5% overall reduction in crime by 2008



12	BVPI 128 - Vehicle crimes per 1,000 population			
The number of vehicle crimes per year, per 1,000 population in the Local Authority area.		Annual Trend		
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services	Current variation from target	9.25%	

Performance (cumulative, number smaller is better)						
128	Target	Actual	Performance	Trend	Variation	Quartile
03/04	13.20	14.38	A	n/a	-8.94%	n/a
04/05	13.20	11.40	G		13.64%	3
Quarter 1	2.67	2.63	G		1.50%	3
Quarter 2	5.35	5.32	A		0.56%	3
Quarter 3	8.02	7.88	G		1.75%	3
Quarter 4	10.70	9.71	G		9.25%	3
05/06	10.70	9.71	G		9.25%	3

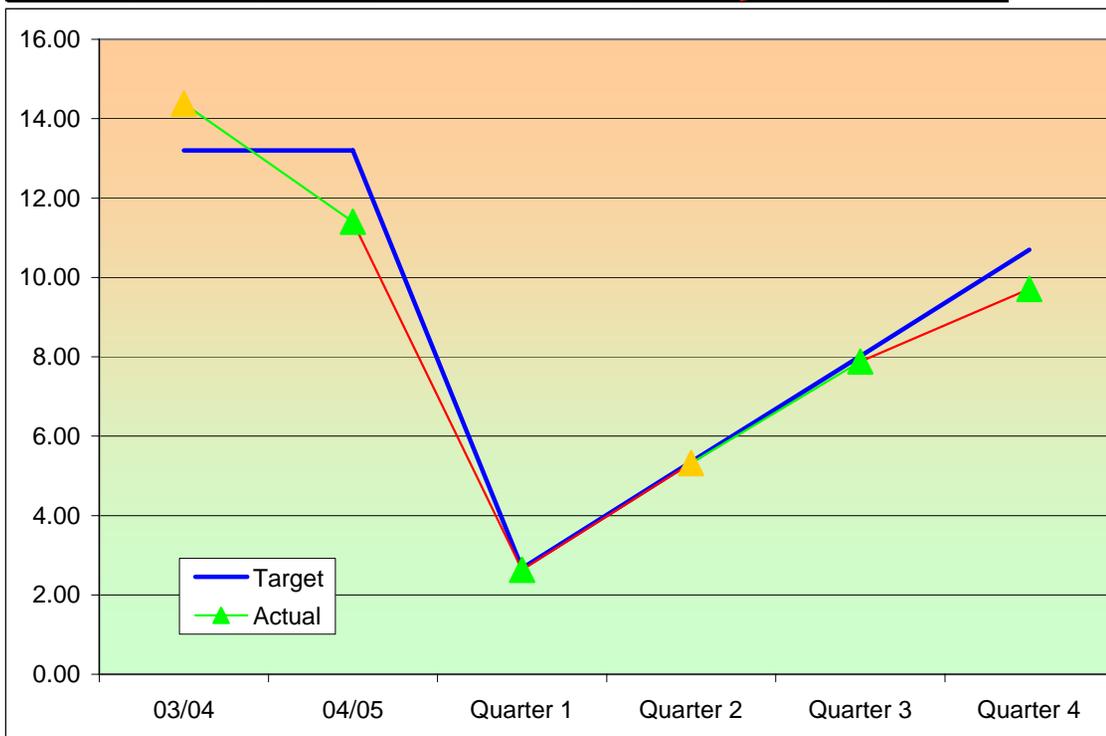
Comments

This indicator measures the number of reported vehicle crimes within the district

Top Quartile for Quarter 4 = 6.84

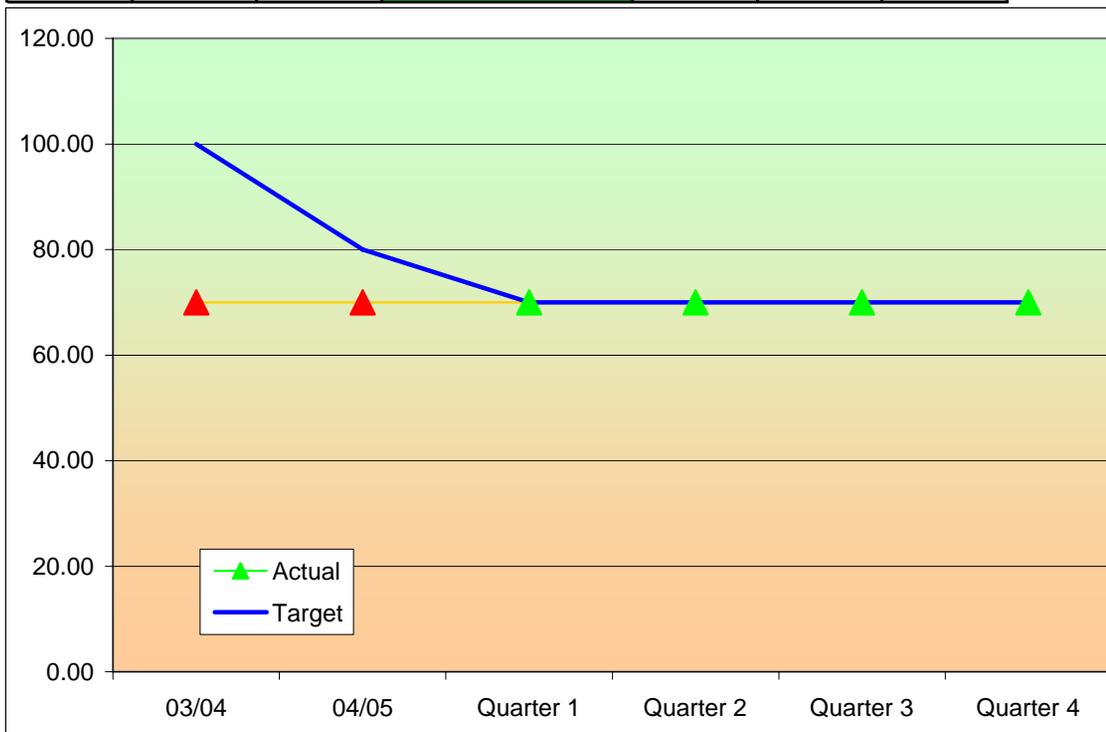
Planned Action

All Community Safety performance information is reviewed on a monthly basis by the Community Safety Partnership to ensure that performance is on target to achieve the 17.5% overall reduction in crime by 2008



13	BVPI 166a - Environmental Health standards checklist	Annual Trend		
Score against a checklist of best practice for Environmental Health		Current variation from target	4.29%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance (latest, percentage, bigger is better)						
166a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	100.00	70.00	R	n/a	-30.00%	n/a
04/05	80.00	70.00	R		-12.50%	4
Quarter 1	70.00	70.00	G		0.00%	4
Quarter 2	70.00	70.00	G		0.00%	4
Quarter 3	70.00	70.00	G		0.00%	4
Quarter 4	70.00	70.00	G		0.00%	4
05/06	70.00	70.00	G		0.00%	4



Comments

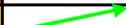
There remains insufficient capacity within the restructure to meet minimum statutory requirements in respect of Section 18 health and safety inspection targets and the FSA Framework Agreement food safety inspection targets; hence the authority is unable to register a score in the “meet legal requirements” measure. Additional capacity in the Commercial Regulation team will be required if this score is to improve.

Delivery on the other aspects of activity is dependant upon the ability to recruit and retain staff to the levels agreed in the restructure and the putting in place of suitable and sufficient reporting, benchmarking and support systems. Additional capacity will be required if the Department is to be able to sustain the targeted educational programmes required within the indicator. This will be exacerbated as the Department has failed to retain its two District Environmental Health Officers who will leave shortly.

Planned Action

Review of policies, procedures and delegations to ensure prioritisation of high risk activities. Implementation of suitable and sufficient reporting, benchmarking and support systems. Provision of targeted educational programmes within existing capacity. Enhanced consultation with stakeholders affected by the service regarding satisfaction levels. Recruitment and retention issues to be followed up with HR.

14	BVPI 170 - Visits to and use of museums	Annual Trend		
170a - The number of visits to/usages of local authority funded or part-funded museums in the year, per 1,000 population		Current variation from target	-24.14%	 
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (latest, percentage, bigger is better)						
170a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	30.00	19.90	R	n/a	-33.67%	n/a
04/05	25.00	24.31	A		-2.76%	4
Quarter 1	7.00	8.40	G		20.00%	4
Quarter 2	14.00	12.77	A		-8.79%	4
Quarter 3	21.00	16.80	R		-20.00%	4
Quarter 4	28.00	21.24	R		-24.14%	4
05/06	28.00	21.24	R		-24.14%	4

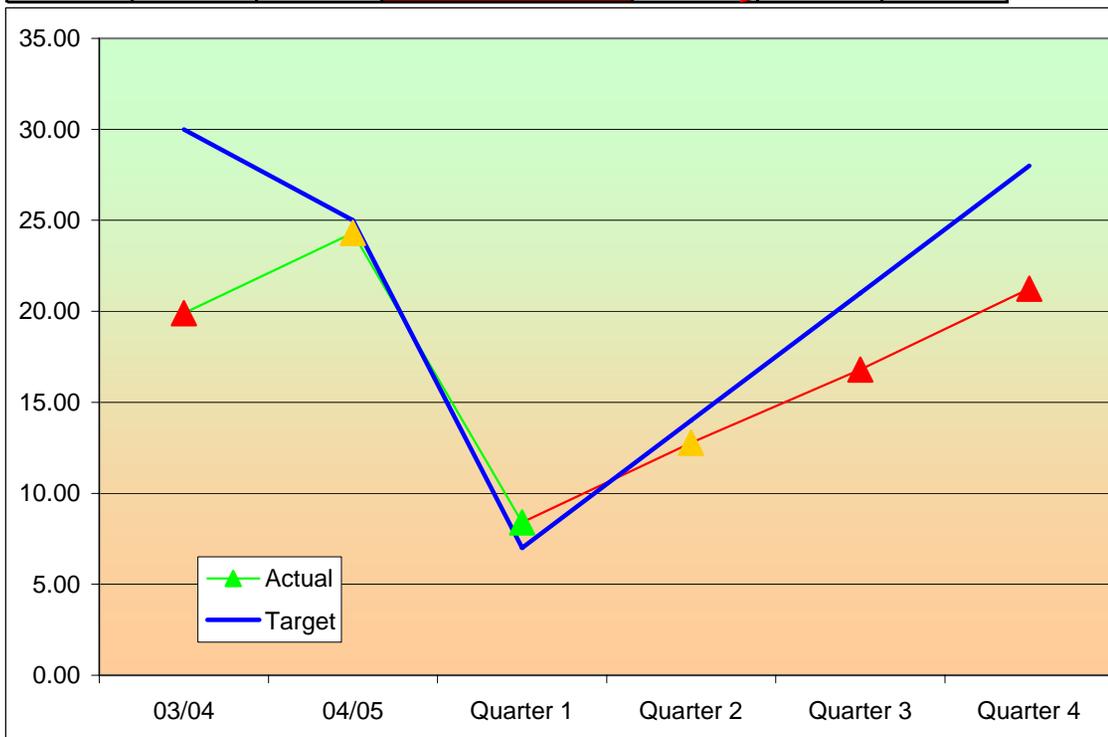
Comments

This indicator measures the number of visits and usages of the Bromsgrove Museum

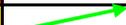
Top Quartile for Quarter 4 = 811

Planned Action

Within the limited resources available a programme of temporary exhibitions is being developed to attract both new and repeat visits to the museum



14	BVPI 170 - Visits to and use of museums	Annual Trend		
170b - The number of visits to/usages of local authority funded or part-funded museums that were in person, per 1,000 population		Current variation from target	-50.27%	 
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (latest, percentage, bigger is better)						
170b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	25.00	19.48	R	n/a	-22.08%	n/a
04/05	24.00	23.08	A		-3.83%	4
Quarter 1	6.50	5.15	R		-20.77%	4
Quarter 2	13.00	7.87	R		-39.46%	4
Quarter 3	19.50	9.80	R		-49.74%	4
Quarter 4	26.00	12.93	R		-50.27%	4
05/06	26.00	12.93	R		-50.27%	4

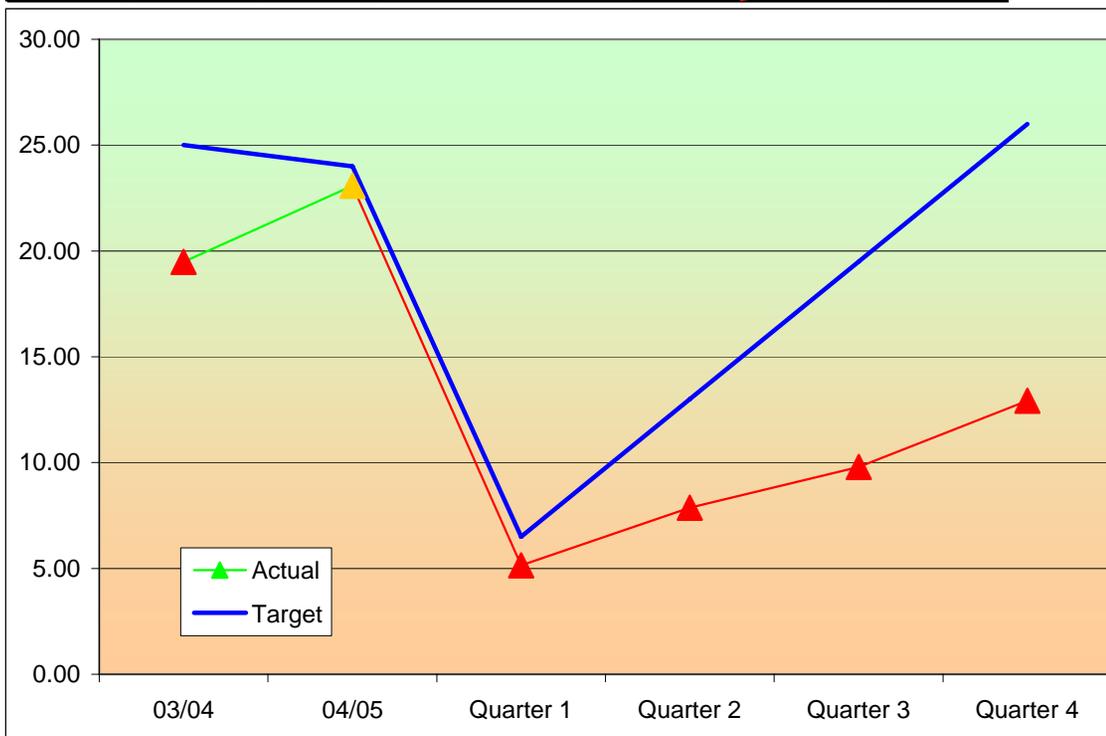
Comments

This indicator measures the number of visits in person to the Bromsgrove Museum

Top Quartile for Quarter 4 = 466

Planned Action

Within the limited resources available a programme of temporary exhibitions is being developed to attract both new and repeat visits to the museum



14	BVPI 170 - Visits to and use of museums	Annual Trend		
170c - The number of pupils visiting museums and galleries in organised school groups		Current variation from target	-40.75%	 
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (latest, percentage, bigger is better)						
170c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	700.00	448.00	R	n/a	-36.00%	n/a
04/05	750.00	539.00	R		-28.13%	3
Quarter 1	200.00	209.00	G		4.50%	3
Quarter 2	400.00	301.00	R		-24.75%	3
Quarter 3	600.00	418.00	R		-30.33%	3
Quarter 4	800.00	474.00	R		-40.75%	3
05/06	800.00	474.00	R		-40.75%	3

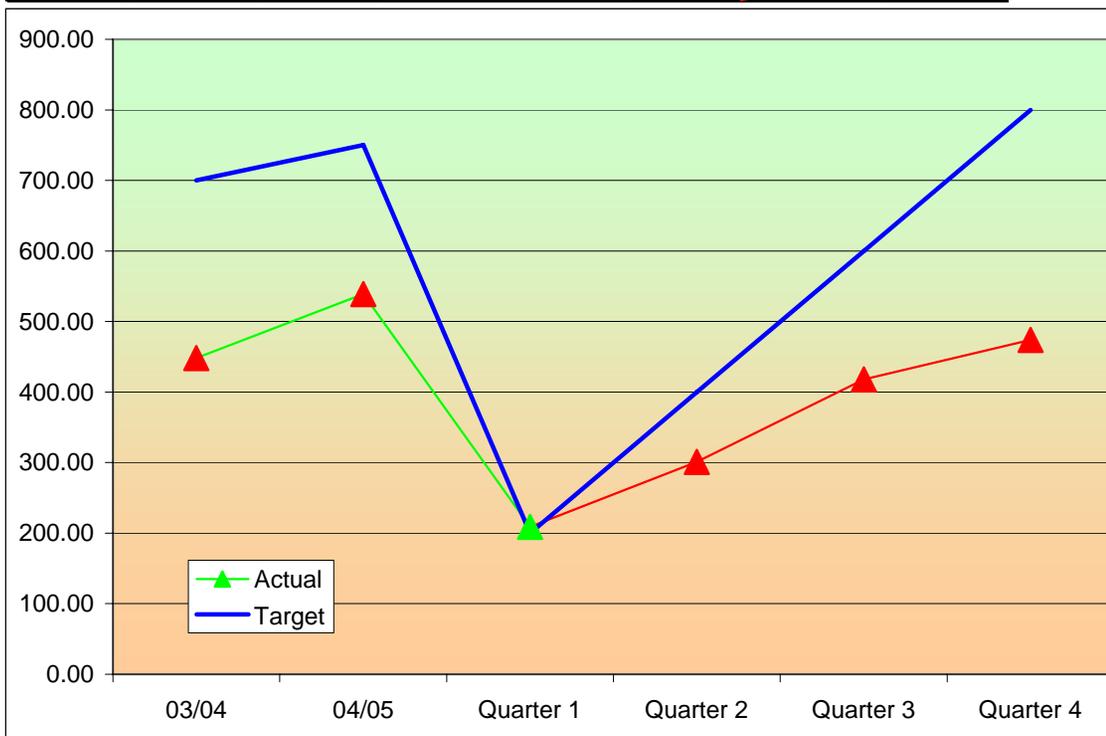
Comments

This indicator measures the number of pupils visiting the Bromsgrove Museum

Top Quartile for Quarter 4 = 3181

Planned Action

Within the limited resources available a programme of temporary exhibitions is being developed to attract both new and repeat visits to the museum



15	BVPI 175 - Racial incidents resulting in further action	Annual Trend	n/a	
The percentage of racial incidents reported to the Local Authority that resulted in further action.		Current variation from target	n/a	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (latest, percentage, bigger is better)						
175	Target	Actual	Performance	Trend	Variation	Quartile
03/04	not set	0.00	n/a	n/a	n/a	n/a
04/05	100.00	n/a	n/a	n/a	n/a	n/a
Quarter 1	100.00	n/a	n/a	n/a	n/a	n/a
Quarter 2	100.00	n/a	n/a	n/a	n/a	n/a
Quarter 3	100.00	n/a	n/a	n/a	n/a	n/a
Quarter 4	100.00	n/a	n/a	n/a	n/a	n/a
05/06	100.00	n/a	n/a	n/a	n/a	n/a

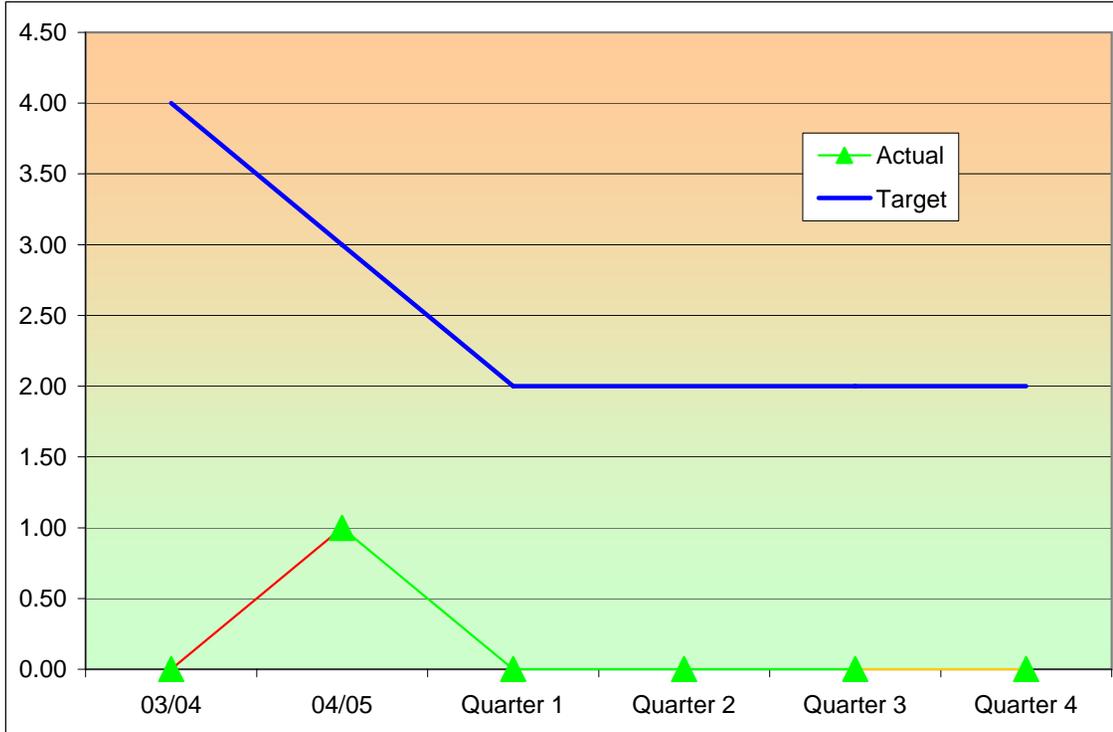
Comments
 There have been no reported racial incidents to the Council during the year

Planned Action

16	BVPI 183 - Length of stay in temporary accommodation	Annual Trend		
183a - The average length of stay in bed and breakfast accommodation of households that are unintentionally homeless and in priority need		Current variation from target	100%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance						
183a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	4.00	0.00	G	n/a	100.00%	n/a
04/05	3.00	1.00	G		66.67%	2
Quarter 1	2.00	0.00	G		100.00%	1
Quarter 2	2.00	0.00	G		100.00%	1
Quarter 3	2.00	0.00	G		100.00%	1
Quarter 4	2.00	0.00	G		100.00%	1
05/06	2.00	0.00	G		100.00%	1

Comments
 The indicator measures the ability of the Council to react quickly to release those that unintentionally become homeless.
 Performance of this indicator is better than target.
 Top Quartile for Quarter 4 = 1



Planned Action

16	BVPI 183 - Length of stay in temporary accommodation	Annual Trend	
183b - The average length of stay in hostel accommodation of households that are unintentionally homeless and in priority need.		Current variation from target	
Indicator Owner	David Hammond - Head of Planning and Environment Services		

Performance						
183b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	6.00	9.28	R	n/a	-54.67%	n/a
04/05	5.00	8.61	R		-72.20%	2
Quarter 1	8.00	10.20	R		-27.50%	3
Quarter 2	8.00	12.59	R		-57.38%	3
Quarter 3	8.00	21.34	R		-166.75%	4
Quarter 4	8.00	12.00	R		-50.00%	3
05/06	8.00	16.00	R		-100.00%	3

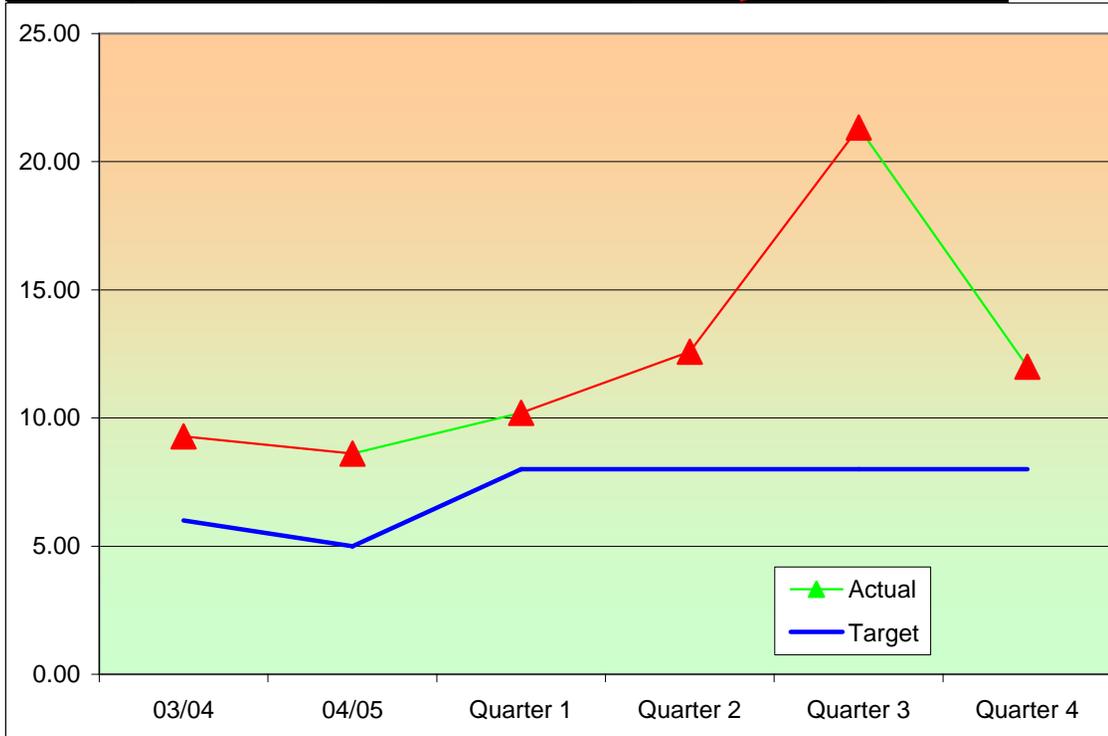
Comments

Hostel accommodation is considered unsatisfactory for any length of time. It should only be used to provide emergency accommodation. Residents need to be moved in to appropriate accommodation as quickly as possible.

Top Quartile for Quarter 4 = 0

Planned Action

Creating the means to meet this target is being developed with the assistance of BDHT and other partners. The restructured strategic housing service will have additional resource to help tackle the problem, but the physical provision of appropriate accommodation is in the hands of others.

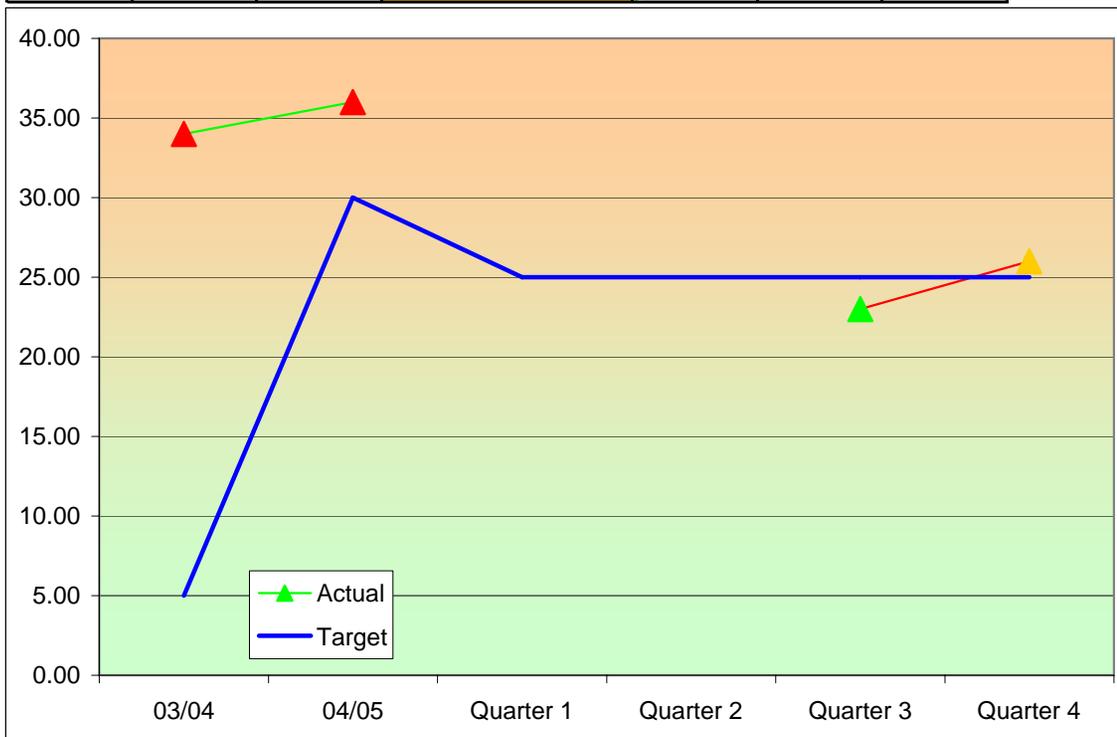


17	BVPI 199 - Local street and environmental cleanliness	Annual Trend		
199a - The proportion of relevant land and highways (expressed as a percentage) that is assessed as having combined deposits of litter and detritus that fall below an acceptable level.		Current variation from target	-4.00%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance						
199a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	5.00	34.00	R	n/a	-580.00%	n/a
04/05	30.00	36.00	R		-20.00%	4
Quarter 1	25.00	n/a	n/a	n/a	n/a	n/a
Quarter 2	25.00	n/a	n/a	n/a	n/a	n/a
Quarter 3	25.00	23.00	G		8.00%	4
Quarter 4	25.00	26.00	A		-4.00%	4
05/06	25.00	26.00	A		-4.00%	4

Comments

Top Quartile for Quarter 4 = 10



Planned Action

Implementation of the Street Scene Strategy will start to improve this indicator. Vehicles are being ordered and staff employed following scheduling of the street cleansing programme. It is anticipated that the full programme will commence in July 2006 once vehicles have been delivered. However some improvements will be seen before then as additional staff are employed during the next 2 months. Initially new staff will only be able to provide a manual cleanse until equipment becomes available.

17	BVPI 199 - Local street and environmental cleanliness	Annual Trend	n/a	
199b - The proportion of relevant land and highways (expressed as a percentage) from which unacceptable levels of graffiti are visible		Current variation from target	76.00%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

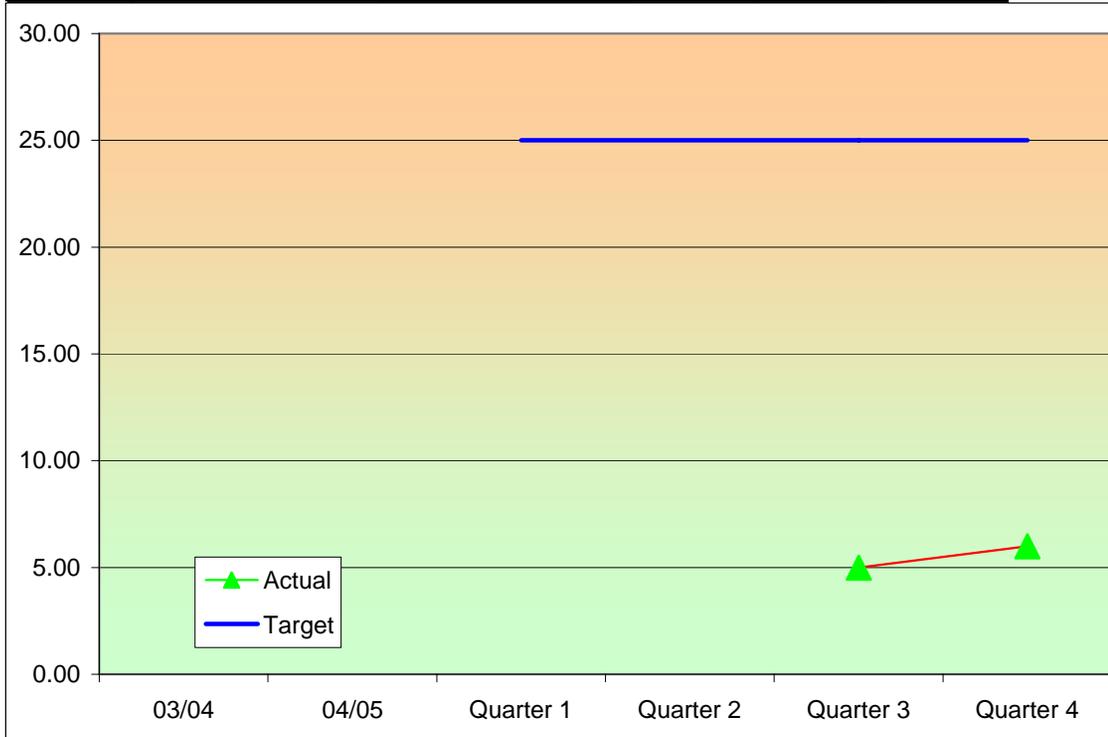
Performance						
199b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	25.00	n/a	n/a	n/a	n/a	n/a
Quarter 2	25.00	n/a	n/a	n/a	n/a	n/a
Quarter 3	25.00	5.00	G	n/a	80.00%	n/a
Quarter 4	25.00	6.00	G	↘	76.00%	n/a
05/06	25.00	6.00	G	n/a	76.00%	n/a

Comments

This indicator is currently above target(the lower the figure the better the performance). Once the graffiti vehicle is delivered, performance will improve further.

Planned Action

Awaiting delivery of graffiti vehicle.

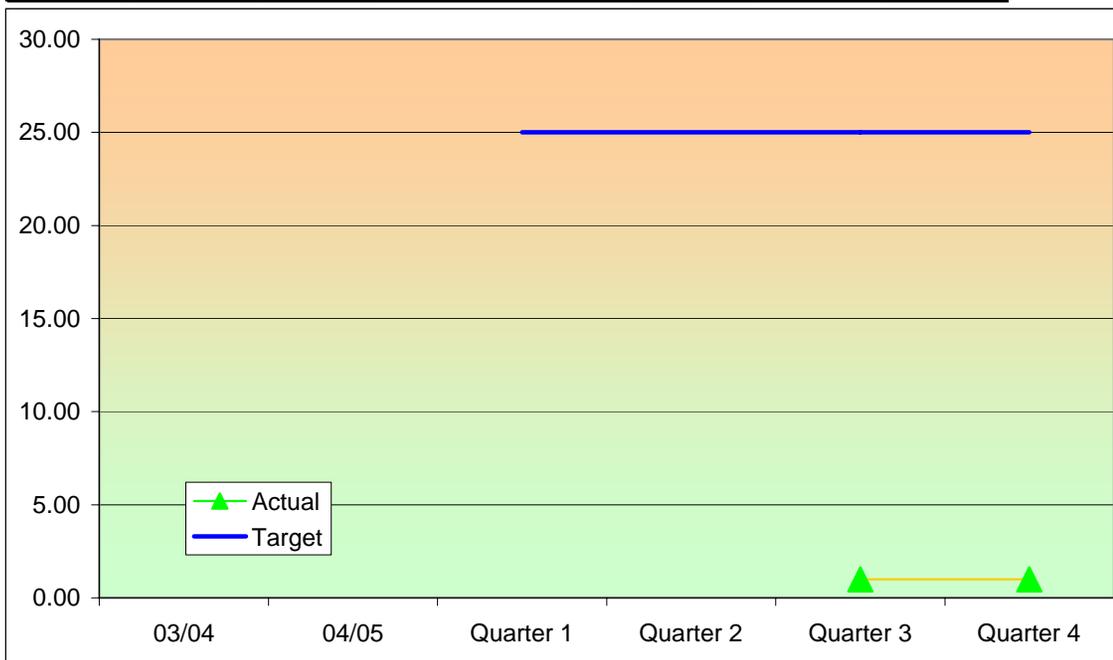


17	BVPI 199 - Local street and environmental cleanliness	Annual Trend	n/a	
199c - The proportion of relevant land and highways (expressed as a percentage) from which unacceptable levels of fly-posting are visible		Current variation from target	96.00%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance						
199c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	25.00	n/a	n/a	n/a	n/a	n/a
Quarter 2	25.00	n/a	n/a	n/a	n/a	n/a
Quarter 3	25.00	1.00	G	n/a	96.00%	n/a
Quarter 4	25.00	1.00	G	→	96.00%	n/a
05/06	25.00	1.00	G	n/a	96.00%	n/a

Comments
 With this indicator the lower the figure the better the performance.

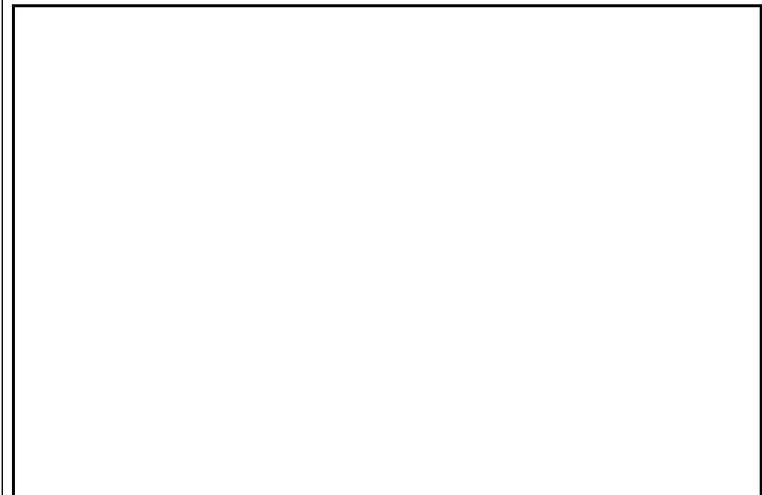
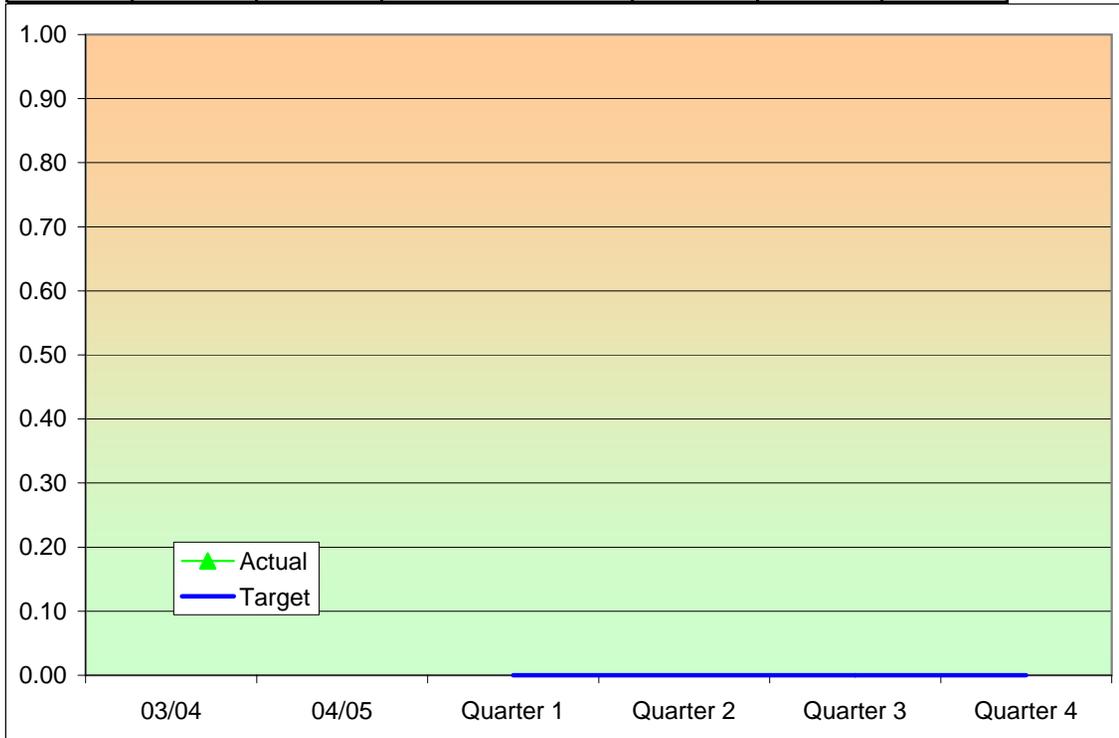
Planned Action



17	BVPI 199 - Local street and environmental cleanliness	Annual Trend	n/a	
199d - The year-on-year reduction in total number of incidents and increase in total number of enforcement actions taken to deal with 'fly-tipping'.		Current variation from target		
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance						
199d	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1						
Quarter 2						
Quarter 3						
Quarter 4						
05/06						

Comments
 This indicator relies on recording of enforcement action taken against fly tipping. Because we currently do not have enforcement staff the indicator cannot be calculated. The Street Scene Strategy includes for enforcement staff to be employed in phase 3. At present funding for phase 3 has not been made available and is only due to come into operation in 2 years time if the funding required is approved.

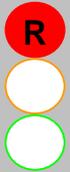


18	BVPI 200 - Plan making	Annual Trend		
200a - Did the Authority submit the Local Development Scheme (LDS) by 28/03/05 and thereafter maintain a 3-yr rolling programme?		Current variation from target	0.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance						
200a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	Yes	Yes	G	n/a	0.00%	n/a
Quarter 1	Yes	Yes	G		0.00%	n/a
Quarter 2	Yes	Yes	G		0.00%	n/a
Quarter 3	Yes	Yes	G		0.00%	n/a
Quarter 4	Yes	Yes	G		0.00%	n/a
05/06	Yes	Yes	G		0.00%	n/a

Comments
This is the cornerstone of current planning policy. From it flows a host of policies and guidance. The Local Development Scheme Working Group oversees the work of the Strategic Planning Service

Planned Action
Although targets have been met to date, recent resignation have left the Council vulnerable. A recruitment drive is taking place and, if successful, will maintain performance.

18	BVPI 200 - Plan making	Annual Trend	n/a	
200b - Has the Authority met the milestones which the current Local Development Scheme sets out?		Current variation from target	-100.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance						
200b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	Yes	Yes	G	n/a	0.00%	n/a
Quarter 2	Yes	Yes	G		0.00%	n/a
Quarter 3	Yes	Yes	G		0.00%	n/a
Quarter 4	Yes	No	R		-100.00%	n/a
05/06	Yes	No	R	n/a	-100.00%	n/a

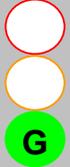
Comments

The milestones timetable is agreed with ODPM and to date is being met. The LDF Working Group oversees the performance of the service and there is an annual performance report submitted to the Government.

Planned Action

Meeting milestones will depend upon the success of the current recruitment drive.

All policies and guidance within the framework have to have environmental impact and sustainability assessments undertaken. The Council does not possess these skills and so consultants are employed. There is such a demand from all Local Authorities that a national shortage of these skills is becoming apparent and this may cause slippage.

18	BVPI 200 - Plan making	Annual Trend	n/a	
200c - Did the Authority publish an annual monitoring report by December last year?		Current variation from target	n/a	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance						
200c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	n/a	n/a	n/a	n/a	n/a	n/a
Quarter 2	n/a	n/a	n/a	n/a	n/a	n/a
Quarter 3	Yes	Yes	G	n/a	0.00%	n/a
Quarter 4	Yes	Yes	G	n/a	0.00%	n/a
05/06	Yes	Yes	G	n/a	0.00%	n/a

Comments

This is a statement of performance of producing the Local Development Scheme and a tranche of policies and guidance that flow from the LDS.

The report was presented to the LDS Working Group and hence via Cabinet and Council to the Government.

Planned Action

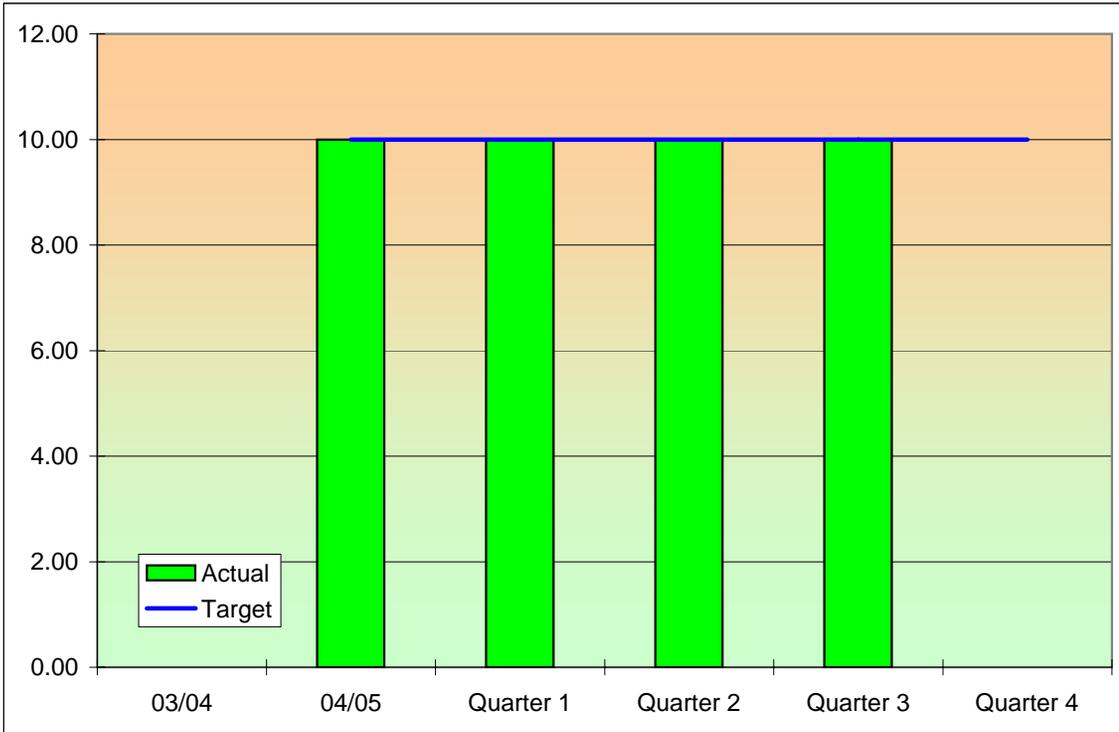
Meeting milestones will depend upon the success of the current recruitment drive.

All policies and guidance within the framework have to have environmental impact and sustainability assessments undertaken. The Council does not possess these skills and so consultants are employed. There is such a demand from all Local Authorities that a national shortage of these skills is becoming apparent and this may cause slippage.

19	BVPI 202 - Number of rough sleepers	Annual Trend		
The number of people sleeping rough on a single night within the area of the Authority		Current variation from target	0.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance						
202	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	<10	<10	G	n/a	0.00%	n/a
Quarter 1	<10	<10	G		0.00%	n/a
Quarter 2	<10	<10	G		0.00%	n/a
Quarter 3	<10	<10	G		0.00%	n/a
Quarter 4	<10	<10	G		0.00%	n/a
05/06	<10	<10	G		0.00%	n/a

Comments
 The purpose of this indicator is to focus on the need for action to address the problems created for people sleeping rough. A target and performance of less than ten indicates that there is no real problem.



Planned Action
 The Council cannot be complacent about this measure as sleeping rough, as well as homelessness, can quickly migrate across boundaries. Performance and trends will be closely monitored.

20	BVPI 203 - Change in number of families in temporary accommodation	Annual Trend	  
The percentage change in the average number of families placed in temporary accommodation.		Current variation from target	
Indicator Owner	David Hammond - Head of Planning and Environment Services		

Performance						
203	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	-12.00	-5.23	R	n/a	-56.42%	2
Quarter 1	-3.00	39.39	R		-1413.00%	4
Quarter 2	-3.00	28.94	R		-1064.67%	4
Quarter 3	-3.00	45.45	R		-1615.00%	4
Quarter 4	-3.00	46.34	R		-1644.67%	4
05/06	-3.00	31.04	R		-1134.67%	4

Comments

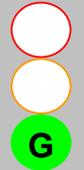
This indicator identifies trends in the Council's ability to permanently house homeless and vulnerable people. Temporary accommodation, no matter how comfortable, does not provide a good solution for the homeless.

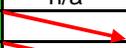
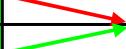
Top Quartile for Quarter 4 = -9.4

Planned Action

Whilst performance is generally good, circumstances arise where a problem becomes evident. Processes are in place to quickly detect blocks to permanent housing and these problems then overcome. This is a continual process.



21	BVPI 204 - Planning appeals	Annual Trend 	
The number of planning appeal decisions allowed against the Authority's decision to refuse on planning applications, as a percentage of the total number of planning appeals against refusals of planning applications.			
Indicator Owner	David Hammond - Head of Planning and Environment Services		

Performance						
204	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	40.00	23.38	G	n/a	41.55%	1
Quarter 1	40.00	31.00	G		22.50%	3
Quarter 2	40.00	37.50	G		6.25%	4
Quarter 3	40.00	27.00	G		32.50%	2
Quarter 4	40.00	33.33	G		16.68%	3
05/06	40.00	32.00	G		20.00%	3

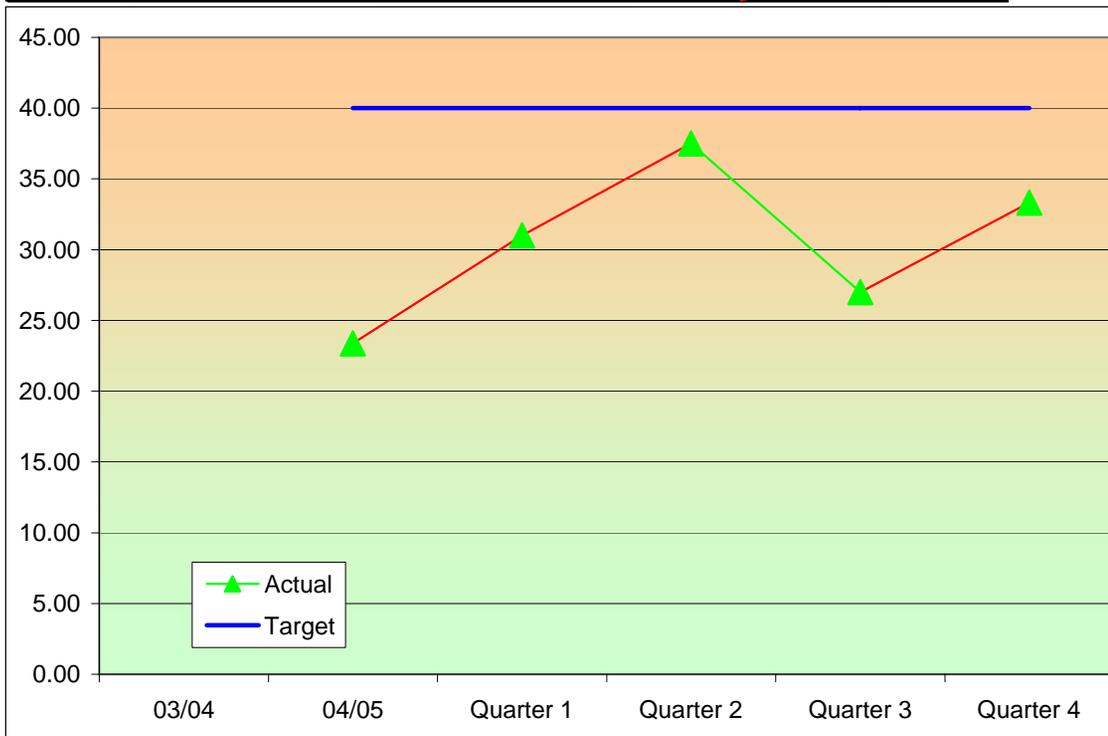
Comments

The Council was able to defend its decision on planning applications at appeal within target, despite capacity issues within Development Control.

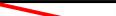
Top Quartile for Quarter 4 = 24

Planned Action

None.



22	BVPI 205 - Quality of Planning Services checklist		
The Local Authority's score against a "quality of services" checklist		Annual Trend	 R  
Indicator Owner	David Hammond - Head of Planning and Environment Services	Current variation from target	-12.36%

Performance (latest, percentage, bigger is better)						
205	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	72.00	83.33	G	n/a	15.74%	2
Quarter 1	72.00	83.33	G		15.74%	2
Quarter 2	89.00	83.33	R		-6.37%	2
Quarter 3	89.00	83.33	R		-6.37%	2
Quarter 4	89.00	78.00	R		-12.36%	3
05/06	89.00	78.00	R		-12.36%	3

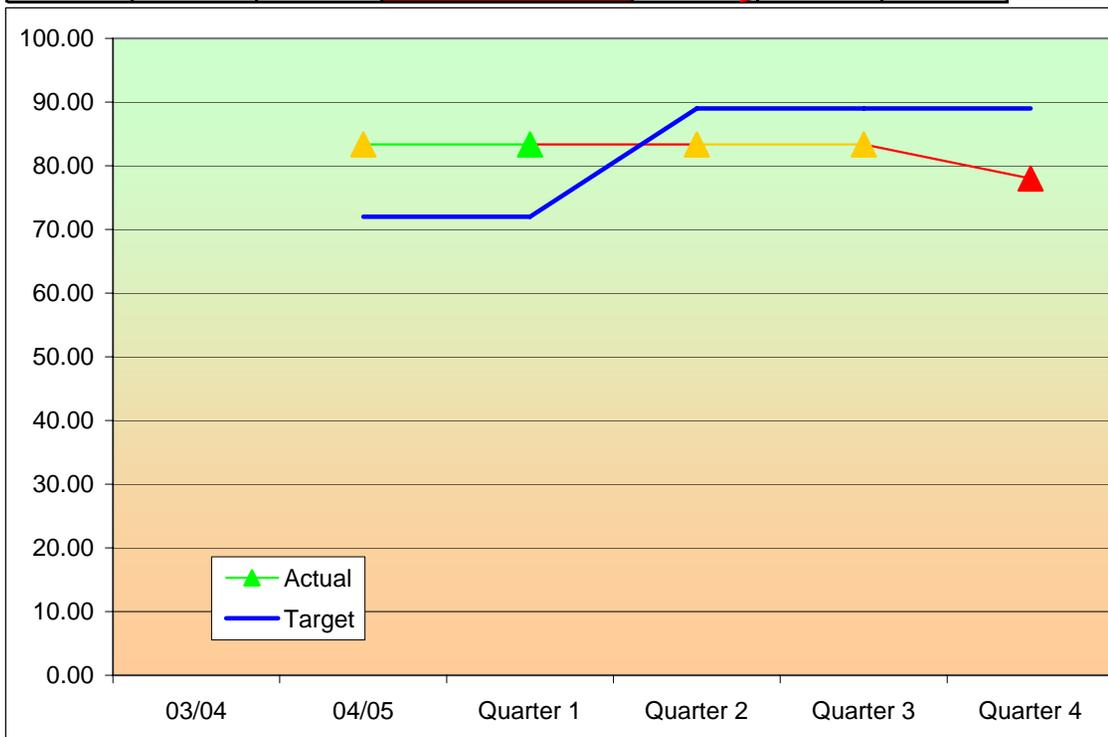
Comments

The urban designer post did not prove successful as there was not sufficient work to sustain the post. The Council also scored poorly on the electronification of it's services.

Top Quartile for Quarter 4 = 88.9

Planned Action

The Council has recently approved the spatial business case to improve its computer systems and fully comply with the Governments E- targets.

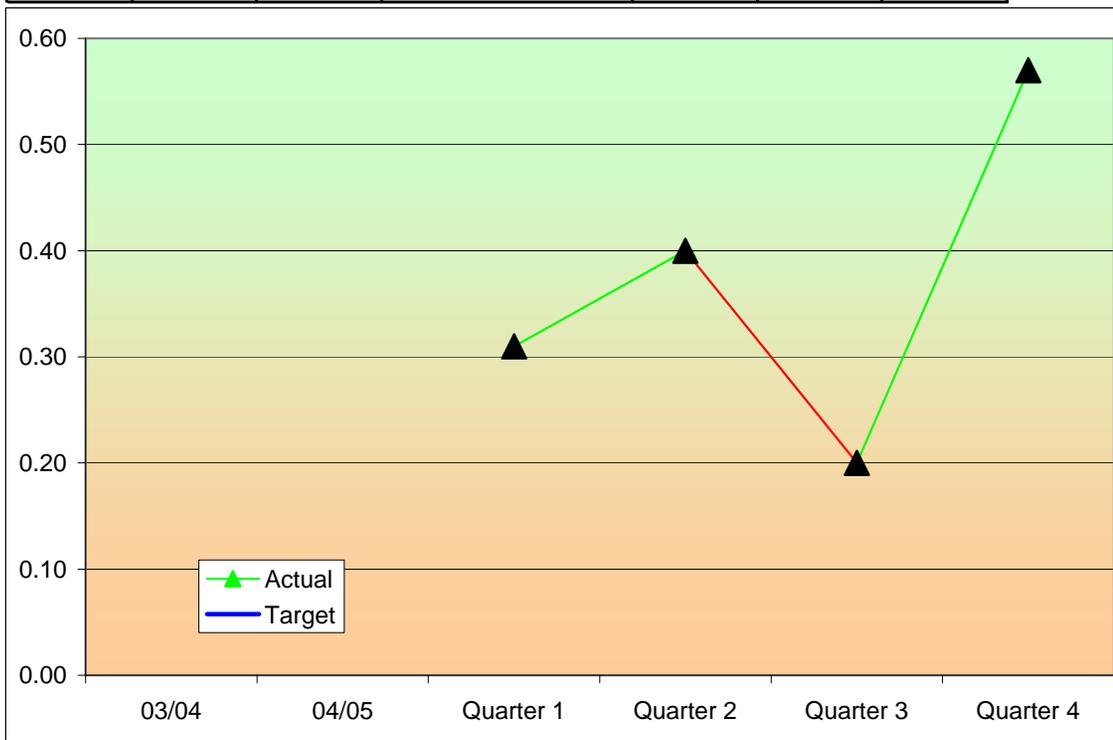


23	BVPI 213 - Housing Advice Service: preventing homelessness	Annual Trend	n/a
Number of households who considered themselves as homeless, who approached the local housing authority's housing advice service(s), and for whom housing advice casework intervention resolved their situation, (expressed as a percentage)		Current variation from target	
Indicator Owner	David Hammond - Head of Planning and Environment Services		

Performance (latest, percentage, bigger is better)						
213	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1		0.31		n/a		n/a
Quarter 2		0.40				n/a
Quarter 3		0.20				n/a
Quarter 4		0.57				n/a
05/06		0.49		n/a		n/a

Comments

Planned Action

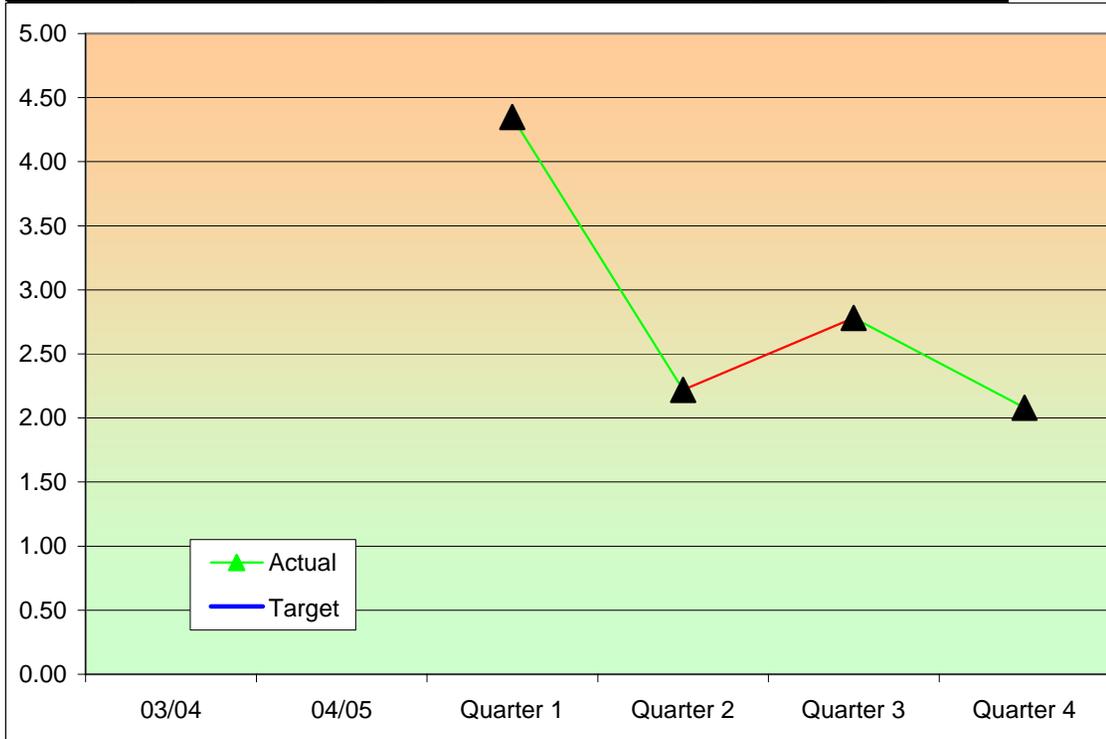


24	BVPI 214 - Repeat homelessness	Annual Trend	n/a
Proportion of households accepted as statutorily homeless who were accepted as statutorily homeless by the same Authority within the last two years.		Current variation from target	
Indicator Owner	David Hammond - Head of Planning and Environment Services		

Performance						
214	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1		4.35		n/a		n/a
Quarter 2		2.22				n/a
Quarter 3		2.78				n/a
Quarter 4		2.08				n/a
05/06		2.86		n/a		

Comments
Repeat homelessness is very low in Bromsgrove.

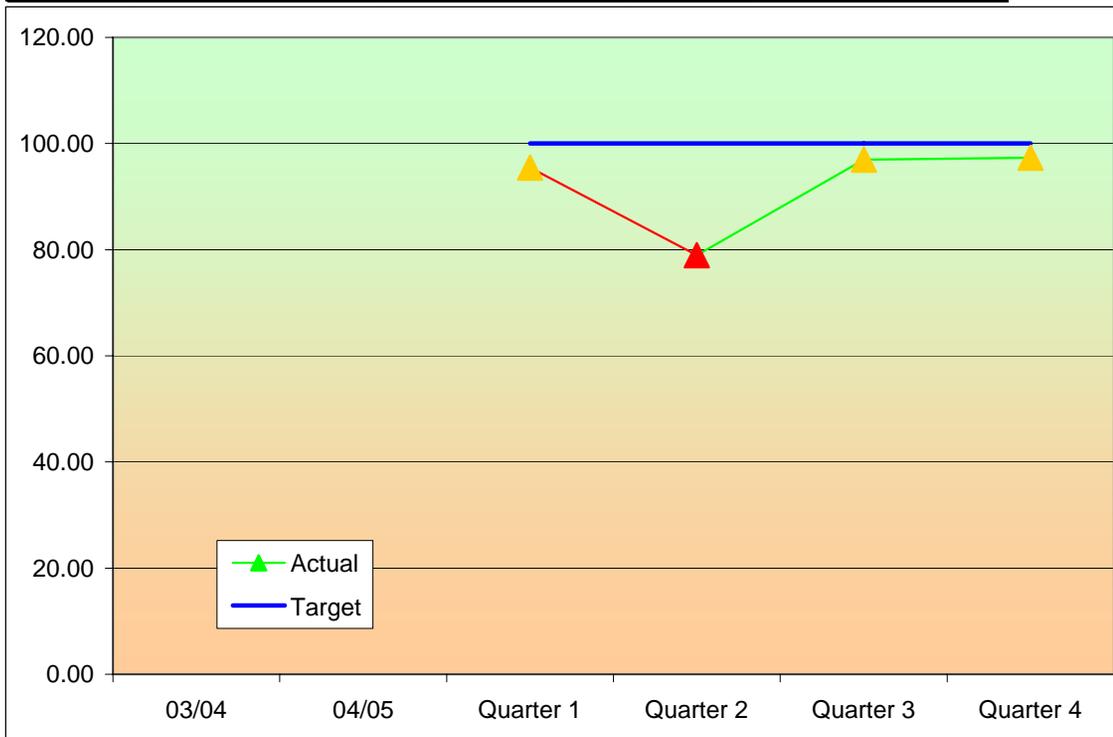
Planned Action
BDC, BDHT and Supporting people have provided funding to provide 2 posts who will work with vulnerable people both in temporary & permanent accommodation & provide support to this client group to reduce still further repeat homelessness



25	BVPI 218 - Abandoned vehicles	Annual Trend	n/a	
218a - Percentage of new reports of abandoned vehicles investigated within 24 hours of notification		Current variation from target	-3.96%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

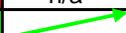
Performance (latest, percentage, bigger is better)						
218a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	100.00	95.45	A	n/a	-4.55%	n/a
Quarter 2	100.00	78.99	R		-21.01%	n/a
Quarter 3	100.00	96.96	A		-3.04%	n/a
Quarter 4	100.00	97.29	A		-2.71%	n/a
05/06	100.00	96.04	A	n/a	-3.96%	n/a

Comments
 Officers involved with the abandoned vehicles process have been involved with the rescheduling of refuse and recycling rounds which has diverted attention from this service. Once rescheduling has been completed and modifications implemented additional staff time can be spent improving this performance.



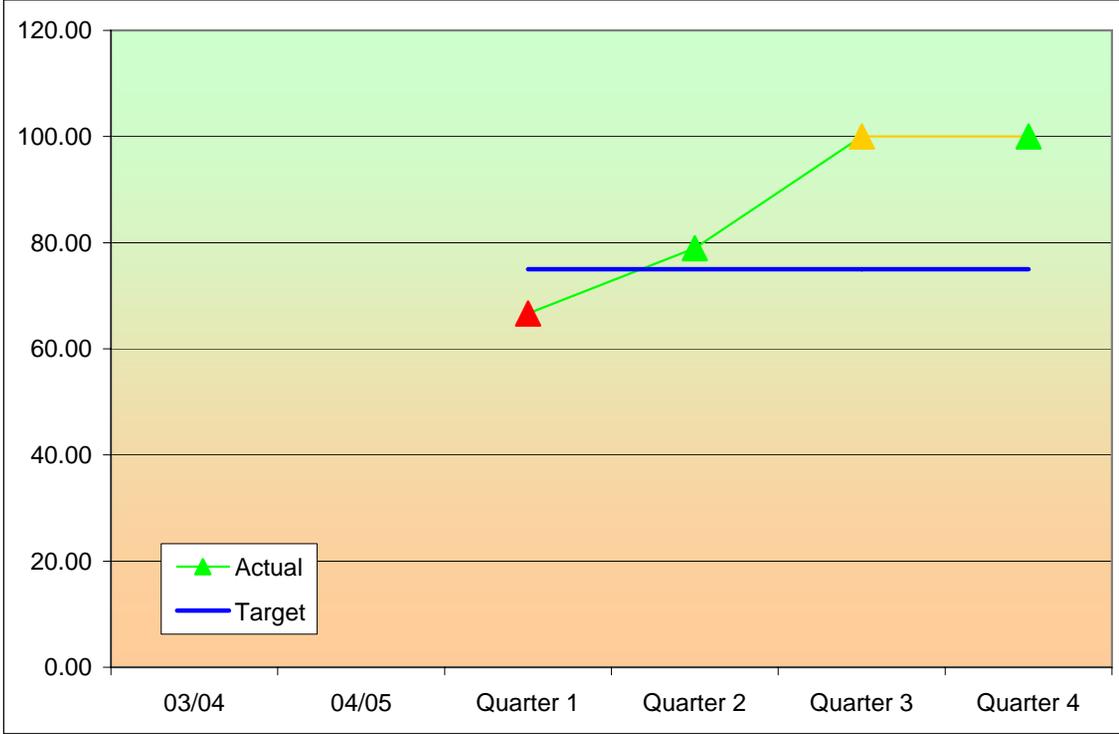
Planned Action

25	BVPI 218 - Abandoned vehicles	Annual Trend	n/a	  
218b - Percentage of abandoned vehicles removed within 24 hours from the point at which the Authority is legally entitled to remove the vehicle.			Current variation from target	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (latest, percentage, bigger is better)						
218b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	75.00	66.66	R	n/a	-11.12%	n/a
Quarter 2	75.00	78.99	G		5.32%	n/a
Quarter 3	75.00	100.00	G		33.33%	n/a
Quarter 4	75.00	100.00	G		33.33%	n/a
05/06	75.00	51.60	R	n/a	-31.20%	n/a

Comments

Planned Action

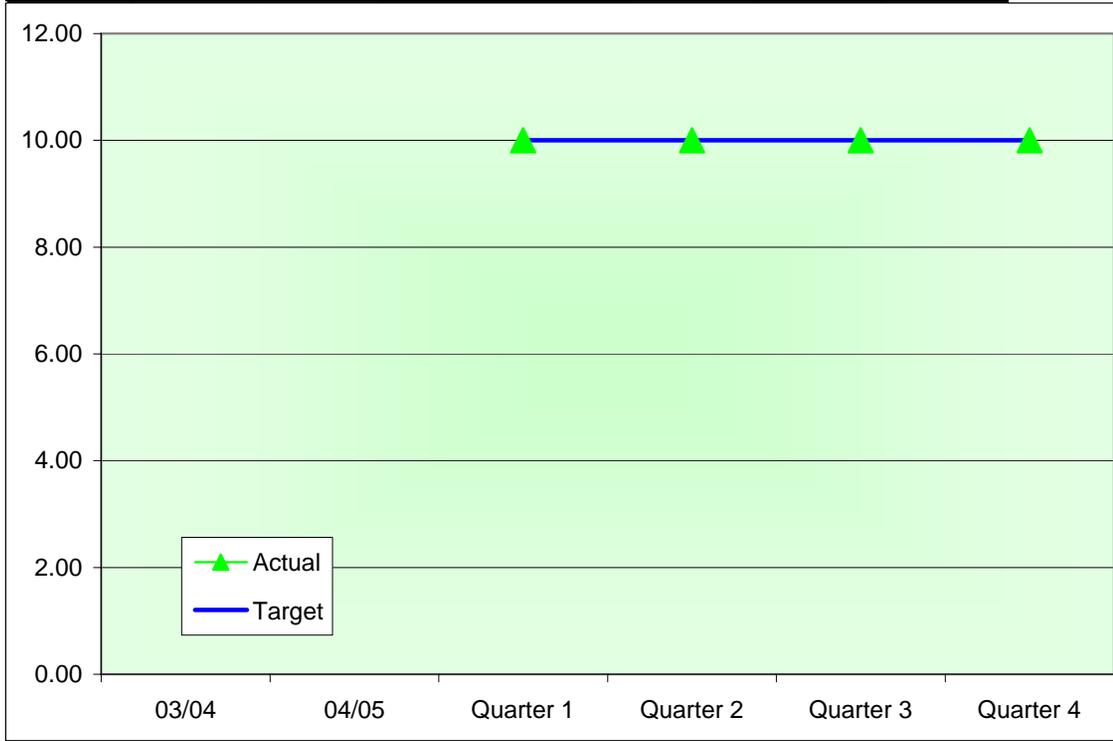


26	BVPI 219 - Preserving the special character of conservation areas	Annual Trend	n/a	
219a - Total number of conservation areas in the local authority area		Current variation from target	0.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance (latest, number, neutral performance)						
219a	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	10	10	G	n/a	0.00%	n/a
Quarter 2	10	10	G		0.00%	n/a
Quarter 3	10	10	G		0.00%	n/a
Quarter 4	10	10	G		0.00%	n/a
05/06	10	10	G	n/a	0.00%	n/a

Comments
 This indicator identifies the extent to which the Council is carrying out its responsibility to identify and create conservation areas.

Planned Action
 There is no planned action to create new conservation areas, as these areas that warrant that status are already designated.



26	BVPI 219 - Preserving the special character of conservation areas	Annual Trend	n/a	
219b - Percentage of conservation areas in the local authority area with an up-to-date character appraisal		Current variation from target	0.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance (latest, percentage, bigger is better)						
219b	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	10.00	0.00	R	n/a	-100.00%	n/a
Quarter 2	10.00	0.00	R	→	-100.00%	n/a
Quarter 3	10.00	0.00	R	→	-100.00%	n/a
Quarter 4	10.00	10.00	G	↗	0.00%	n/a
05/06	10.00	10.00	G	n/a	0.00%	n/a

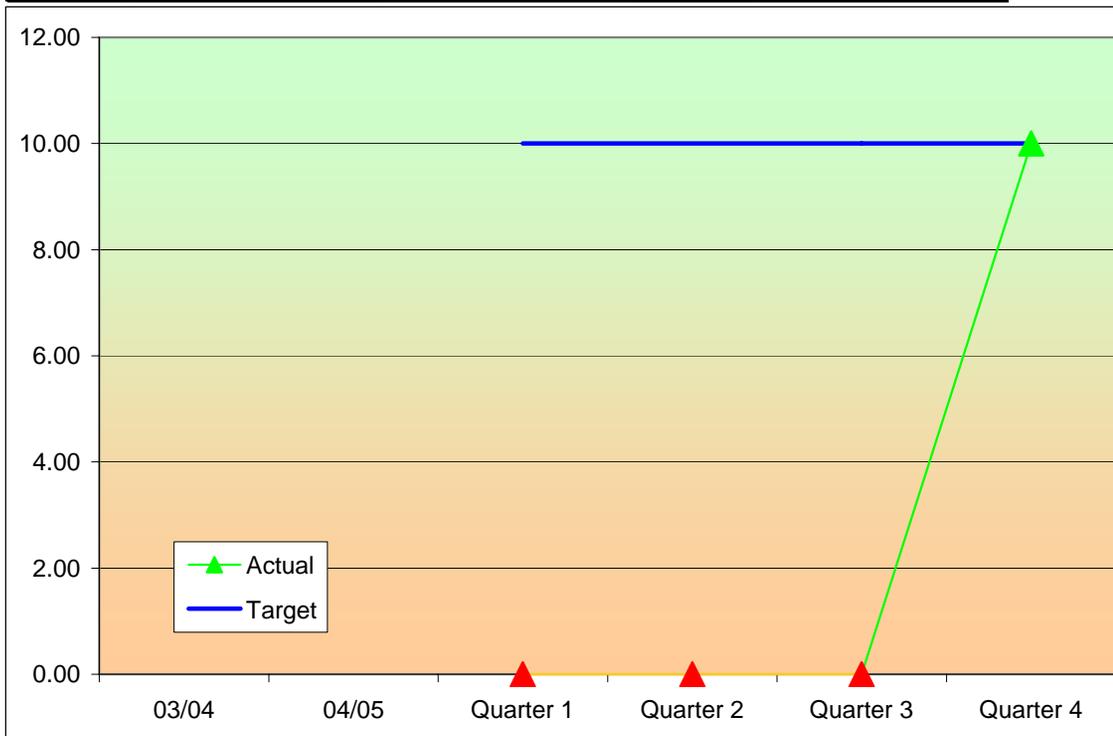
Comments

This indicator identifies how well the Council is carrying out its responsibility to systematically review and update its conservation area statements and create and carry through action plans for the improvement of these areas.

This is a new indicator and resource problems have not allowed any action to date.

Planned Action

The restructure has provided a personnel resource and providing the current recruitment drive is successful, action will commence in 2006/07.



26	BVPI 219 - Preserving the special character of conservation areas	Annual Trend	n/a	
219c - Percentage of conservation areas with published management proposals.		Current variation from target	0.00%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

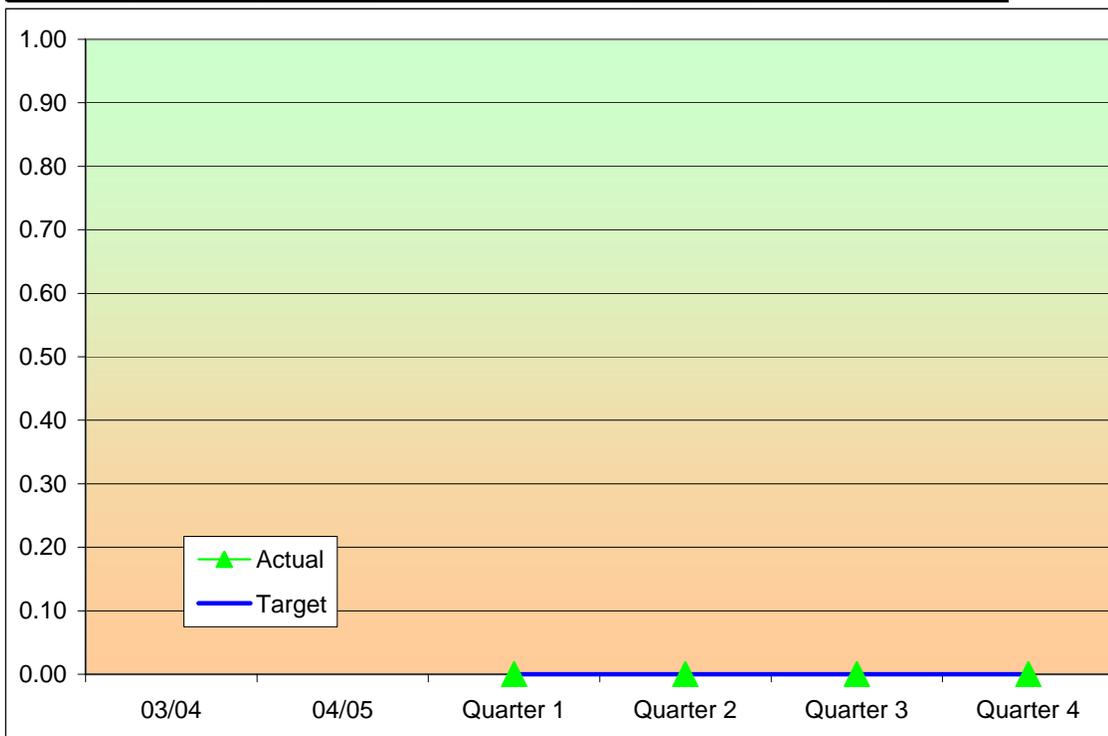
Performance (latest, percentage, bigger is better)						
219c	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	0.00	0.00	G	n/a	0.00%	n/a
Quarter 2	0.00	0.00	G	→	0.00%	n/a
Quarter 3	0.00	0.00	G	→	0.00%	n/a
Quarter 4	0.00	0.00	G	→	0.00%	n/a
05/06	0.00	0.00	G	→	0.00%	n/a

Comments

This indicator refers to the action plans referred to in the text of 219b. Each conservation area will have an action plan and they should be activated sequentially over a period of years.

Planned Action

Subject to successful recruitment, an indicative total programme and the first specific action plan will be compiled in the first half of 2006/07

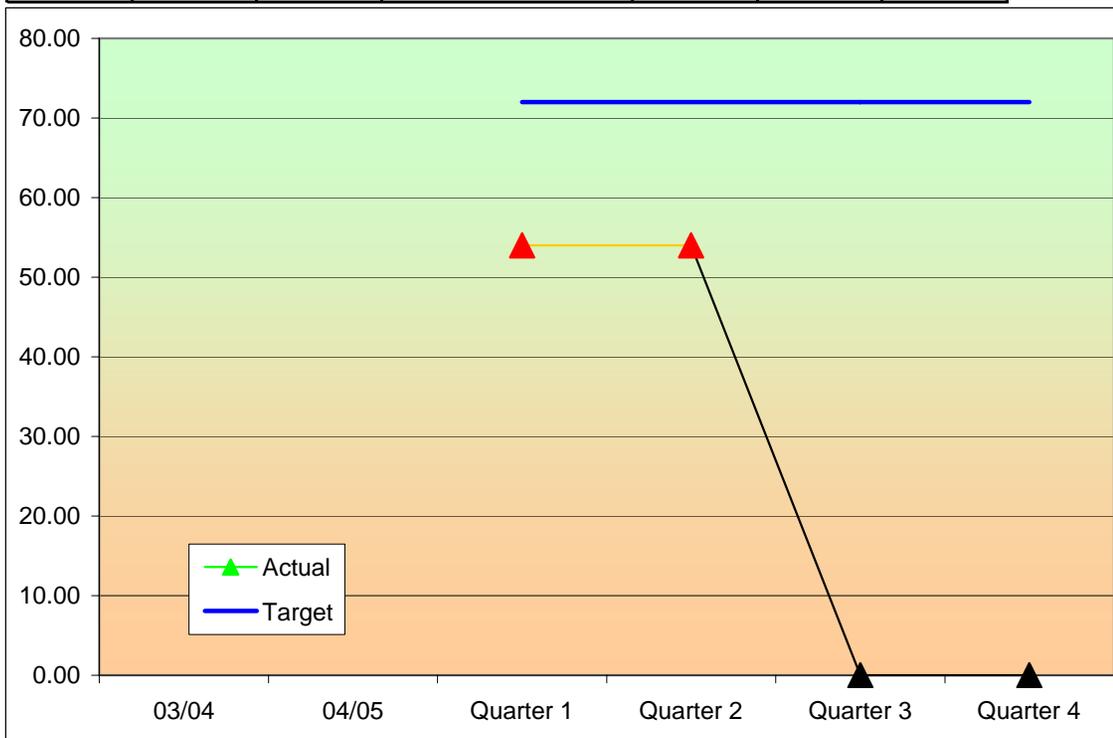


27	BVPI 225 - Actions against domestic violence	Annual Trend	n/a	
The purpose of this BVPI is to assess the overall provision and effectiveness of local authority services designed to help victims of domestic violence and prevent further domestic violence.				
Indicator Owner	David Hammond - Head of Planning and Environment Services	Current variation from target		

Performance (latest, number, bigger is better)						
225	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	72.00	54.00	R	n/a	-25.00%	n/a
Quarter 2	72.00	54.00	R		-25.00%	n/a
Quarter 3	72.00				-100.00%	n/a
Quarter 4	72.00				-100.00%	n/a
05/06	72.00				-100.00%	n/a

Comments

Planned Action

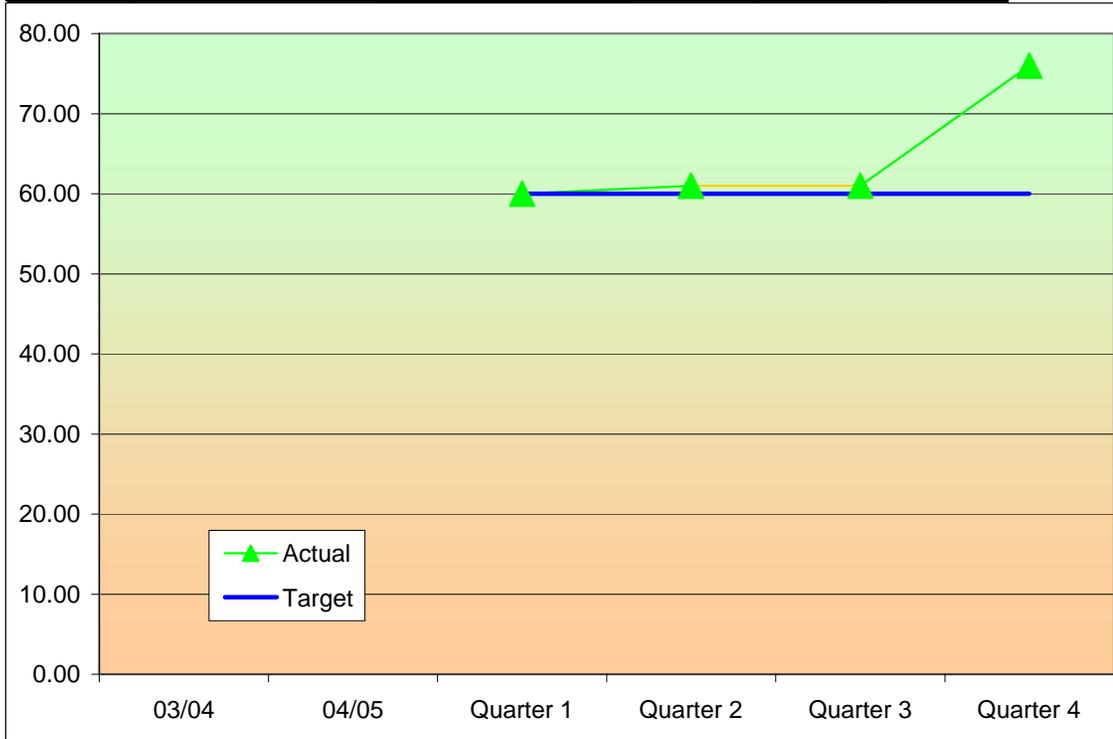


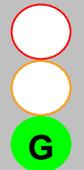
28	LPI Planning - Score on Building Control performance matrix	Annual Trend	n/a	
Score on the Building Control performance matrix		Current variation from target	26.67%	
Indicator Owner	David Hammond - Head of Planning and Environment Services			

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	60.00	60.00	G	n/a	0.00%	n/a
Quarter 2	60.00	61.00	G		1.67%	n/a
Quarter 3	60.00	61.00	G		1.67%	n/a
Quarter 4	60.00	76.00	G		26.67%	n/a
05/06	60.00	76.00	G	n/a	26.67%	n/a

Comments
A good performance

Planned Action
New member of staff has been engaged and start date awaited.



29	LPI CEO - Number of small business start ups	Annual Trend		
The number of small business start ups as a result of support from the Council		Current variation from target	60.00%	
Indicator Owner	Peter Michael - Economic Development Officer			

Performance (cumulative, number, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	30	34	G	n/a	13.33%	n/a
04/05	30	17	R		-43.33%	n/a
Quarter 1	6	4	R		-33.33%	n/a
Quarter 2	12	20	G		66.67%	n/a
Quarter 3	18	36	G		100.00%	n/a
Quarter 4	25	40	G		60.00%	n/a
05/06	25	40	G		60.00%	n/a

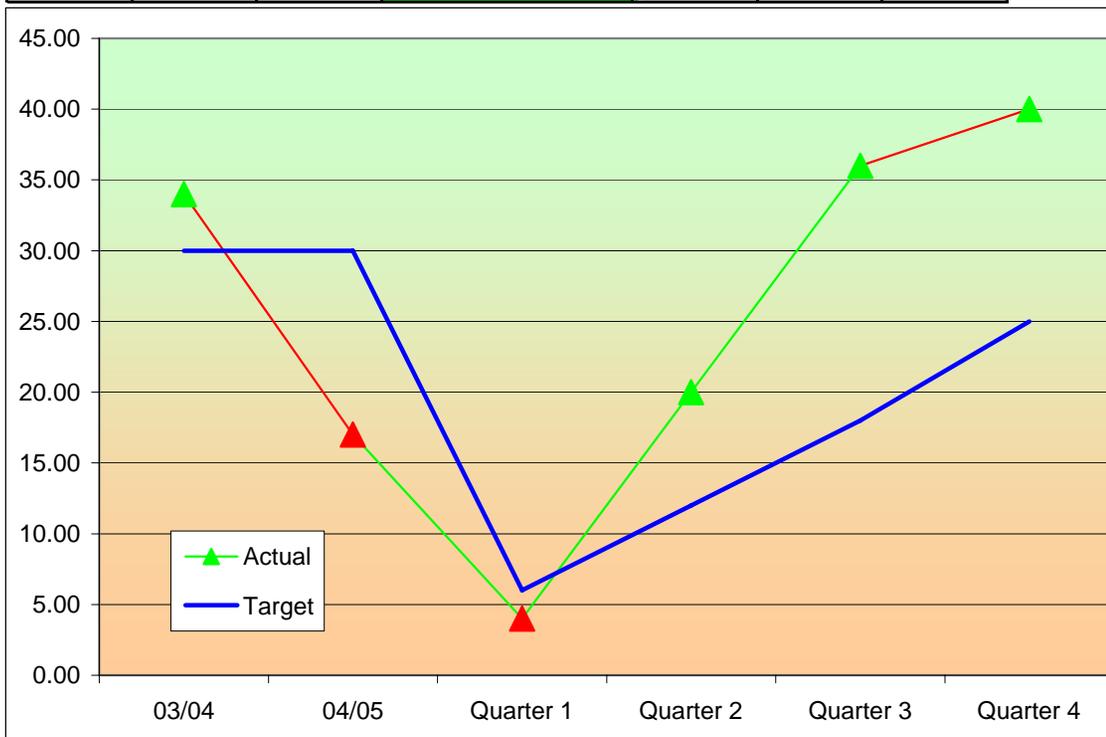
Comments

The Council sponsors new business start-ups by providing free business training and a £500 start-up grant.

Performance dipped in 2004/05 due to delays in budget approval within the Council and, following that, similar delays at new college (who provide the training), 2005/06 performance will be well ahead of target.

Planned Action

This is one of the Council's most popular programmes and we intend to continue it as a priority within economic development strategy.

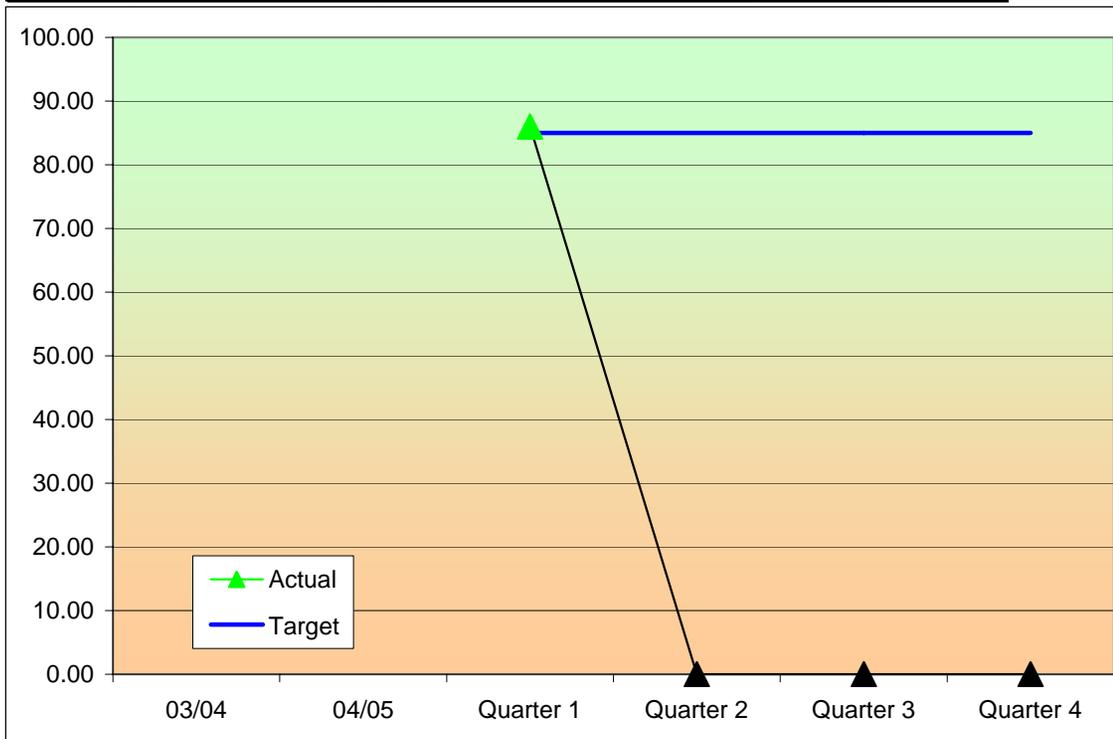


30	LPI CEO - % of business survival rate	Annual Trend	
Percentage survival rate of new business after 18 months			
Indicator Owner	Peter Michael - Economic Development Officer	Current variation from target	

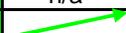
Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	85.00	86.00	G	n/a	1.18%	n/a
Quarter 2	85.00				-100.00%	n/a
Quarter 3	85.00				-100.00%	n/a
Quarter 4	85.00				-100.00%	n/a
05/06	85.00				-100.00%	n/a

Comments

Planned Action



31	LPI Depot - Percentage of animals/debris cleared within timescales	Annual Trend	n/a	
The percentage of animals and debris cleared within timescales		Current variation from target	-9.19%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

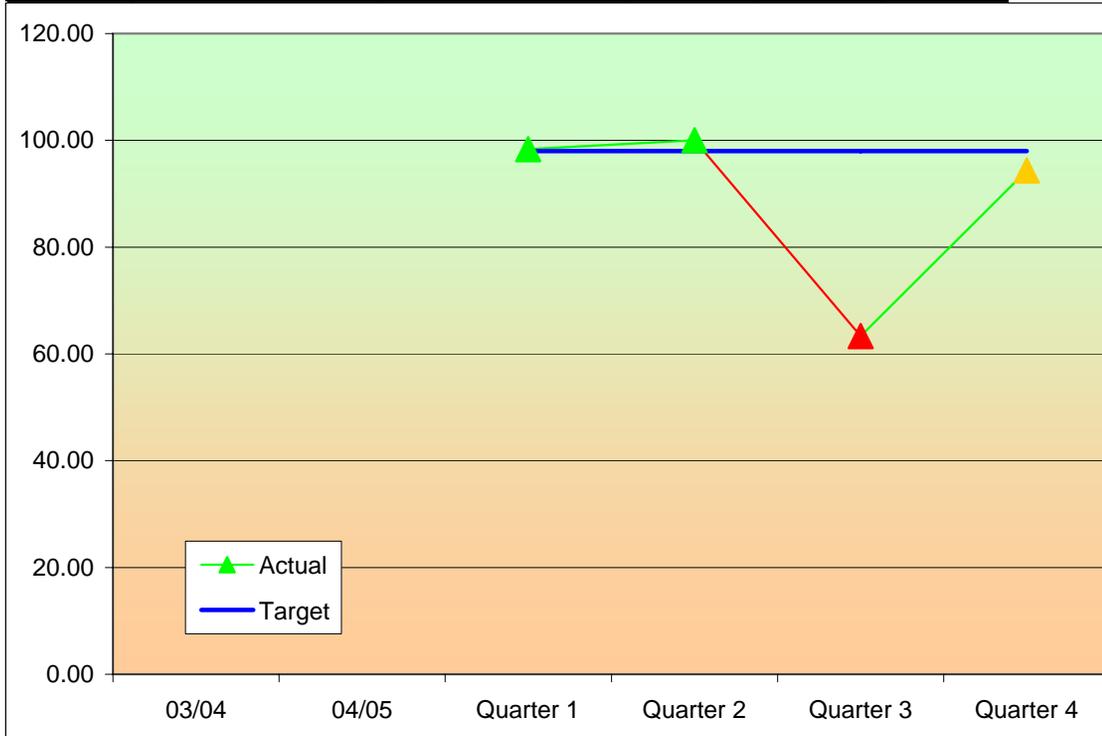
Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	98.00	98.33	G	n/a	0.34%	n/a
Quarter 2	98.00	100.00	G		2.04%	n/a
Quarter 3	98.00	63.33	R		-35.38%	n/a
Quarter 4	98.00	94.33	A		-3.74%	n/a
05/06	98.00	89.00	A	n/a	-9.19%	n/a

Comments

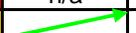
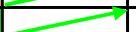
The target for this service is removal within 1 day of notification.

Planned Action

Implement the Street Scene Strategy which will provide additional resources to respond more quickly to requests for this service.

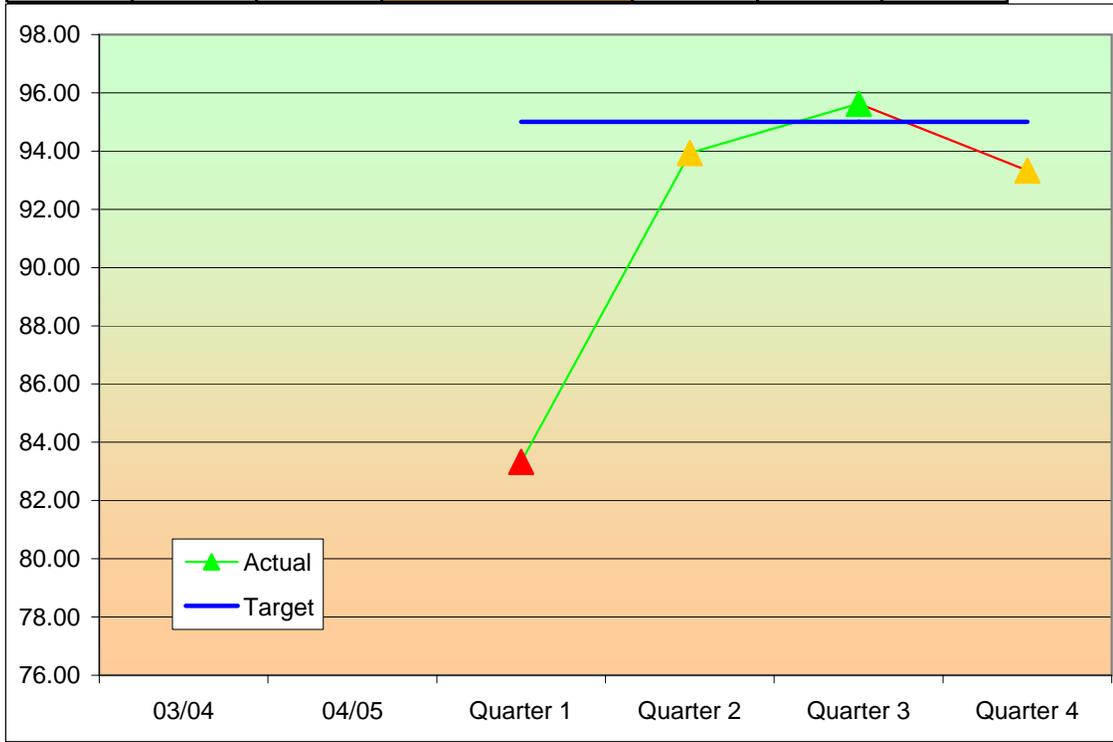


32	LPI Depot - Percentage of flytips dealt with in response time	Annual Trend	
The percentage of flytips dealt with in the response time.		Current variation from target	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management		

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	95.00	83.33	R	n/a	-12.28%	n/a
Quarter 2	95.00	93.93	A		-1.13%	n/a
Quarter 3	95.00	95.63	G		0.66%	n/a
Quarter 4	95.00	93.33	A		-1.76%	n/a
05/06	95.00	91.56	A	n/a	-3.63%	n/a

Comments
 Limited street cleansing staff have resulted in a reduction in performance

Planned Action
 Implementation of the Street Cleansing Strategy by July 2006 will see an improvement in this service.



33	LPI Depot - Number of missed household waste collections	Annual Trend	n/a	  
The number of missed household waste collections		Current variation from target	-159.42%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

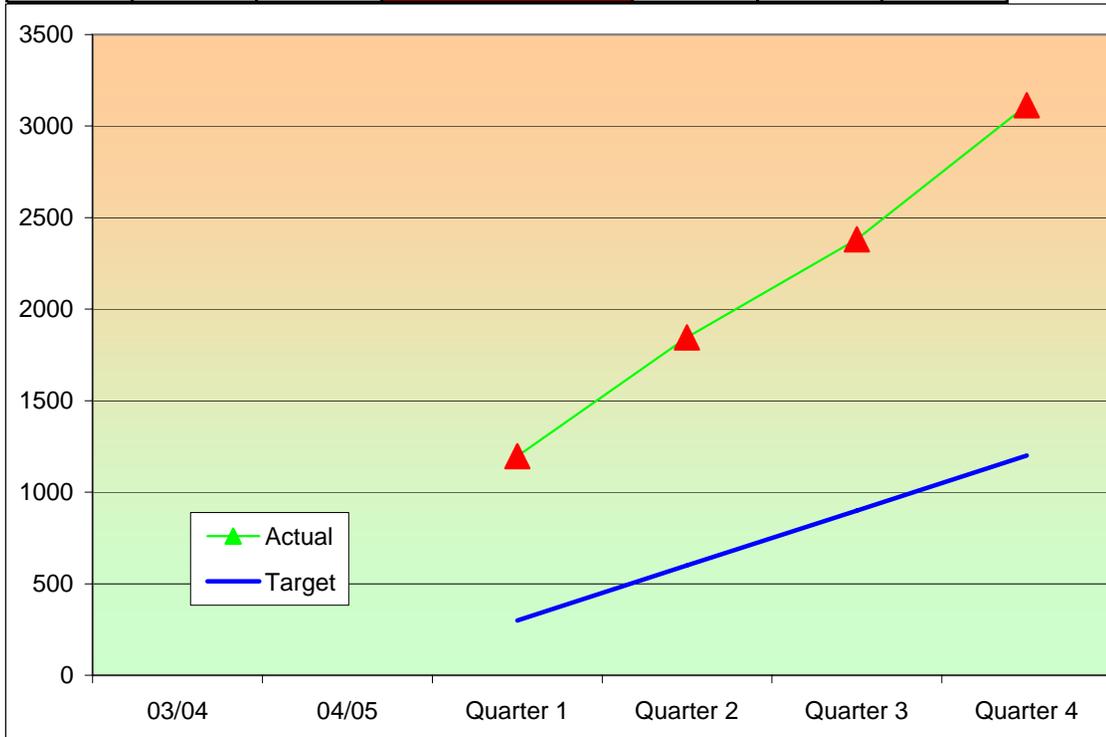
Performance (cumulative, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	300	1197	R	n/a	-299.00%	n/a
Quarter 2	600	1845	R		-207.50%	n/a
Quarter 3	900	2381	R		-164.56%	n/a
Quarter 4	1200	3113	R		-159.42%	n/a
05/06	1200	3113	R	n/a	-159.42%	n/a

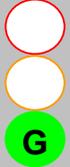
Comments

Reliability problems with vehicles has meant that on a number of occasions work has not been completed within the scheduled day resulting in an increase in the number or recorded missed collections.

Planned Action

An urgent meeting with the Managing Director of the vehicle manufacturers is scheduled for mid May 2006 do agree a programme of actions to resolve the problems. The manufacturer has been working to rectify faults and improve reliability for a number of months but there are still major difficulties. Contingency plans are being introduced to provide for spare capacity in times of breakdown to improve provision of the service.

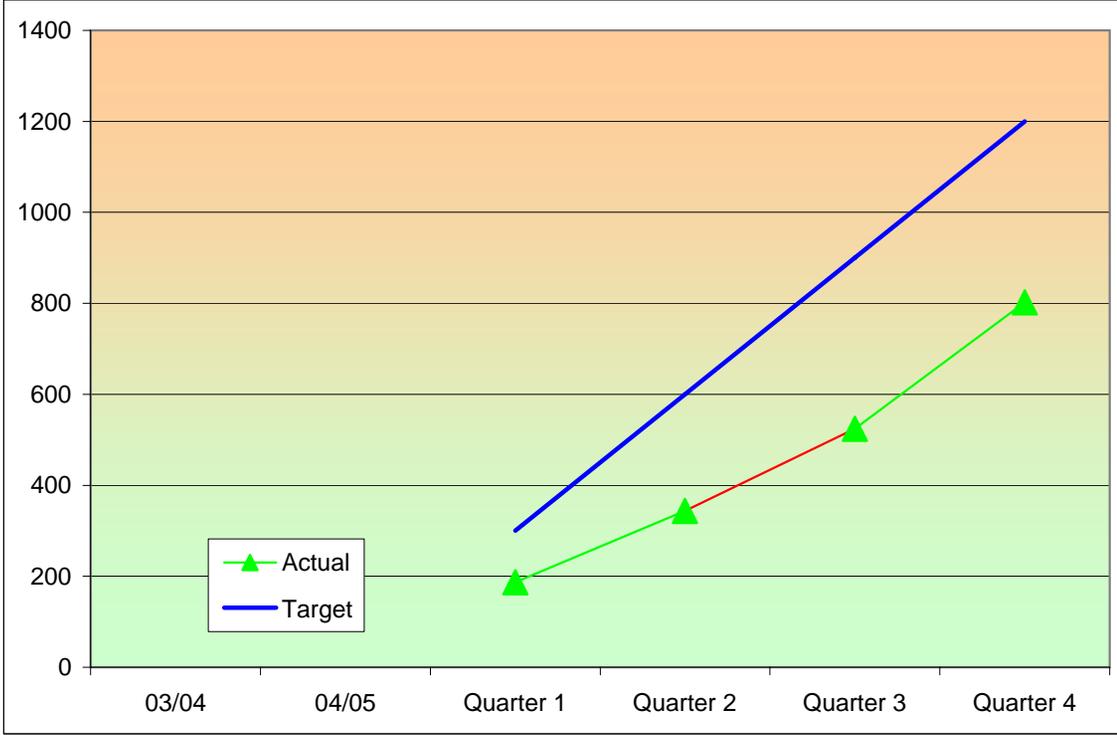


34	LPI Depot - Number of missed recyclable waste collections	Annual Trend	n/a	
The number of recyclable waste collections that have been missed.		Current variation from target	33.17%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (cumulative, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	300	187	G	n/a	37.67%	n/a
Quarter 2	600	344	G		42.67%	n/a
Quarter 3	900	524	G		41.78%	n/a
Quarter 4	1200	802	G		33.17%	n/a
05/06	1200	802	G	n/a	33.17%	n/a

Comments

Planned Action

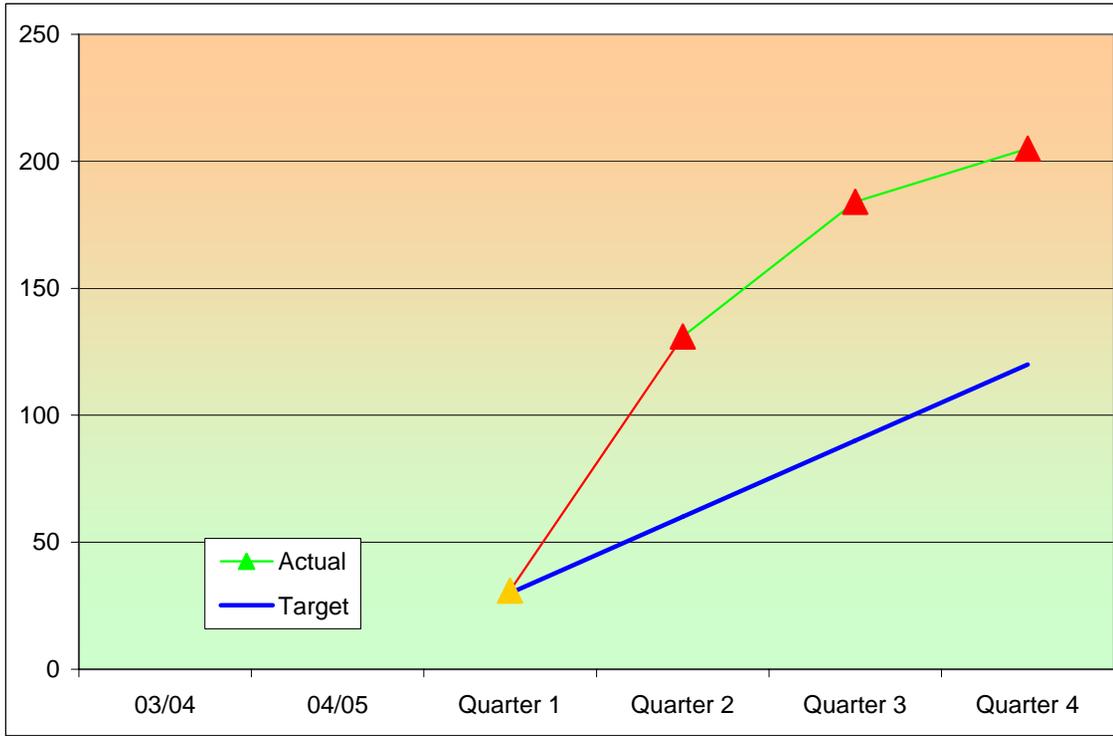


35	LPI Depot - Number of missed trade waste collections	Annual Trend	n/a	  
The number of trade waste collections that have been missed		Current variation from target	-70.83%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (cumulative, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	30	31	A	n/a	-3.33%	n/a
Quarter 2	60	131	R		-118.33%	n/a
Quarter 3	90	184	R		-104.44%	n/a
Quarter 4	120	205	R		-70.83%	n/a
05/06	120	205	R	n/a	-70.83%	n/a

Comments
 Poor reliability of the vehicle has resulted in a poor performance.

Planned Action
 A new vehicle has been ordered. Once delivered later in the year improvements will be seen in the performance of this service.

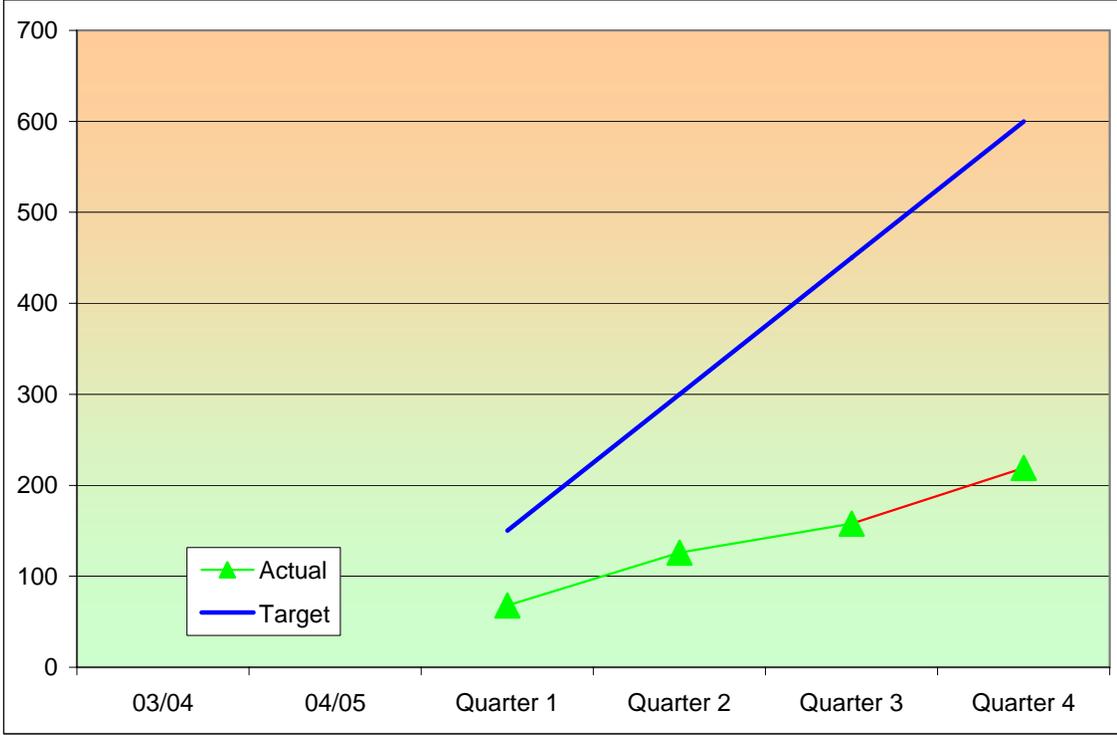


36	LPI Depot - Number of written complaints	Annual Trend	n/a	
The total number of written complaints received by the Depot		Current variation from target	63.50%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (cumulative, number, smaller is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	150	68	G	n/a	54.67%	n/a
Quarter 2	300	126	G		58.00%	n/a
Quarter 3	450	158	G		64.89%	n/a
Quarter 4	600	219	G		63.50%	n/a
05/06	600	219	G	n/a	63.50%	n/a

Comments

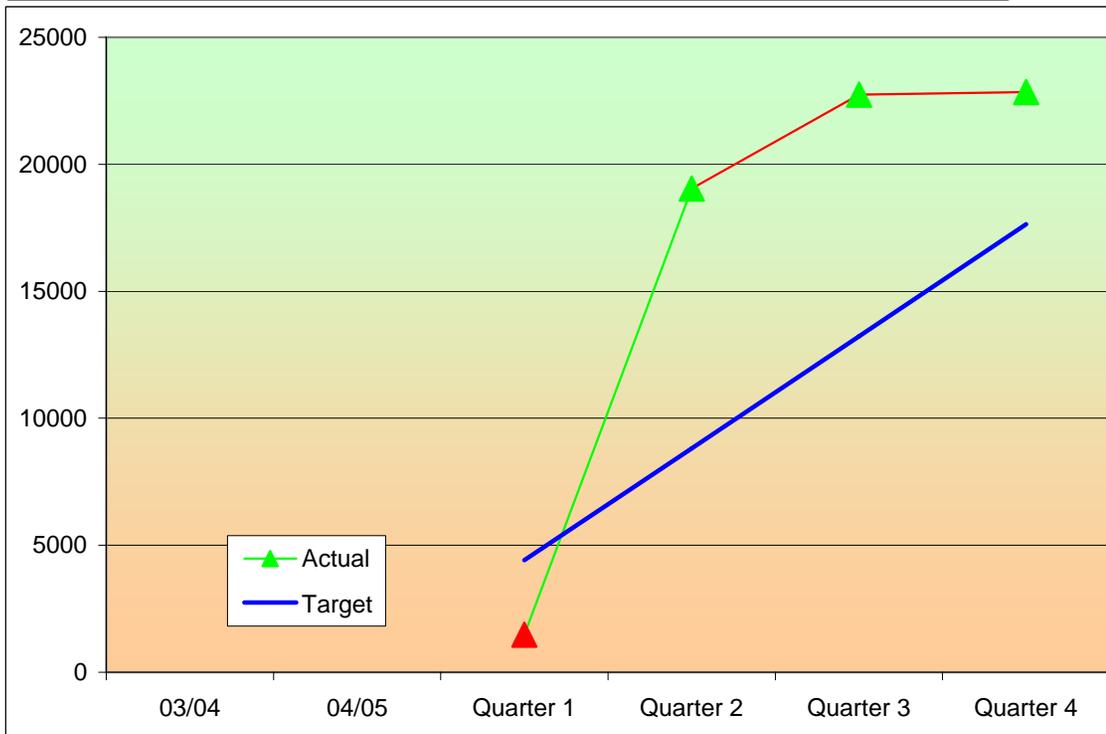
Planned Action



37	LPI Community Services - Number of attendances at arts events	Annual Trend	n/a	
The number of people attending arts events organised by the Council		Current variation from target	29.48%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (cumulative, number, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	4410	1475	R	n/a	-66.55%	n/a
Quarter 2	8820	19040	G		115.87%	n/a
Quarter 3	13230	22740	G		71.88%	n/a
Quarter 4	17640	22840	G		29.48%	n/a
05/06	17640	22840	G	n/a	29.48%	n/a

Comments
 The majority of the events take place over the summer months hence the fall off in numbers in the final 2 quarters



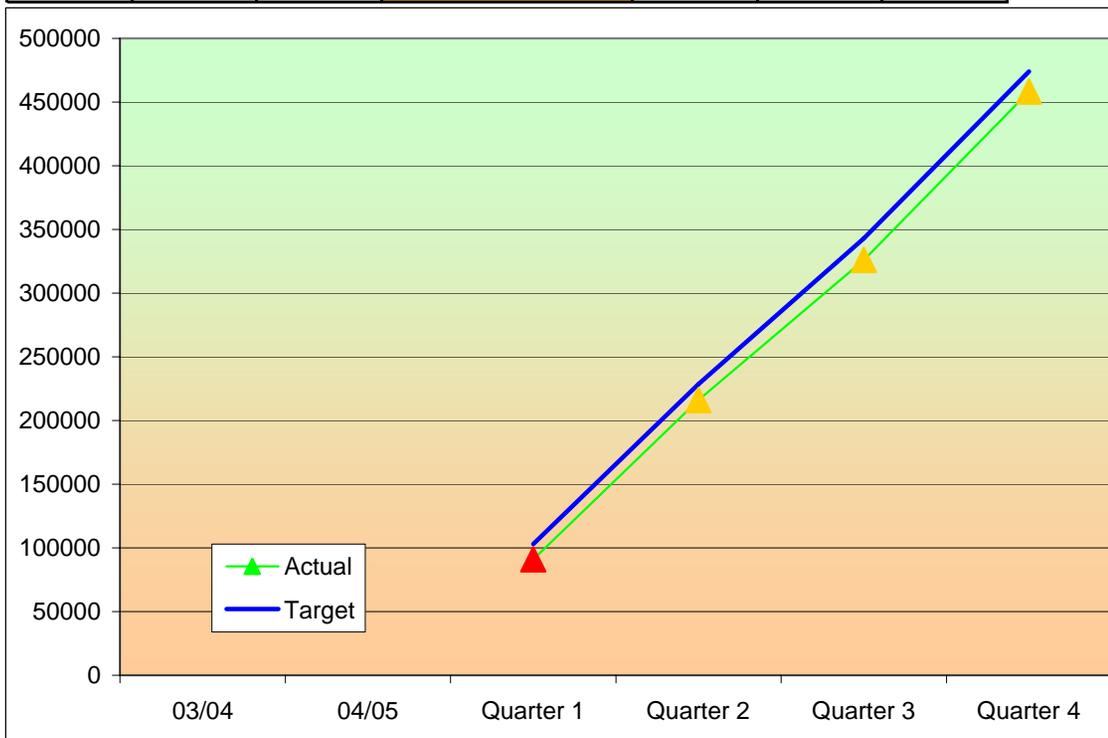
Planned Action

38	LPI Sports Services - Dolphin Centre Usage	Annual Trend	n/a	
The number of users of the Dolphin Centre		Current variation from target	-3.34%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (cumulative, number, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	103105	90993	R	n/a	-11.75%	n/a
Quarter 2	228437	216094	A		-5.40%	n/a
Quarter 3	342982	325959	A		-4.96%	n/a
Quarter 4	474045	458197	A		-3.34%	n/a
05/06	474045	458197	A	n/a	-3.34%	n/a

Comments
Centre was closed for 18 Days at the beginning of the year following the refurbishment to enable the reception facilities to be transferred to the new location

Planned Action
Swimming Lesson programme is being restructured in the light of increased competition from David Lloyd

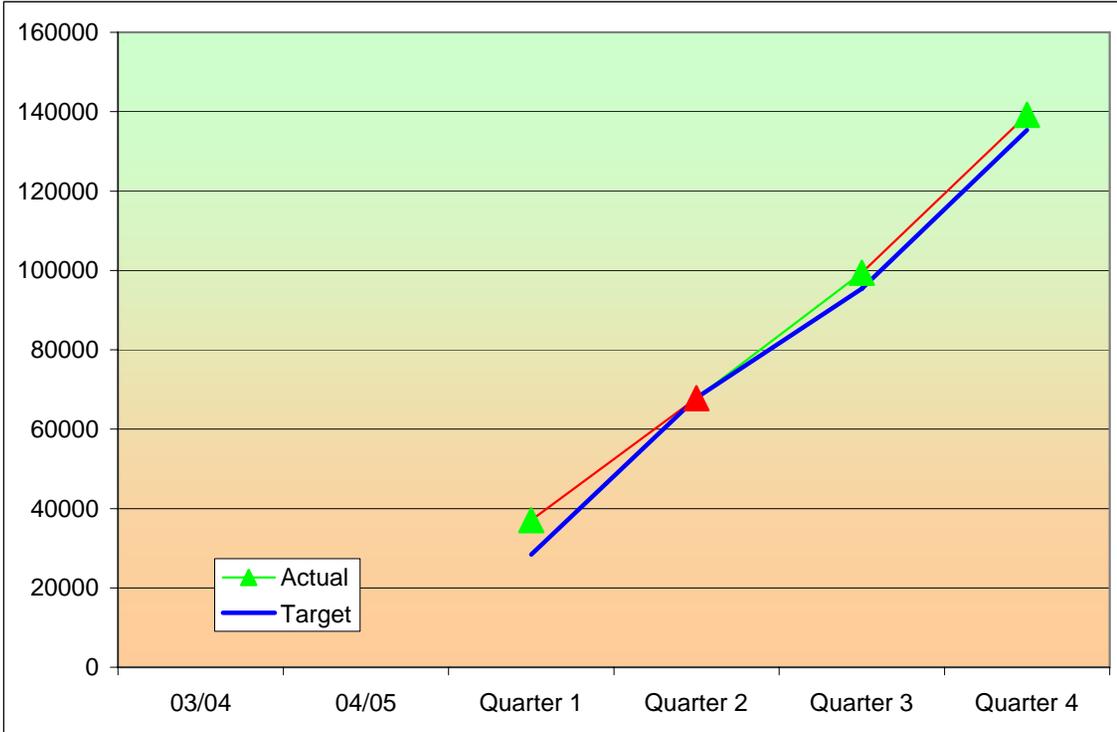


39	LPI Sports Services - Haybridge Sports Centre usage	Annual Trend	n/a	
The number of users of the Haybridge Sports Centre		Current variation from target	2.85%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

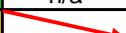
Performance (cumulative, number, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	28426	37057	G	n/a	30.36%	n/a
Quarter 2	67916	67802	R		-0.17%	n/a
Quarter 3	95435	99417	G		4.17%	n/a
Quarter 4	135369	139229	G		2.85%	n/a
05/06	135369	139229	G	n/a	2.85%	n/a

Comments

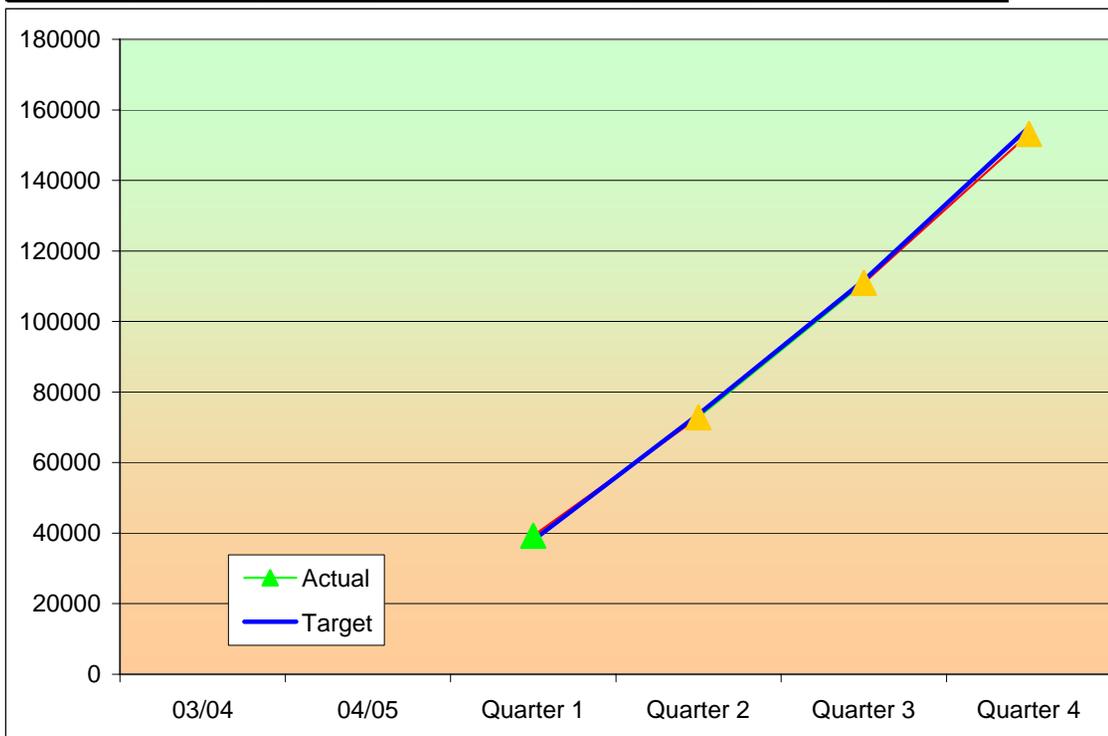
Planned Action



40	LPI Sports Services - Woodrush Sports Centre usage	Annual Trend	n/a	
The number of users of the Woodrush Sports Centre		Current variation from target	-1.25%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (cumulative, number, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	38028	39250	G	n/a	3.21%	n/a
Quarter 2	73693	72853	A		-1.14%	n/a
Quarter 3	111686	110973	A		-0.64%	n/a
Quarter 4	155106	153160	A		-1.25%	n/a
05/06	155106	153160	A	n/a	-1.25%	n/a

Comments
Despite the condition of the facilities the centre continues to be well used



Planned Action

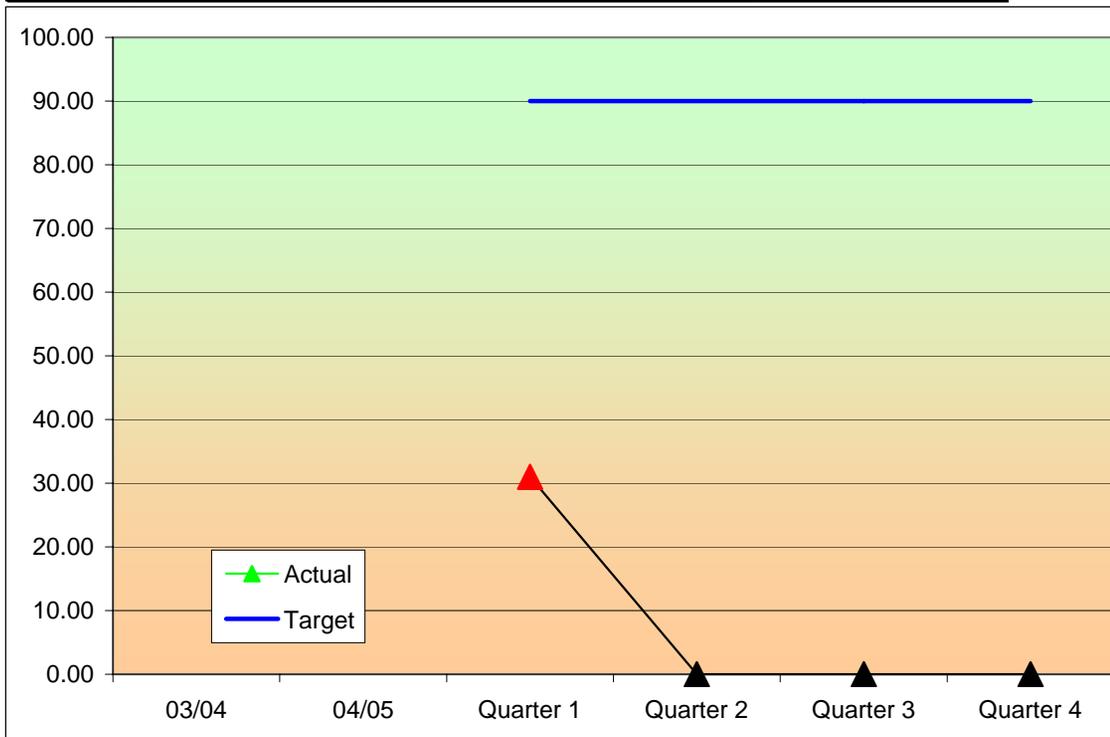
41	LPI Community Safety - Respond to emergency calls in 5 seconds	Annual Trend	n/a
Percentage of emergency calls responded to within 5 seconds		Current variation from target	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services		

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	90.00	31.00	R	n/a	-65.56%	n/a
Quarter 2	90.00				-100.00%	n/a
Quarter 3	90.00				-100.00%	n/a
Quarter 4	90.00				-100.00%	n/a
05/06	90.00				-100.00%	n/a

Comments

As a result of research undertaken it has been discovered that there are National Standards in relation to Telecare Calls which are as follows: - 80% of calls answered within 30 seconds and 98.5% of calls answered within 60 seconds. In view of this information it is recommended that the PI's in relation to this service be changed to reflect the National standard.

Planned Action

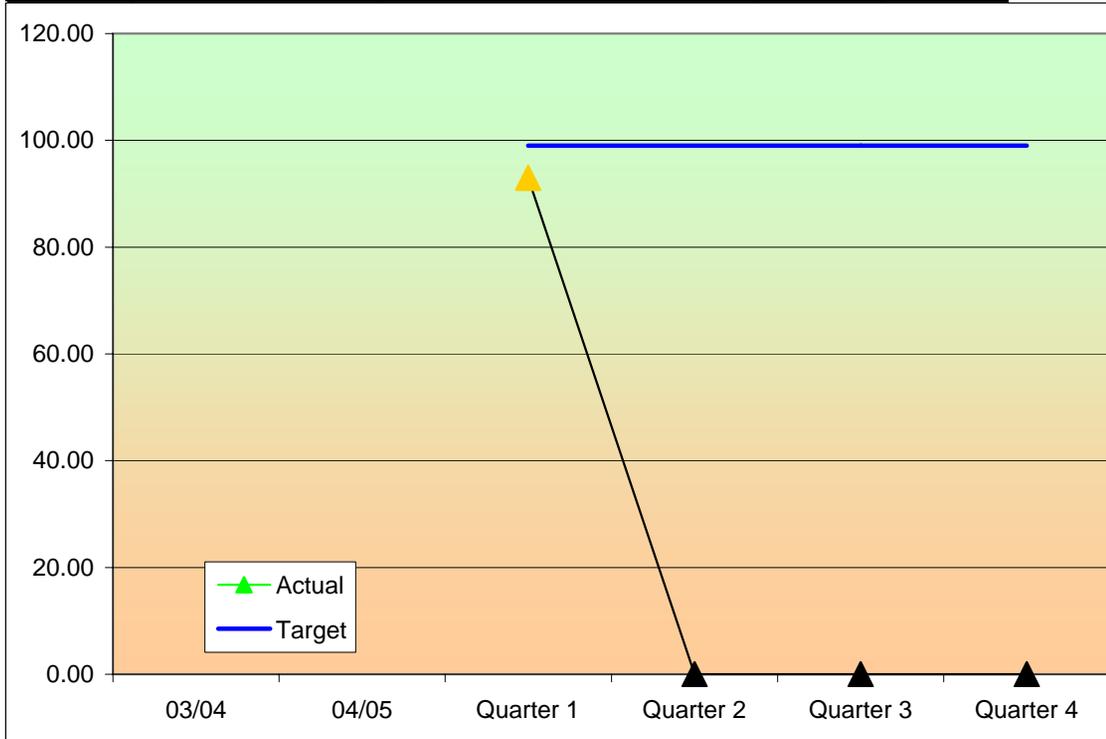


42	LPI Community Safety - Respond to emergency calls in 20 seconds	Annual Trend	n/a
Percentage of emergency calls responded to within 20 seconds		Current variation from target	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services		

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	99.00	93.00	A	n/a	-6.06%	n/a
Quarter 2	99.00				-100.00%	n/a
Quarter 3	99.00				-100.00%	n/a
Quarter 4	99.00				-100.00%	n/a
05/06	99.00				-100.00%	n/a

Comments
 As a result of research undertaken it has been discovered that there are National Standards in relation to Telecare Calls which are as follows: - 80% of calls answered within 30 seconds and 98.5% of calls answered within 60 seconds. In view of this information it is recommended that the PI's in relation to this service be changed to reflect the National standard.

Planned Action

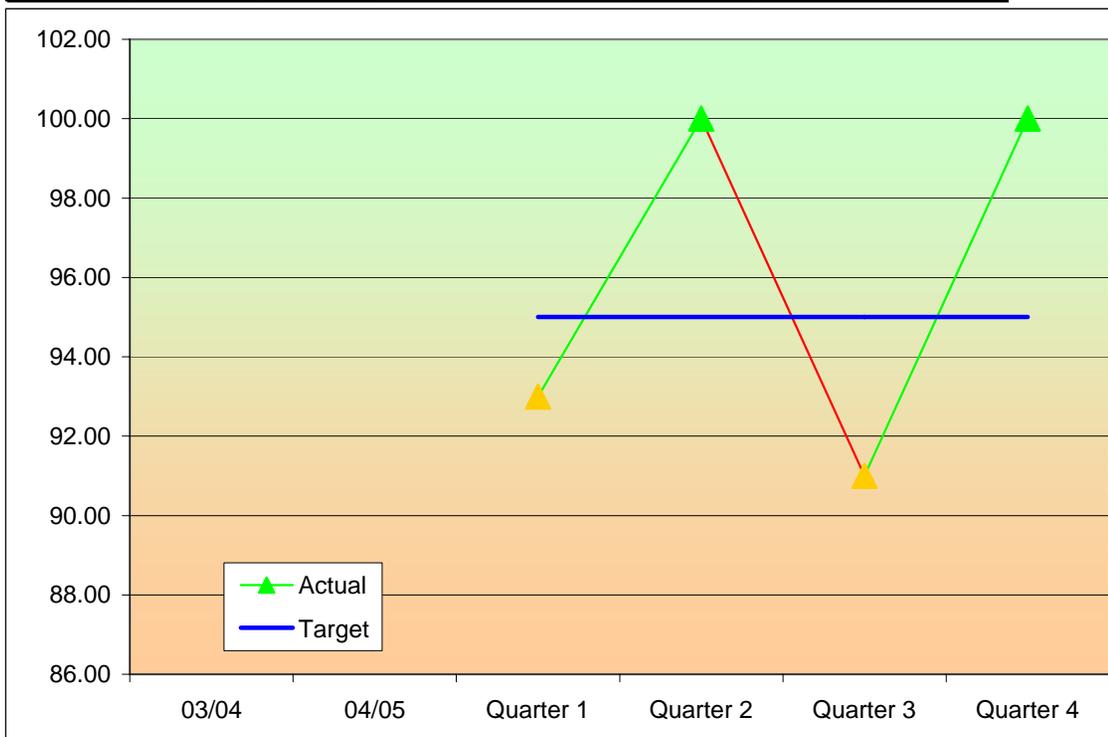


43	LPI Community Safety - Lifeline equipment installed within 5 days	Annual Trend	n/a	
Percentage of Lifeline equipment installed within 5 working days of the initial interview.		Current variation from target	1.05%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	95.00	93.00	A	n/a	-2.11%	n/a
Quarter 2	95.00	100.00	G		5.26%	n/a
Quarter 3	95.00	91.00	A		-4.21%	n/a
Quarter 4	95.00	100.00	G		5.26%	n/a
05/06	95.00	96.00	G	n/a	1.05%	n/a

Comments

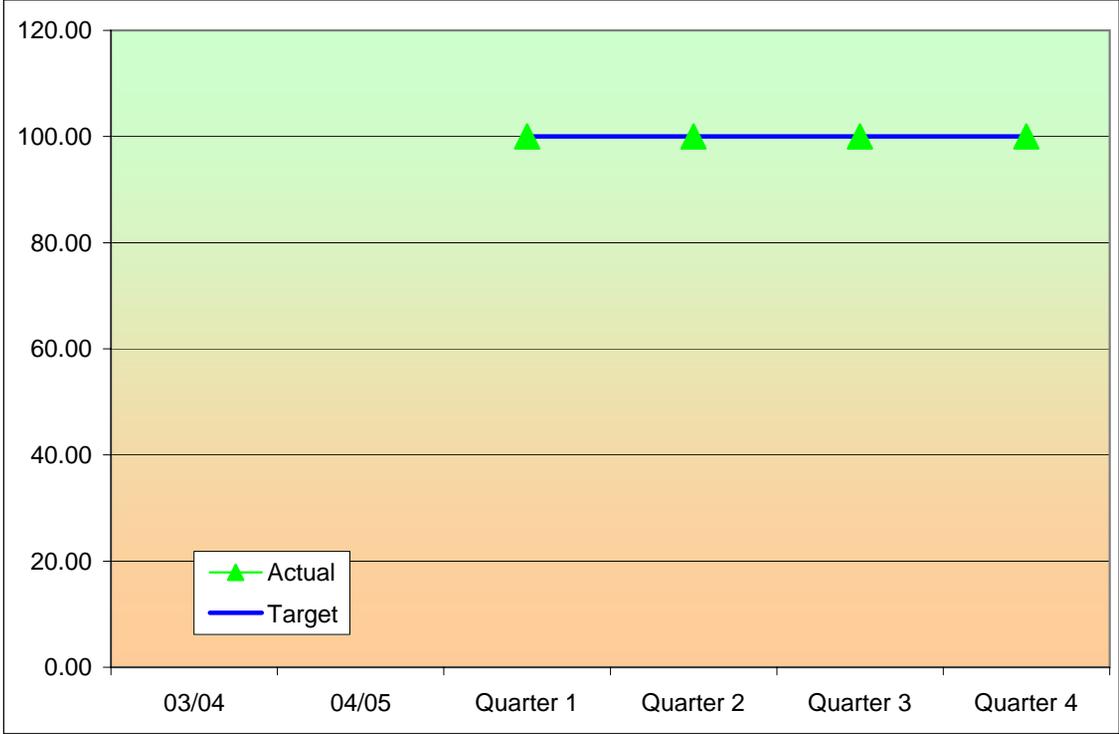
Planned Action



44	LPI Community Safety - Urgent Lifeline equipment installed in 24 hours	Annual Trend	n/a	
Percentage of urgent Lifeline equipment installed within 24 hours.		Current variation from target	0.00%	
Indicator Owner	Robbie Hazlehurst - Head of Culture & Community Services			

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	100.00	100.00	G	n/a	0.00%	n/a
Quarter 2	100.00	100.00	G		0.00%	n/a
Quarter 3	100.00	100.00	G		0.00%	n/a
Quarter 4	100.00	100.00	G		0.00%	n/a
05/06	100.00	100.00	G		0.00%	n/a

Comments



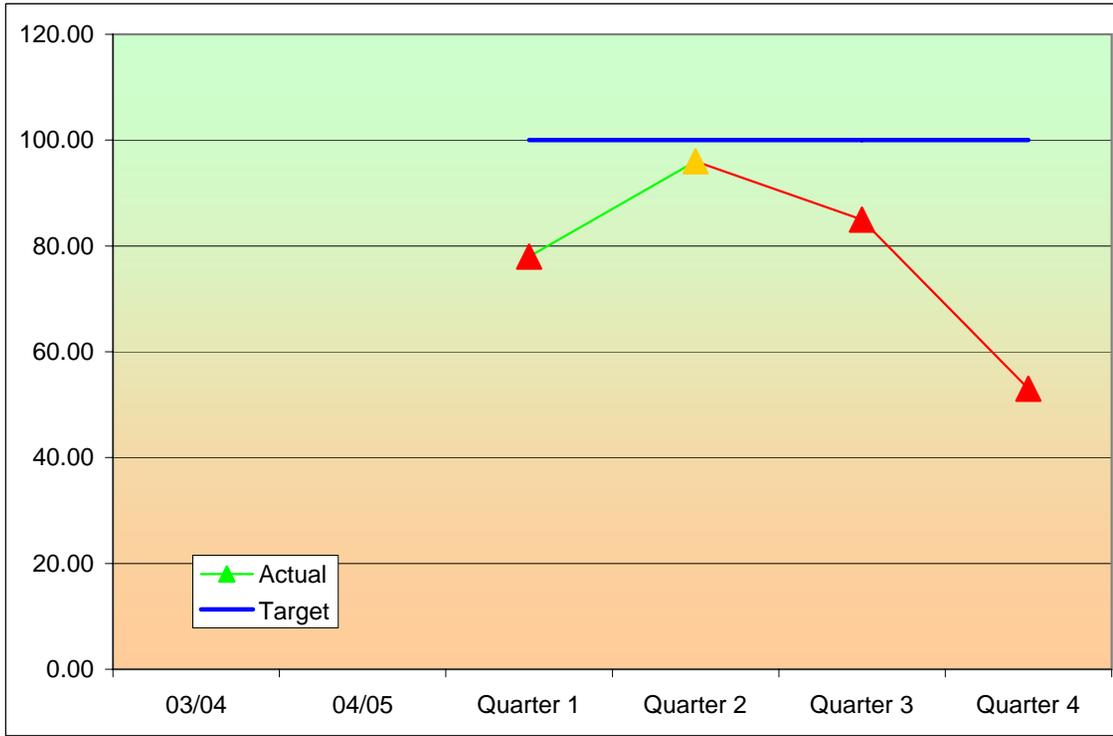
Planned Action

45	LPI Transport Services - Percentage of responses to Excess Charge appeals within 3 days	Annual Trend	n/a	  
The percentage of responses to excess charge notice appeals that are sent within 3 days		Current variation from target	-22.00%	
Indicator Owner	Mike Bell - Head of Street Scene and Waste Management			

Performance (latest, percentage, bigger is better)						
	Target	Actual	Performance	Trend	Variation	Quartile
03/04	New	New	New	New	New	New
04/05	New	New	New	New	New	New
Quarter 1	100.00	78.00	R	n/a	-22.00%	n/a
Quarter 2	100.00	96.00	A		-4.00%	n/a
Quarter 3	100.00	85.00	R		-15.00%	n/a
Quarter 4	100.00	53.00	R		-47.00%	n/a
05/06	100.00	78.00	R	n/a	-22.00%	n/a

Comments
Introduction of the Shopmobility scheme without sufficient resources has diverted staff time away from responding to ECT's. The shopmobility scheme was introduced very successfully but with a detrimental effect on this other element of the service. The current system of managing the ECT process is time consuming and ineffective. We are currently researching and will provide a business case for an alternative system to manage the process more efficiently.

Planned Action
Research alternative management systems for ECT's, produce business case for additional resources to manage the service.



BROMSGROVE DISTRICT COUNCIL

PERFORMANCE MONITORING BOARD

19th May 2006

DOG FOULING REPORT.

Responsible Portfolio Holder	Councillor M Sherrey
Responsible Head of Service	Mike Bell

1. SUMMARY

- 1.1 At the last PMB meeting a request was made for a report on the number of reported incidents relating to dog fouling.
- 1.2 This report provides members with that information.

2. RECOMMENDATION

- 2.1 Members are asked to note the report.

3. BACKGROUND

- 3.1 Attached to this document is a log of all calls received and recorded relating to dog fouling. There are 52 reports between May 2005 and March 2006.
- 3.2 The complaints range from over full dog waste bins to people regularly exercising dogs resulting in fouling incidents.
- 3.3 The Councils Environmental team continue to monitor complaints but without the services of a Dog Warden the promotional activities associated with Schools and dog training classes have ceased. However the team did attend last years 'Doggy Day' at Sanders Park promoting the poop scoop concept and handed out large numbers of promotional material. A well attended and successful day.
- 3.4 Dog kennelling and dog catching is provided by an outside contractor managed by the Environmental Health department but all complaints about bins and dog waste deposits are referred to the Street Scene and Waste Management department for action and cleaning.
- 3.5 Recent research by Environmental Health into 'dog loos' has suggested that whilst these may be suitable for domestic gardens and controlled environments they are

not suitable for open spaces. The most suitable system for open spaces continues to be the use of dog bins.

4. Financial Implications

- 4.1 There are no specific financial implications of this report and because dog waste is removed as part of the street cleansing regime there is no identified cost for this service.

5. Legal Implications

- 5.1 There are no specific legal implications from this report.

Background Papers

None

Contact officer

Name: Michael Bell
E Mail: m.bell@bromsgrove.gov.uk
Tel: (01527) 881703

BROMSGROVE DISTRICT COUNCIL
PERFORMANCE MANAGEMENT BOARD

19th MAY 2006

ANNUAL AUDIT AND INSPECTION LETTER AND AUDIT AND INSPECTION PLAN

Responsible Portfolio Holder	Councillor Roger Hollingworth
Responsible Head of Service	Corporate Director (Resources)

- 1.1. The Audit Commission and Council's External Auditor (KPMG LLP) has issued the draft Annual Audit and Inspection Letter and the Audit and Inspection Plan. A copy of these documents are attached to this report as Appendix A and B respectively.
- 1.2. Members will note that the Annual Audit and Inspection Letter addresses a number of matters, and each issue is concluded with a recommendation. Management are currently considering responses to the recommendations and a verbal reponse will be given at the meeting, with, if necessary, a formal report to the June Cabinet.

1. RECOMMENDATIONS

- 2.1 Members are asked to consider the Annual Audit and Inspection Letter and, subject to any comments they may wish to make, to accept the Letter.
- 2.2 Members are asked to note the Audit and Inspection Plan.

3 ANNUAL AUDIT AND INSPECTION LETTER

- 3.1 Attached at Appendix A is the Annual Audit and Inspection Letter. The letter summarises the conclusions and significant issues arising from the 2004/05 audit and inspection programme, with separate audit and inspection plans produced for 2004/05.
- 3.2 Included within the Annual Audit and Inspection Letter is a space for management responses. Due to time constraints officers have not had chance to formalise their responses and will provide a verbal update at the meeting, with, if necessary, a formal report to the June Cabinet.
- 3.3 The Letter does acknowledge that the Council has improved and is "tangibly a different organisation to what it was two years ago" but also states that much remains to be done before the Council can emerge from engagement.

4 Audit and Inspection Plan

- 4.1 Attached at Appendix B is the Audit and Inspection Plan for 2006/07. The Plan sets out the audit and inspection work that KLPMPG LLP (appointed auditors) and the Audit Commission propose to undertake in 2006/07.

4.2 The main elements of note are:

4.2.1 the planned inspection of Culture and Community services and officers, mindful of capacity and resource issues, will look to work with the audit commission to ascertain the most appropriate time for this to be undertaken.

4.2.2 the progress assessment which is scheduled to take place between October and December 2006.

5. FINANCIAL IMPLICATIONS

5.1 Audit fees quoted within the audit plan are within budget.

6. LEGAL IMPLICATIONS

6.1 None.

7. OTHER SUB HEADINGS

7.1 None

Personnel Implications
Governance/Performance Management Considerations
Community Safety Considerations
Risk Management Considerations
Policy Considerations
Environmental Considerations
Equalities Implications

Background Papers

None

Contact officer

Name: Kevin Dicks – Corporate Director (Resources)

E Mail: k.dicks@bromsgrove.gov.uk

Tel: (01527 881487)

Annual Audit and Inspection Letter

May 2006



Annual Audit and Inspection Letter

Bromsgrove District Council

Audit 2004/2005

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.

Audit in the public sector is underpinned by three fundamental principles.

- Auditors are appointed independently from the bodies being audited.
- The scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business.
- Auditors may report aspects of their work widely to the public and other key stakeholders.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998, the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

Status of our reports to the Council

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any member or officer in their individual capacity; or
- any third party.

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Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

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Key messages

The purpose of this letter

- 1 This Annual Audit and Inspection Letter (AA&IL) for Members, which incorporates the Annual Audit Letter, is presented by Bromsgrove District Council's ('The Council', 'Bromsgrove') Relationship Manager, Sandy McMillan of the Audit Commission and the Appointed Auditor, KPMG LLP (Jon Gorrie the Engagement Director). This letter summarises the conclusions and significant issues arising from the 2004/05 audit and inspection programme, with separate audit and inspection plans produced for 2004/05.
- 2 Both the Audit Commission and KPMG LLP (KPMG) have issued separate reports during the year having completed specific aspects of the audit and inspection programme. These reports are listed at Appendix 2 for information.
- 3 Auditor's responsibilities are summarised in the Audit Commission's statement of key responsibilities of auditors. The responsibilities of Audit Commission Inspectors are detailed in section 10 of the Local Government Act 1999. The contents of this Letter should be viewed in the context of that more formal background.
- 4 In order to expedite the timeliness of reporting its audit findings for 2004/05, KPMG issued an Interim Memorandum in August 2005, and a combined 2003/04 and 2004/05 Final Accounts Memorandum in February 2006. KPMG has not included the detailed findings from those reports in this report but have included the summaries and conclusions.

Council performance

- 5 Since being categorised as a poor council in 2004 the Council has made some progress. The Council is making some progress and it is tangibly a different organisation than it was two years ago, but much remains to be done before it can emerge from engagement.
- 6 There has been good progress in defining ambitions for the future but prioritisation of resources is not yet effective. Organisational capacity to deliver recovery is improving but it is still fragile, and there are areas where significant improvement is required. The pace of member development has been slow and some aspects of decision-making and scrutiny arrangements are not operating effectively.
- 7 Some services continue to perform at a good level and there have been improvements in recycling, planning processing times and more recently in benefits. However overall service performance remains below average and those services where performance is weaker tend to show less improvement.

- 8 The council has responded positively to the progress assessment. Councillors are now more actively engaged in performance management and business planning is more closely aligned to corporate priorities. Significant challenges remain in addressing councillor development and improving cross party working.
- 9 In May 2005 our inspection of E Government found that it was a fair service with uncertain prospects for improvement.
- 10 KPMG issued an unqualified opinion on the Best Value Performance Plan and the systems for producing the Performance Indicators contained within that plan.
- 11 The Council overall scored 1 out of 4 for the new use of resources assessment, indicating inadequate performance. The key areas in which it needs to progress to move to a level 2 (adequate performance) assessment are summarised in the recommendations in paragraph 17.

The accounts

- 12 During the calendar year 2005, the Council produced two year's of financial statements, 2003/04 and 2004/05, delayed as a result of issues arising from the 2001/02 and 2002/03 statements of accounts; both of which included a qualified audit opinion from KPMG.
- 13 Demonstrating the improvement made by the Council over the past twelve months KPMG issued unqualified audit opinions on both the Council's 2003/04 and 2004/05 statements of accounts in November 2005 and February 2006 respectively. As a result the Council is now on track for a 2005/06 accounts and audit timetable in line with that of other local authorities.
- 14 KPMG issued a final accounts memorandum to the Council in February 2006, which contained the detailed findings, amendments and performance improvement observations arising from its audit of the two sets of accounts.

Financial position

- 15 The Council has retained its debt-free status for a further year. At the financial year end 31 March 2005, the Council had £19 million of liabilities offset by £56 million of assets, including £23 million in various forms of property and £26 million in short-term investments. We understand from current budget monitoring information that this position has not changed fundamentally and as part of our 2005/06 audit work we will continue to review and report upon this.

Other accounts and governance issues

- 16 Under the Council's Treasury Management Policy, Members should receive reports on treasury management performance during the year. Short-term investments account for 46 per cent of the Council's assets and are subject to treasury management; however, there has been limited reporting to Members during 2004/05 on treasury management performance.

Action needed by the Council

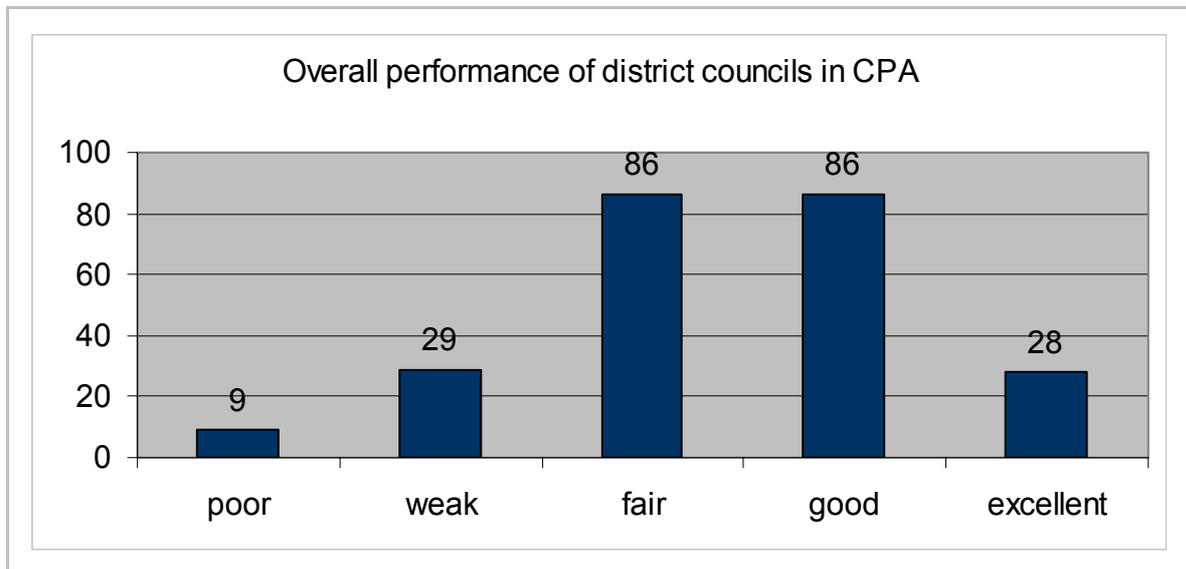
- 17 The Council should implement the recommendations included within this report, in particular the Council:
- needs to develop an appropriate and detailed action plan to address the issues and recommendations raised as part of the Use of Resources work;
 - needs to ensure it reports all financial activities, particularly treasury management issues to Members to promote good governance;
 - must enhance its performance management framework, including benchmarking its performance to enable the Council to place its improvement in context; and
 - must further develop its risk management framework and promote a risk awareness culture through the organisation, supported by Members.

Council performance

- 18 The Council is unique in England in that it was not subject to all aspects of Comprehensive Performance Assessment. In June 2004 the Council requested engagement with the Office of the Deputy Prime Minister. As a consequence of the council's request for engagement the Audit Commission agreed to change its approach to the council's comprehensive performance assessment. It agreed that the assessment would not take place as planned along with the other Worcestershire district councils in September 2004. As part of the agreement to do this the council was given, and accepted, a CPA category as a poor council. The council will continue to be categorised as a poor council until such time as the commission undertakes a full CPA. The timing of this assessment will be determined by the monitoring board, and it will take place when the board is satisfied that sufficient progress has been made to justify it. The Monitoring Board has not yet agreed that sufficient progress has been shown. The Council has set itself a target of coming out of engagement by March 2007.

Figure 1 Overall performance of district councils in CPA

Three times as many district councils are rated Good or Excellent than Poor or Weak



Source: Audit Commission

Direction of travel report

Council services

- 19 There is a mixed picture of improvement in the Council's overall delivery of services. As illustrated by the table below, between 2002-03 and 2004-05 just over half of the Council's performance indicators have shown improvement and just under half do not. It should be noted that the majority of indicators still show below average performance for 2004-05, and those which were already below average performance show lower levels of improvement.

Figure 2

	Since 2002/03 ^{Note 3}			
	PIs that have improved	PIs that have not improved	Data only for one year	
Key PIs				
PIs in 'Best' Quartile	8	2	1	23%
PIs in 2nd Quartile	4	2	3	19%
PIs in 3rd Quartile	6	5	2	28%
PIs in 'Worst' Quartile	3	10	1	30%
	53%	48%		

Progress assessment

- 20 In 2004 we categorised the Council as 'poor'. Since then the Council has been in engagement with the Office of the Deputy Prime Minister (ODPM), with its progress overseen by a Monitoring Board. We have worked closely with the Monitoring Board to support the Council in the delivery of its priorities for improvement. In December 2005 we published a progress assessment on the Council. Such progress assessments are undertaken on an annual basis on all underperforming councils (those categorised as weak or poor under CPA). The conclusions of this assessment are outlined below.
- 21 The Council is making some progress. The direction of travel is positive and it is tangibly a different organisation now than it was two years ago. However, much remains to be done and some significant challenges will need to be addressed if the Council is to achieve its ambition of emerging from engagement by 2007.
- 22 The Council has made good progress in defining its ambitions for the future. There is a clear recognition amongst both members and officers of the need for improvement, of where it wants to get to, and what needs to be done to achieve it. The Council is looking outwards and is working productively in partnership with others across the county. However, it is not effectively prioritising its resources. It has revised its corporate priorities and has updated its budget challenge and service business planning process. A challenge for the authority was to undertake a more robust and priority-led budget and service planning round for 2006/07, and to develop this approach in future years.

- 23 Capacity to deliver recovery is improving, but is still fragile and there are areas where significant improvement is required. Clear managerial leadership has not always been evident in driving the pace and scale of the changes needed, although the focus on recovery has recently improved. Capacity is stretched by the demanding recovery agenda and the full complement of permanent management posts is only just now being completed. Solid progress has been made in improving basic financial accounting and internal control arrangements, however the Council has come from a very low base here and much remains to be done. Staff at all levels in the council are making positive contributions to the recovery process. Management of the depot has improved significantly. Good use has been made of interim managers, and the organisation's culture is now much more collaborative and 'can-do', with improved internal communications. Capacity across the authority to undertake effective performance, financial and risk management is still at an early stage.
- 24 The pace of member development has been slow, and some aspects of the Council's modernised decision-making and scrutiny arrangements are not operating effectively. Members are not working effectively together across all party groups to drive and focus on improvement.
- 25 The Council continues to deliver some good services to local people, and it has made significant improvements in some areas. The Council is now doing much better at recycling and composting waste. Most planning applications are being processed quickly, and the new Customer Service Centre has been successfully opened. However, some service areas were not performing strongly. Benefits claims were not being processed as quickly as they should, although performance was improving, and the BFI note this trend has continued. Street cleaning remains a challenge. The Council is not making effective use of customer feedback to challenge and improve services.
- 26 The Council has worked hard to put in place a range of plans and investments that should help it to sustain improvement. The Council is investing in its benefits service, various strategies have been developed or drafted to help shape future decision-making, and a bid for capacity-building funding has been agreed. Plans are in place to support more effective working and leadership by the Council's 'top team' of senior managers and members. However, the Council recognises the need to continue to work on member development and better cross-party working.

Council's actions since the progress assessment

- 27 The Council has responded positively to the progress assessment and has accepted its key messages. In many areas it has continued to make progress with plans that were in place at the time of the assessment, and further progress has been evident since. In particular progress in financial accounting has continued.
- 28 The corporate plan has been reviewed to ensure there are more explicit targets, and monitoring systems pay particular attention where there is evidence of below average performance. Business planning has also been more closely aligned to corporate priorities.

- 29 Members have been more actively engaged in performance management through a newly established Board. Business planning has been linked more closely to corporate priorities and applied more consistently across services. There has been some progress in relationships between political groups but significant tensions remain.
- 30 Unaudited council figures show significant improvement in the benefits service.

Other performance work

Best Value Performance Plan (BVPP)

- 31 Bromsgrove published a Best Value Performance Plan before the 30 June deadline. KPMG issued an unqualified opinion on the Council's 2005/06 BVPP on 14 December 2005 and there are no statutory recommendations to which the Council must formally respond.

Best Value Performance Indicators (BVPIs)

- 32 KPMG satisfactorily completed its audit of the Council's Best Value Performance Indicators.
- 33 KPMG issued an unqualified opinion on the Council's systems for compiling its 2004/05 BVPIs and the accuracy of the Audit Commission's selected BVPIs. KPMG submitted the indicators to the Audit Commission by the due date after applying a small number of audit adjustments.
- 34 The detailed findings arising from KPMG's audit of the BVPP and BVPIs were reported in its August 2005 Interim Memo.

Performance management framework

- 35 The Council did not have an effective performance management framework in place during 2004/05. KPMG noted that with regard to the Council's BVPIs these were not:
- built into the corporate objectives;
 - sufficiently monitored at a corporate level; or
 - subject to appropriate management action to act on poor performance.
- 36 However, in order to demonstrate a commitment to performance improvement the Council has established a Performance Management Board (PMB) in November 2005 to enable the Executive Cabinet to concentrate on decision making whilst the PMB monitors and actions the delivery of those decisions.
- 37 The PMB has selected 45 indicators across the Council's services that it believes are key to demonstrating and monitoring performance.
- 38 The current information presented to the PMB does not benchmark against similar sized authorities which reduces the impact of the performance presented. For example third quarter performance for 2005/06 shows that 49 per cent of indicators are meeting or exceeding targets for performance; however, without comparative data that achievement may be taken out of context. For example, indicators exceeding targets may be in the lowest national quartile, or conversely indicators below target may be in the highest quartile.

- 39 Furthermore, KPMG's review of Bromsgrove's BVPIs identified that quarterly indicators were often inaccurate, and the officer responsible for the BVPI coordination had to make a number of corrections prior to audit. This will undermine the substance of the indicators reported to the Board.

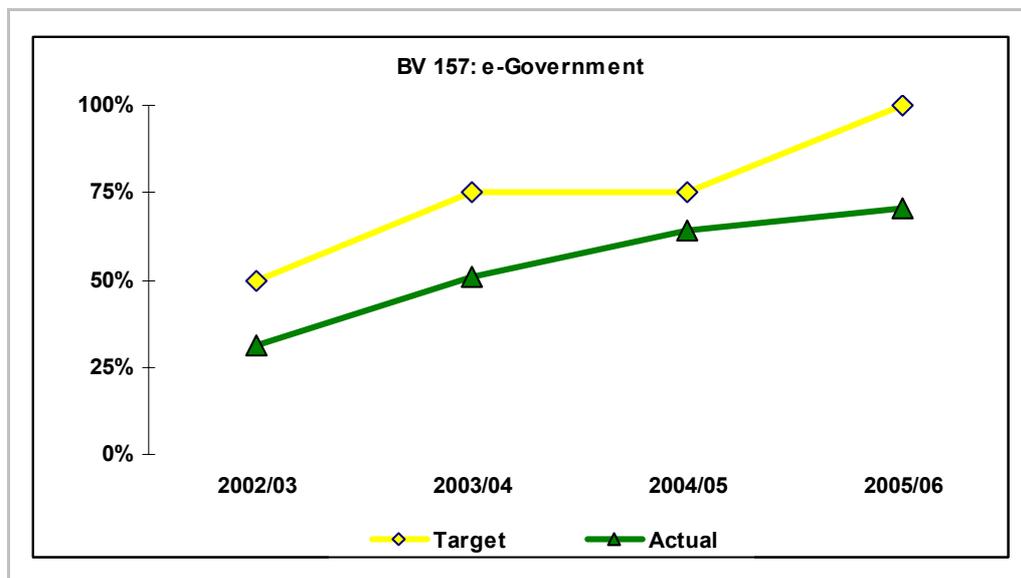
Recommendations 1 and 2: Performance framework

R1 The Council should incorporate benchmarking into the performance indicators to allow the PMB to place current performance into an appropriate context.

R2 Whilst the Council has a Top 45 set of performance indicators, the Council should still consider reporting by exception ie reducing the number of indicators presented to the PMB to streamline the reporting process and enable the PMB to focus on poor performing areas.

e-Government

- 40 The Government set a target for local government of 100 per cent electronic delivery of key services by 31 December 2005, which is measured under BVPI 157: *The number of types of interactions that are enabled for electronic service delivery as a percentage of the types of interactions that are legally permissible for electronic delivery.*
- 41 The Council's e-Government strategy aims to ensure that the Council delivers excellence in the quality of its services to all its customers through the use of information technology systems. A significant proportion of service improvement has been delivered through the Worcestershire Hub, which aims to provide customers with more choice about how and when they access services.
- 42 In addition the Council has opened a Customer Service Centre adjacent to the Dolphin Centre, which offers the following services:
- council tax;
 - business rates;
 - payment facilities for both Council and County Council services;
 - street scene;
 - waste management; and
 - bus passes and car park permits.
- 43 However, despite these efforts the Council has consistently under-performed against its BVPI 157 target since 2002/03, with the third quarter performance for 2005/06 reported as 70.34 per cent, almost 30 per cent below the national target.
- 44 The chart below plots the Council's performance since 2002/03 in delivering it's e-Government strategy.

Figure 3 BVPI 157 e-Government against target

- 45 The Council's e-Member and e-Officer Champions must finalise the e-Government agenda and deliver the final promises as set out in its vision.

Recommendation 3: e-Government

R3 The Council must develop time bound action plans that are driven by effective project management based on realistic targets to ensure it fully delivers the e-Government agenda.

Other Audit Commission inspections

- 46 In May 2005 we published a report on the Council's E Government service. This judged that the council provided a fair service with uncertain prospects for improvement.
- 47 The service showed a number of positive aspects. The web site was well presented and becoming more interactive over time and the Customer Service Centre had been opened successfully. However, analysis of customer need and performance against the Government target for e-enabled services was weak. E-Government was not being used to tackle equality and diversity, there were no customer care standards and performance management was poor.
- 48 Prospects for improvement were uncertain because understanding of public need was limited, and service plans lacked detail so the council was unable to quantify the resources in needed to meet its high level objectives. Weaknesses in performance and project management continued to undermine confidence in future improvement.

Working with other inspectorates and regulators

- 49 An important aspect of the role of the Relationship Manager is to work with other inspectorates and regulators who also review and report on the council's performance. These include:
- Benefits Fraud Inspectorate (BFI); and
 - Local Government Office contact.
- 50 We share information and seek to provide 'joined up' regulation to the Council. During the last year the Council has received the following assessment.
- 51 In January 2006 the BFI published a report on the Council's benefits service. The Council had been chosen for inspection because of the historic poor performance of the benefits service.
- 52 The inspection found that overall the Council was performing to a poor standard. The service did not meet national standards in any of the four themes of performance standards (claims administration, security, user focus and resource management). Despite recent improvement the time taken to process claims, performance was below standard and a lack of prioritisation and inefficient working practices were identified. Councillors and senior officers were not aware of poor performance in preventing and recovering overpayments. Performance in taking sanctions against fraudsters had improved, but the Council had failed in its duty to prosecute in instances where fraud had been proven. There also needed to be improvements in the way the service dealt with its customers, and in particular there were insufficient customer care standards.
- 53 Management information provided to councillors was often inaccurate. There was also a lack of management checks and audit coverage was inadequate.
- 54 Since the inspection the BFI have continued to work with the Council to support service improvement. There has been a steady improvement in claims processing performance and the council is working actively to deliver further improvements across the service.

Accounts and governance

- 55 KPMG issued unqualified audit opinions on the Council's 2003/04 and 2004/05 Statement of Accounts.**

Audit of 2004/05 accounts

- 56** KPMG is required to audit the Council's financial statements and to give an opinion on whether they present fairly the Council's financial position and its income and expenditure; and have been prepared in accordance with relevant legislation and applicable accounting standards.
- 57** KPMG's audit of the Council's 2003/04 statement of accounts took place from August to October 2005 with an unqualified opinion issued on 24 November 2005. KPMG's issued an unqualified opinion on the Council's 2004/05 Statement of Accounts on 22 February 2006 based on the audit work carried out in November 2005 to January 2006.

Matters arising from the final accounts audit

- 58** The published accounts are an essential means by which the Council discharges its stewardship of the public funds at its disposal and its financial performance in the use of those resources.
- 59** The 2003/04 Statement of Accounts was presented to and approved by Members in May 2005, but due to the significant number of audit adjustments was re-presented to Members in October 2005, before KPMG could issue its audit opinion.
- 60** The 2004/05 Statement of Accounts was approved by Members in July 2005, meeting the statutory deadline of 31 July 2005. These accounts repeated a number of errors included within the 2003/04 accounts. However, due to timing issues the audit adjustments incorporated into the 2004/05 accounts did not have a significant impact on the overall position of the Council's reserves, and therefore did not require re-presentation to Members.
- 61** The timeliness in producing the accounts will become increasingly important next year as the deadline for completion of the accounts continues to be brought forward in line with the Whole of Government's Accounts (WGA) timetable. The Council has cleared the backlog of statutory reporting and now has a real opportunity to meet the 2005/06 deadline. KPMG will continue to work closely with the Council to ensure that it meets the deadline.
- 62** During the course of the audit KPMG identified some audit adjustments and presentation and disclosure amendments within the Council's financial statements. These were discussed and agreed with the officers of the Council and the amendments were duly incorporated into the final versions of the accounts.

- 63 The table below summarises the impact of KPMG's audit adjustments on the Council's balances within both the 2003/04 and 2004/05 Statements of Accounts.

Table 1

	Year	Pre-audit £'000	Post-audit £'000	Movement £'000
Housing revenue balance	2002/03	23	-47	-70
	2003/04	-51	206	257
	2004/05	357	246	-111
General fund revenue balance	2002/03	1,212	1,057	-155
	2003/04	2,073	1,957	-116
	2004/05	2,590	2,550	-40
Overall revenue balances as at 31 March 2005		3,031	2,796	-235

- 64 KPMG has already reported the detailed issues arising from the final accounts audit in its combined final accounts report for 2003/04 and 2004/05. The key recommendations arising from KPMG's work on the Council's statement of accounts over the past 12 months are as follows.
- The Council must significantly improve the quality of the working papers provided for the audit.
 - The Council must deliver, and closely monitor, a closedown timetable to ensure that the 2005/06 statement of accounts are produced by the statutory deadline of 30 June 2006.
 - The Council must improve on the recording of expenditure within the capital programme to clearly distinguish between capital and revenue expenditure.
 - The Council must implement and follow consistent accounting policies, particularly those relating to capital expenditure.

Report to those with responsibility for governance in the Council

- 65 Under the Statement of Auditing Standards (SAS) SAS610 Communication of audit matters to those charged with governance, KPMG are required to communicate to Members matters which come to its attention as a result of the audit of the financial statements.
- 66 KPMG confirmed in its Combined 2003/04 and 2004/05 Final Accounts Memo that all audit adjustments had been incorporated into the Council's statement of accounts and that there were no issues to report to Members.

Financial standing

67 During the year, KPMG reviewed the adequacy of the arrangements the Council has in place to ensure that its financial standing is soundly based.

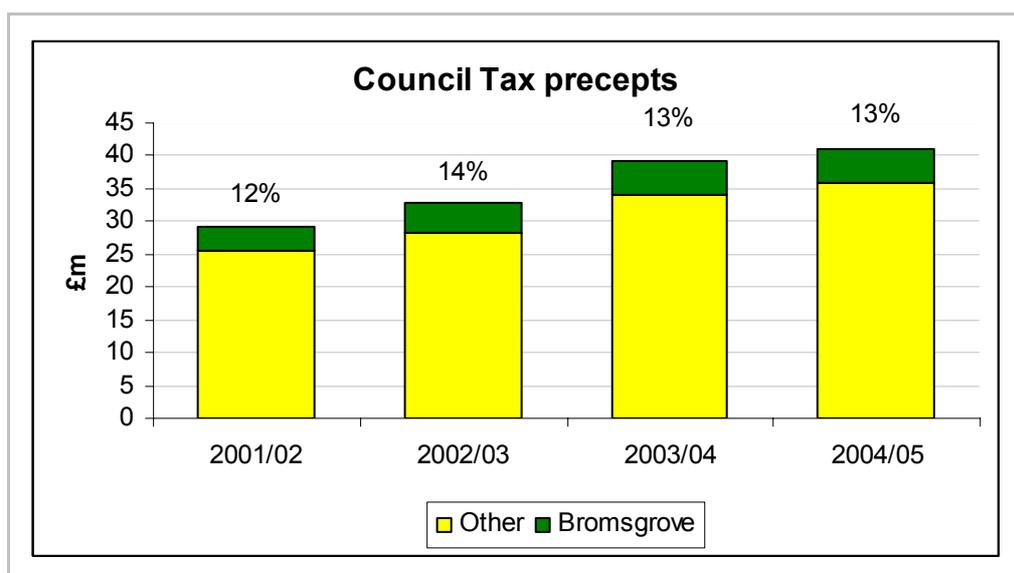
General fund spending

68 The Council's original budget for 2004/05 projected a £193,000 deficit on the general fund, based on budgeted spend of £9.18 million. After audit adjustments (as identified above) the Council returned a surplus of £593,000, a variance of £786,000. The main reasons for this are outlined below.

- The Council's treasury management activities generated an additional £300,000 in interest earned due to increases in interest rates between the date the budget was set and the outturn.
- £200,000 was saved through vacancy management, where departments were not fully staffed through the year, and supplemented by additional payroll savings through the restructuring that occurred mid-way through the year.
- The Council received £200,000 in income from Bromsgrove District Housing Trust not included in the original budget.

69 The precept levied on the Collection Fund forms a significant proportion of the income in support of general fund expenditure. The Council has maintained its share of the Council tax precept to an average 13 per cent of the total each year.

Figure 4 Proportion of the Council tax precepts relating to Bromsgrove District Council (excluding parish councils)



- 70 Over the past three years the balance on the Collection Fund account, which includes Business Rates and Council Tax, has risen to £1 million after audit adjustments. The main contributing factor to this surplus has been the excess of Council Tax income collected over precepts paid out. Since 2002/03 this excess has contributed to £0.8 million of the surplus now held on the Collection Fund account.
- 71 The Council's calculation of the council tax level and subsequent impact on the increasing Collection Fund balance has been hindered by the delays in finalising its financial statements. The Council has had difficulties in preparing the calculation without a firm indication of the exact level of its reserves. Now that the Council has cleared the back-log in finalised financial statements, it should have more accurate information on which to base its calculation of the Council Tax level in line with required revenue balances.

Recommendation 4: Council tax base

R4 The Council should ensure that future calculations of the Council Tax Level take into account the existing (and future) level of reserves, including any implications arising from the need to distribute any surplus to precepting authorities.

Treasury management performance

- 72 Following the housing stock transfer to Bromsgrove District Housing Trust (BDHT) on 29 March 2004, the Council's ability to generate a higher level of investment income significantly increased. The Council placed £30 million with two fund managers: Invesco (£15 million) and Casenove (£15 million). During the year Casenove decided to pull out of the local government market and the funds were returned to the Council, and which were managed in-house until a replacement fund manager was appointed. From 2005/06 these funds have been placed with HSBC.
- 73 The Council held £33.7 million in short-term investments at 31 March 2004, and £25.8 million at 31 March 2005, giving an average of £29.75 million. This level of investments returned investment income in the Consolidated Revenue Account of £1.6 million, representing an average return of 5.38 per cent. The sources of this income are:
- Casenove £277,000;
 - Invesco £659,000; and
 - In-house £664,000.
- 74 The Council's Treasury Management Policy (TMP) for 2004/05 was approved by Members in March 2004. The TMP requires regular reporting to Members on the performance and changes to treasury management activities, including non-compliance with the TMP.

- 75 The Council's TMP is supported by an annual Treasury Management Strategy Statement (TMSS) that includes information on the Council's prudential indicators which set the limit for borrowing at £6 million. The prudential code (2003) requires the Chief Finance Officer to establish procedures to monitor both performance against all forward looking prudential indicators and the requirement specified in paragraph. The Chief Finance Officer will need to establish a measurement, monitoring and reporting process that highlights significant deviations from expectations.
- 76 To date, there has been limited reporting to Members on either treasury management performance or compliance with the Prudential Code. Such reporting is required by the Council's own policies as well as representing good practice.
- 77 The Council has already acknowledged this issue and has put in place procedures to provide Members with periodic reports on treasury management activities.

Recommendation 5: Treasury management performance

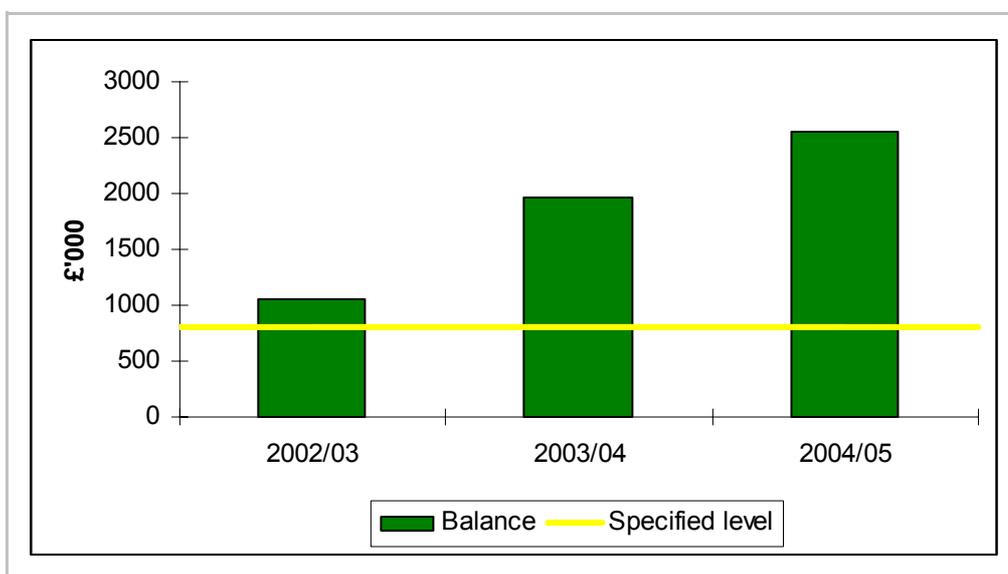
R5 The Council should produce quarterly reports that benchmark treasury management performance to ensure it is achieving best value from its fund managers.

Housing Revenue Account

- 78 The Council's Housing Revenue Account (HRA) contained only nominal entries during 2004/05. The Council will request closure of the HRA from the Office of the Deputy Prime Minister which will allow Bromsgrove to transfer the surplus (currently £246,000) into the general fund, on the proviso that if the Council ever has to re-open the HRA that same amount will be transferred back.

Revenue balances

- 79 As at the 31 March 2005 the Council held £2.8 million in revenue balances, split between £2.55 million in the general fund and £250,000 in the HRA. The Council has a further £69,000 in specific reserves, the majority of which has been earmarked for capital expenditure. The Council's overall position therefore identifies £2.82 million of reserves in support of future revenue expenditure. The Council needs to set a clear plan as how it determines an appropriate, risk assessed, minimum level of balances.
- 80 The current minimum level of reserves has been set at £850,000; however, the Council has not taken a risk assessed approach in setting this minimum level for its revenue balances and therefore cannot clearly demonstrate how these balances will contribute to the effective financial management of the Council.

Figure 5 General fund revenue balances 2002/03 to 2004/05**Recommendation 6: Revenue balances**

R6 The Council should calculate a risk assessed minimum level of balances required to sustain revenue expenditure. This should be based on a risk assessment of key variables and incorporate the overall objectives as specified in the Corporate Plan via the Medium Term Financial Strategy.

Financial stability

- 81 The Council's cash position and debt-free status has proved a significant factor in enabling Bromsgrove to maintain its financial stability. The table below provides an analysis of Council's cash and cash equivalent holdings.

Table 2

	2002/03 £'000	2003/04 £'000	2004/05 £'000
Long term investments	50	50	50
Current assets	24,188	40,338	32,879
Total current liabilities	5,455	6,950	4,804
Net position on cash and cash equivalents	18,783	33,438	28,125

82 The Council's liquidity has increased through 2003/04 to 2004/05 and its current ratio as at 31 March 2005 was above the generally accepted level. This, together with the Council's strong positive net position on cash and cash equivalents, indicated that Bromsgrove had a sound financial position from which to plan ahead. We understand from current budget monitoring that this position has not fundamentally changed and as part of our 2005/06 audit we will confirm and report upon the final position.

Capital programme

83 The Council's expected to incur £8.537 million general fund capital expenditure in 2004/05. The final outturn position identified slippage of 15 per cent, at £7.240 million. The main areas of slippage were the result of:

- improvements to town access at Mill Lane was under-spent by £148,000 due to delays in carrying out the feasibility study;
- registered social landlords not drawing on the Council's £258,000 budget to purchase/repair housing in the district;
- £299,000 under-spend on the Council's budget for disabled facilities grants;
- management shortages at the depot meant that the Council did not purchase £345,000 of the vehicles it had originally planned; and
- delays to the Dolphin Centre upgrade in 2003/04, but no adjustment to the budget was made, resulting in £184,000 continued under-spend in 2004/05.

84 From its review of the Council's asset management during the year KPMG noted that the Council did not evaluate the impact of prior years on the capital programme. For example the Council did not re-profile the budget on the Dolphin Centre as a result of prior year issues, also the Council has continually under-spent on disabled facilities grants, but no trend analysis has been built into the budget setting process.

85 The Council did not establish a budget for capital expenditure on the Housing Revenue Account; however, £2.083 million was incurred relating to the housing stock transfer to Bromsgrove District Housing Trust. This amount was funded from the capital receipt relating to the transfer.

Recommendations 7 and 8: Capital programme

R7 The Council needs to re-evaluate its capital budget setting process to ensure it takes into account issues arising from earlier years and ensure that all projects are covered.

R8 The Council needs to ensure it has robust project management arrangements over its capital programme to ensure that all projects are delivered on time and to budget.

Use of the prudential code

- 86 The Prudential Code provides greater financial freedom to local authorities to invest as long as their capital plans are affordable, prudent and sustainable. The 2006/07 capital programme of £5.7million is funded by through three main sources: s106 receipts £900,000; £500,000 from government grants; and the remaining £4.3 million from capital receipts.
- 87 If the Council can effectively monitor treasury management performance against external borrowing rates then the prudential code will offer an alternative form of capital funding. The current PWLB borrowing rates available to local councils ranges between 4.2 per cent and 4.4 per cent. Therefore provided that the cost of borrowing remains less than the income that could be earned from investing its own capital resources, it might be better value for money for Bromsgrove to consider borrowing as an option to finance its future capital expenditure.

Recommendation 9: Prudential borrowing

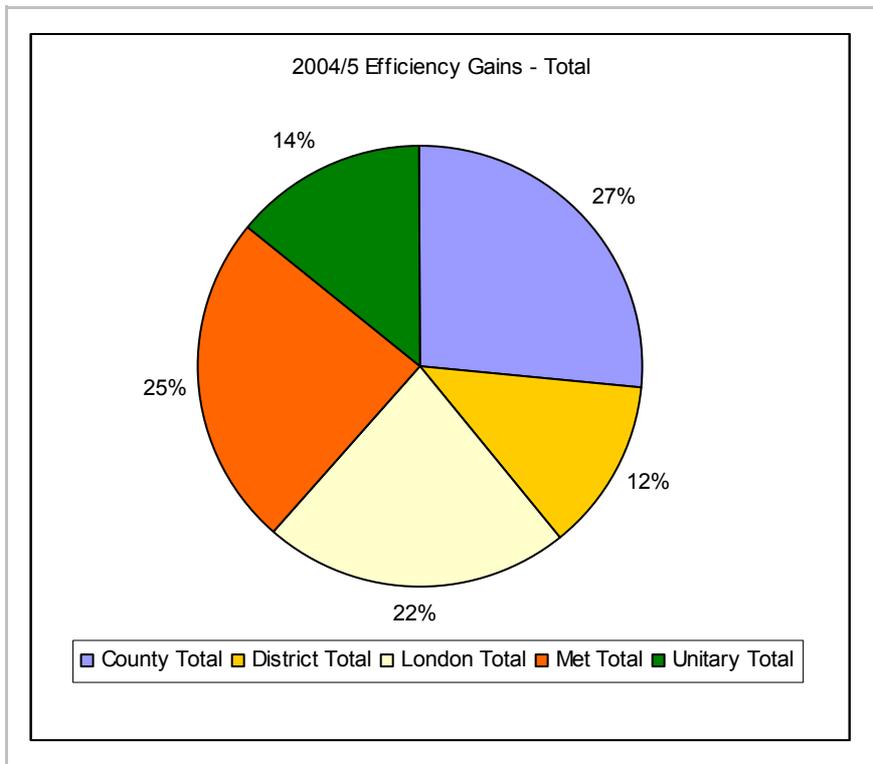
R9 The Council should risk assess and carry out a cost-benefit analysis of the two options available to it with regards to funding its future capital programme, for example through prudential borrowing.

Efficiency savings

- 88 As part of the Gershon agenda on efficiency the Council is required to achieve 2.5 per cent efficiency gains over a three-year period. In 2004/05 Bromsgrove reported £326,600 efficiency gains. The chart below shows the distribution of the total £760 million¹ efficiency gains achieved by all local government bodies in 2004/05 by type of local authority. Bromsgrove contributed 0.35 per cent of the £95 million efficiency gains achieved by districts.

¹ Source: Office of the Deputy Prime Minister www.odpm.gov.uk

Figure 6 2004/05 efficiency gains by local government type



89 The Council's 2005/06 efficiency target is £615,500 and remains on track to meet this target. KPMG will report on the Council's achievement of this target once the figures are reported in June 2006.

Systems of internal financial control

- 90 KPMG are required to consider whether the Council has adequate arrangements in place to satisfy itself that its systems of internal financial control are adequate and effective.
- 91 KPMG's work identified significant weaknesses in the Council's overall control framework for the systems of internal financial control; however the Council took appropriate action to resolve these issues. KPMG reported in its Interim Memo of August 2005 and confirmed in its Combined 2003/04 and 2004/05 Final Accounts Memorandum that the Council has implemented key control account reconciliations.
- 92 During its work on the Council's statement of accounts, KPMG did notice, however, that a number of controls were not operating effectively, particularly the use of exception reports across the fundamental financial systems.

Risk management

- 93 During 2004/05 the application of risk management was poor and as KPMG reported in its interim memo, the Council only really began the process for developing risk management through a risk management steering group late in 2005. Bromsgrove approved a new Risk Management Strategy in January 2006 to replace a previous version that was never properly publicised or enforced.
- 94 The Council has recognised that good risk management supports and facilitates good decision making processes, but to be effective will require support from Members. As such Bromsgrove has identified the need for a risk champion to ensure risk management is given a higher profile and priority within the Council.
- 95 The Council will provide risk management training to the Chairmen and Vice-Chairmen of the Scrutiny Committee, the Performance Management Board, the Audit Board and the Planning Committee. However, the Council will need to ensure that it rolls out risk management training to all Members.
- 96 Risk management is in its early stages of development, with strategic risk registers due in March 2006 and operational risk registers due to be produced in June 2006. The Council should aim to integrate its risk and performance management, to facilitate more informed decision making on service delivery.
- 97 The Council needs to ensure the processes it is currently putting in place are sufficiently flexible and resilient to facilitate the future development of risk and performance management, including the development of an assurance framework.

Recommendation 10: Risk management

R10 The Council should map its risk register to its corporate and operational objectives to help align future risk and performance integration.

- 98 KPMG will continue to review the Council's progress on risk management through 2006.

Internal Audit

- 99 KPMG reviews the work of Internal Audit as part of its assessment on the Council's internal control environment. Internal Audit carried out further work on the Council's financial systems which then enabled KPMG to place reliance on its work. This was carried out in time for KPMG's audit of the accounts to commence.
- 100 KPMG has made a number of recommendations have been made on the work of Internal Audit during the year and reported in its letter to the Corporate Director in May 2005 and in its Interim Memo of August 2005, which highlighted a number of significant weaknesses. Since those reports were issued KPMG has seen good progress in the quality of the work carried out by Internal Audit.
- 101 Internal Audit was affected by the organisational restructuring, with two audit posts below Audit Services Manager becoming vacant. The Council is currently in the progress of appointing two auditors to bring the department back to full strength. However, the appointees will be faced with a steep learning curve and will require training and development, including potentially the need for time off to study for professional exams; all of which could impact on the total number of audit hours available.
- 102 As noted earlier the research into shared services led by Worcester County Council has removed the Internal Audit aspect from the study. However, given the issues with regards to Internal Audit's delivery of its audit plan, combined with the revised staffing structure the Council needs to closely monitor the delivery of this service through the new Audit Board.

Recommendation 11: Internal Audit

R11 Internal Audit should establish realistic milestones and targets for the delivery of its audit plan that incorporates appropriate actions in case of slippage.

Standards of financial conduct and the prevention and detection of fraud and corruption

- 103 **The Council has maintained effective controls over the prevention and detection of fraud and corruption.**
- 104 KPMG reviews the adequacy of the Council's arrangements to manage its affairs in accordance with proper standards of financial conduct and to prevent and detect fraud and corruption.

- 105 However, it remains the management's responsibility to ensure that there are appropriate controls in place to prevent loss through fraud and error and to ensure that appropriate governance arrangements are in place and operating satisfactorily.
- 106 KPMG reported its detailed findings within its Interim Memorandum, where no significant weaknesses in the Council's arrangements to prevent and detect fraud and corruption were identified.
- 107 Since that report the Council produced a revised Anti-Fraud and Corruption in February 2006 which incorporates the expectations of Members, staff and third parties. KPMG will continue to monitor the Council's procedures for the prevention and detection of fraud and corruption during its 2006 work.

Legality of transactions

- 108 **The Council has adequate arrangements in place for ensuring the legality of its financial transactions.**
- 109 KPMG is required to review the arrangements that the Council has in place to identify whether transactions that might have a significant financial consequences and contracts that it enters into are legally sound.
- 110 As reported in its Interim Management Letter, KPMG has not identified any significant weaknesses in the framework established by the Council for ensuring the legality of its significant financial transactions.

Electors' questions and objections

- 111 **No questions or objections were raised with KPMG with regard to the 2003/04 or the 2004/05 financial statements.**
- 112 Sections 15 and 16 of the Audit Commission Act 1998 provide local electors with an annual opportunity to inspect the accounts of a local Council and subsequently, to put questions and/or objections relating to those accounts to the external auditor. Any such representations must be resolved prior to the closure of the audit.
- 113 KPMG can report that it has not received any questions or objections on the 2003/04 or the 2004/05 accounts from local Council electors under Sections 15 and 16 of the Audit Commission Act 1998.

Use of resources judgements

- 114 The Use of Resources assessment is a new assessment which focuses on financial management but links to the strategic management of the Council. It looks at how the financial management is integrated with strategy and corporate management, supports council priorities and delivers value for money. It will be carried out annually, as part of each council's external audit. KPMG and the Audit Commission anticipate the Use of Resources judgements will form part of the future CPA framework.
- 115 KPMG has assessed and scored the Council's arrangements in five areas as Table 3 shows.

Table 3 Council's arrangements

Element	Assessment
Financial reporting	1 out of 4
Financial management	1 out of 4
Financial standing	2 out of 4
Internal control	1 out of 4
Value for money	1 out of 4
Overall	1 out of 4

(Note: 1 = lowest, 4 = highest)

- 116 In reaching these judgements KPMG has drawn on the above work and supplemented this with a review against the Audit Commission's specified Key Lines of Enquiry.
- 117 KPMG reported the findings to senior officers in March 2006 which included references to the improvements needed to progress to the next level. The Council has already made progress in implementing the recommendations, although areas for further development remain, as summarised in Table 4.

Table 4

KLOE	Areas beginning to be addressed	Areas for further development
Financial Reporting	The Council has now cleared its backlog of financial statements with unqualified audit opinions issued by KPMG on both the 2003/04 and 2004/05 Statement of Accounts. This now provides a clear opportunity to produce the 2005/06 statements of accounts within the statutory deadline.	<p>The Council needs to compile sufficient working papers as laid out in our 'prepared by client' schedule which are available prior to the commencement of the external audit.</p> <p>The Council also should ensure that the statements of accounts are subject to robust Member and officer scrutiny prior to approval.</p>
Financial management	The Council has begun to implement appropriate financial and budgetary training to officers and Members to improve its budgetary control. Furthermore, the Council has designated a responsible department for corporate property management.	<p>The Council also needs to link the MTFS to corporate objectives and be driven by the Corporate Business Plan. The Council needs to integrate business planning with financial planning, ensuring that the internal service plans are supported by the MTFS.</p> <p>The Council needs to update the asset management plan to reflect the transfer of housing stock to Bromsgrove District Housing Trust in March 2004.</p> <p>Members should be provided with reports that enable appropriate and informed decisions with regard to the Council's land and buildings portfolio, at both a strategic and service level.</p>

KLOE	Areas beginning to be addressed	Areas for further development
Financial standing	The Council has produced a balanced budget with expenditure set within the Council’s resources.	<p>To move to the next level Bromsgrove should:</p> <ul style="list-style-type: none"> • set and monitor targets for income collection and recovery of arrears, based on age profile of debt; • consistently maintain spending within overall budget and without significant unexpected overspends or under-spends; • identify target levels for reserves and balances that are based on a thorough understanding of its needs and risks, including its treasury management strategy and is meeting these targets; and • produce monitoring information that evaluates the effectiveness of recovery actions, associated costs, and the cost of not recovering debt promptly.

KLOE	Areas beginning to be addressed	Areas for further development
Internal Control	<p>The Council has a risk management steering group which has helped develop a new risk management strategy.</p> <p>The Council has also implemented and brought up-to-date fundamental control reconciliations on the Council's financial systems.</p> <p>The Council has established an Audit Board which will help to improve the Council's internal control environment.</p>	<p>The Council needs to finalise its corporate (due March 2006) and operational (due June 2006) risk registers and assign a Member group with the responsibility to manage, oversee and receive reports on the implementation of risk management.</p> <p>The Council needs to allocate responsibility for review and approval of the Statement of Internal Control (SIC) to an appropriate member group who will consider the SIC separately from the accounts .</p> <p>The Council should conduct an annual review of the effectiveness of the system of internal control and report on this in the SIC and the sources of assurance to support the SIC should be identified and reviewed by senior officers and Members.</p>
Value For Money	<p>The Council has established a Procurement Steering Group that will assist the Council in driving our inefficiencies and reducing costs.</p> <p>The Council has also begun to develop a performance management framework, under the Performance Management Board, that should link to costs and drive performance improvement across service areas.</p>	<p>The Council should analyse and report on the links between costs and performance across its services and how these are aligned with its corporate priorities.</p> <p>The Council should build and develop the VFM and efficiency culture. This needs to involve the understanding and ownership of Members.</p>

Recommendation 12: Use of Resources

R12 The Council should review the individual KLOEs and develop suitable action plans to move to the next level.

Other work

Grant claims

- 118 KPMG has continued to apply a risk-based approach to the certification of grant claims and have reduced the time spent on the audit of these claims but its ability to reduce this further depends on the adequacy of the Council's control environment.
- 119 KPMG has certified all claims for the year ending 2004/05 that have been submitted to them for audit.

National Fraud Initiative

- 120 In 2004/05, the local Council took part in the Audit Commission's National Fraud Initiative. The NFI, which is undertaken every two years, aims to help identify and reduce fraud by bringing together data from NHS bodies, local authorities and government departments and other agencies, to detect a wide range of frauds against the public sector. These include housing benefit fraud, occupational pension fraud, tenancy fraud and payroll fraud as well as, new for 2004/05, right to buy scheme fraud and providing new contact details for former tenants with arrears in excess of £1,000.
- 121 The Council participated in the NFI exercise and fully complied with the requirements of the initiative. It has set aside specific resources to follow up data matches and shared its findings with the Audit Commission.

Looking forwards

Future audit and inspection work

- 122** KPMG and the Audit Commission have an agreed plan for 2005/06 and have reported in this Letter those aspects that have already been completed. The remaining elements of that Plan, including KPMG audit of the Council's 2005/06 accounts, will be reported in next year's Annual Audit & Inspection Letter. The Audit Commission's and KPMG's planned work, together with that of other inspectorates, is included on both the Audit Commission and LSIF (Local Services Inspectorates Forum) websites.
- 123** KPMG and the Audit Commission have sought to ensure, wherever possible, that their work relates to the challenges facing the Council. Both organisations will continue with this approach when planning their programme of work for 2006/07. Both organisations will also seek to reconsider, with Council, Bromsgrove's improvement priorities in the light of the latest CPA assessment and the Council's own analysis, and develop an agreed programme by 31 March 2006. KPMG and the Audit Commission will continue to work with other inspectorates and regulators to develop a co-ordinated approach to regulation at Bromsgrove.

Revision to the Code of Audit Practice

- 124** The statutory requirements governing our audit work, are contained in:
- the Audit Commission Act 1998; and
 - the Code of Audit Practice (the Code).
- 125** The Code has been revised with effect from 1 April 2005. Further details are included in our Audit Plan which has been agreed with the Corporate Director (Resources) in April 2005. The key changes include:
- the requirement to draw a positive conclusion regarding the Council's arrangements for ensuring value for money in its use of resources; and
 - a clearer focus on overall financial and performance management arrangements.

A new CPA framework

- 126** The Audit Commission is currently considering the results of the consultation on the proposals for revising the CPA framework for District Councils. The revised framework will be published in the early part of 2006 with implementation from April 2006.

Closing remarks

- 127 This letter has been discussed and agreed with senior officers at the Council. A copy of the letter will be reported to the Executive Cabinet on 17 May 2006.
- 128 The Council has taken a positive and constructive approach to KPMG and the Audit Commission's audit and inspection and both organisations would like to take this opportunity to express their appreciation for the Council's assistance and co-operation during the year of audit and inspection.

Availability of this letter

- 129 This letter will be published on the Audit Commission's website at www.audit-commission.gov.uk and also on the Council's website.

KPMG LLP
Chartered Accountants, Birmingham

Sandy McMillan
Relationship Manager, Audit Commission

March 2006

Status of both the Audit Commission's and KPMG LLP's reports to the Council

- 130 This annual audit and inspection letter is prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. Annual audit and inspection letters are prepared by relationship managers and appointed auditors and addressed to members and officers. They are prepared for the sole use of the audited and inspected body, and no responsibility is taken by the Audit Commission or its appointed auditors to any member or officer in their individual capacity, or to any third party.
- 131 External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Appendix 1 – Background to this letter

The purpose of this letter

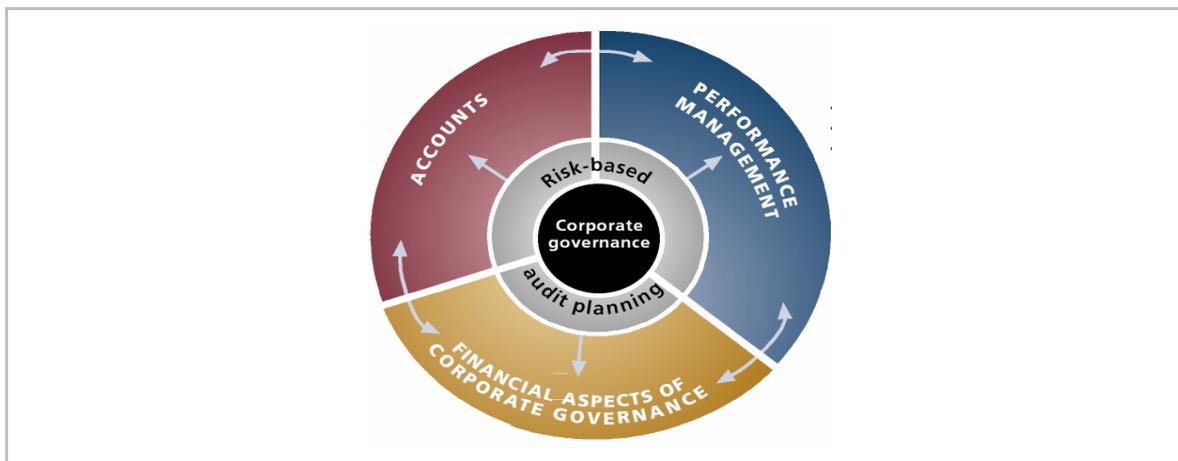
- 1 This is the KPMG's and the Audit Commission's Audit and Inspection 'Annual Letter' for Members, which incorporates the Annual Audit Letter for 2004/05, which is presented by the Council's Relationship Manager and the Appointed Auditor, KPMG. The Letter summarises the conclusions and significant issues arising from both organisations recent audit and inspections of the Council.
- 2 KPMG has issued separate reports during the year setting out the findings and conclusions from the specific elements of its audit work programme. These reports are listed at Appendix 2 for information.
- 3 The Audit Commission has circulated to all audited bodies a statement that summarises the key responsibilities of auditors. KPMG's audit has been conducted in accordance with the principles set out in that statement. KPMG's findings, conclusions and the results of its audit should be viewed in the context of that more formal background.
- 4 Appendix 3 provides information about the fee charged by KPMG and the Audit Commission for the audit and inspections at the Council during 2004/05.

Audit objectives

- 5 KPMG's main objective as the Council's appointed auditor is to plan and carry out an audit that meets the requirements of the Code of Audit Practice. KPMG adopt a risk-based approach to planning its audit, and its audit work has focused on the Council's significant financial and operational risks that are relevant to its audit responsibilities.
- 6 Central to KPMG's audit are the Council's corporate governance arrangements. KPMG's audit is then structured around the three elements of its responsibilities as set out in the Code and shown in Figure 7.

Figure 7 Code of Audit Practice

Code of practice responsibilities



Accounts

- Opinion.

Financial aspects of corporate governance

Reviewing how effectively the Council ensures:

- financial standing;
- systems of internal financial control;
- standards of financial conduct and the prevention and detection of fraud and corruption; and
- legality of transactions with significant financial consequences.

Performance management

- Use of resources.
- Performance information.
- Best Value Performance Plan.

Inspection objectives

Inspection work is based around section 10 of the Local Government Act 1999, which requires us to carry out inspections and deliver reports that will:

- enable the Council and the public to judge whether best value is being delivered;
- enable the Council to assess how well it is doing;
- enable the Government to assess how well its policies are being implemented; and
- identify failing services where remedial action may be necessary.

Appendix 2 – Audit and inspection reports issued

Table 5

Report title	Date issued
2004/05 Annual Audit Plan	March 2005
Inspection of E Government	May 2005
KPMG's Interim Memorandum	August 2005
2004/05 BVPI Opinion	September 2005
2003/04 Accounts - Unqualified Opinion	November 2005
Progress Assessment	December 2005
2005/06 BVPP Opinion	December 2005
2004/05 Accounts - Unqualified Opinion	February 2006
Report on the 2004/05 financial statements to those charged with governance (SAS 610)	February 2006
KPMG's Combined 2003/04 and 2004/05 Final Accounts Memorandum	February 2006

Appendix 3 – Audit and inspection fee

Table 6 Audit fee update

Audit area	Plan 2004/05 (£)	Actual 2004/05 (£)
Accounts	37,000	57,000*
Financial aspects of corporate governance	22,000	22,000
Performance	22,000	22,000
Total Code of Audit Practice fee	81,000	101,000
Additional voluntary work (under section 35)	0	0
Total	81,000	101,000

*Includes £20,000 overrun fee on the 2004/05 Statement of Accounts audit.

Inspection fee update

The full year inspection fee is £18,270. The work reported in this audit and inspection letter has been funded by an element of the fee covering 2004/05 and by an element of the fee covering 2005/06. In both years the actual fee will be in line with that planned.

Appendix 4 – Current year recommendations

Priority	Recommendation	Management response
High	<p>Recommendation 1: Performance framework</p> <p>The Council should incorporate benchmarking into the performance indicators to allow the Performance Management Board (PMB) to place current performance into an appropriate context.</p>	
Medium	<p>Recommendation 2: Performance framework</p> <p>Whilst the Council has a Top 45 set of performance indicators, the Council should still consider reporting by exception i.e. reducing the number of indicators presented to the PMB to streamline the reporting process and enable the PMB to focus on poor performing areas.</p>	
High	<p>Recommendation 3: e-Government</p> <p>The Council must develop time bound action plans that are driven by effective project management based on realistic targets to ensure it fully delivers the e-Government agenda.</p>	
High	<p>Recommendation 4: Council Tax Base</p> <p>The Council should ensure that future calculations of the Council Tax Base take into account the existing (and future) level of reserves, including any implications arising from the need to distribute any surplus to precepting authorities.</p>	

Priority	Recommendation	Management response
High	<p>Recommendation 5: Treasury management performance</p> <p>The Council should produce quarterly reports that benchmark treasury management performance to ensure it is achieving best value from fund managers.</p>	
Medium	<p>Recommendation 6: Revenue balances</p> <p>The Council should calculate a risk assessed minimum level of balances required to sustain revenue expenditure. This should be based on a risk assessment of key variables and incorporate the overall objectives as specified in the Corporate Plan via the Medium Term Financial Strategy.</p>	
Medium	<p>Recommendation 7: Capital programme</p> <p>The Council needs to re-evaluate the capital budget setting process to ensure it takes into account issues arising from earlier years and ensure that all projects are covered.</p>	
High	<p>Recommendation 8: Capital programme</p> <p>The Council needs to ensure it has robust project management arrangements over its capital programme to ensure that all projects are delivered on time and to budget.</p>	
Medium	<p>Recommendation 9: Prudential borrowing</p> <p>The Council should risk assess and carry out a cost-benefit analysis of the two options available to it with regards to funding its future capital programme, for example through prudential borrowing.</p>	

Priority	Recommendation	Management response
High	<p>Recommendation 10: Risk management</p> <p>The Council should map its risk register to its corporate and operational objectives to help align future risk and performance integration.</p>	
High	<p>Recommendation 11: Internal Audit</p> <p>Internal Audit should establish realistic milestones and targets for the delivery of its audit plan that incorporates appropriate actions in case of slippage.</p>	
High	<p>Recommendation 12: Use of Resources</p> <p>The Council should review the individual KLOEs and develop suitable action plans to move to the next level.</p>	

Appendix 5 – Follow-up of prior year recommendations

We are required to review the Council's performance against the recommendations made in the 2003/04 Annual Audit and Inspection Letter. These have been detailed in the table below.

Recommendation	Position as at February 2006
<p>Recommendation 1: BVPIs The Council should ensure the indicators are subject to quality review before submitting BVPI data for inclusion in the BVPP and prior to audit.</p>	<p>The policy and performance officer undertakes a quality check of all BVPI information. The indicators are also now reviewed at the Performance Monitoring Board.</p>
<p>Recommendation 2: Performance Management The Council should continue its work in building its performance management framework and strategy.</p>	<p>The Performance Monitoring Board undertakes a quarterly review of local and statutory PIs. The new frameworks for personal development reviews include performance measurement targets for all staff.</p>
<p>Recommendation 3: Future liabilities The Council should consider carrying out an evaluation of the likelihood of any future claims against the Council and consider seeking legal advice to evaluate the cost of any personal injury claim.</p>	<p>The subject of asbestos was raised as an issue prior to the LSVT and a second survey report was carried out in conjunction with expert advice from the Council's own architects department. The Trust made provision in its business plan for a contingency sum of £1.75 million for dealing with asbestos: this would be the first port of call for any asbestos claims. The Council is only liable under the environmental warranties it had to give, once this contingency of £1.75 million has been utilised by the Trust, and in this regard the first call by the Council would be on the VAT savings scheme.</p> <p>No further work has been undertaken on this area.</p>

Recommendation	Position as at February 2006
<p>Recommendation 4: Overheads and support costs The Council needs to fully consider the impact of support costs and review its procedures for overhead allocation since the transfer of housing stock.</p>	<p>The finance team have commenced a review of the areas that are currently defined as support services with a full reallocation to be undertaken in March 2006.</p>
<p>Recommendation 5: Worcestershire Hub The Council is heavily reliant on the Worcestershire e-Government Partnership for the delivery of key elements of the e-Government programme, and should ensure that the Council has appropriate representation at the Partnerships programme board.</p>	<p>The e-government steering group has ownership of all e-government issues and projects. The council is aiming to be at the forefront of implementation of the improvements.</p>
<p>Recommendation 6: BVPI The Head of IT Services should use a recognised methodology (ie IDeA ESD Toolkit) to formally measure and confirm the Council's performance against BVPI 157. The measurement of BVPI 157 and the actions taken to meet the target should be a corporate exercise rather than being an IT issue. In this regard the departments should consider the actions required to achieve the target within their areas and this be fed into a corporate action plan, which is monitored by the Operational Management Team (OMT).</p>	<p>This has been undertaken by the interim head of e-government and customer services. There is a clear plan of action to be undertaken by the Council during 2006/07 and 2007/08.</p>

Recommendation	Position as at February 2006
<p>Recommendation 7: Project management The Council needs to establish formal project management, change and risk management methodologies for its internal e-Government projects. This should include the identification of the inter-dependencies that each project may have and the barriers that could affect the successful delivery of the projects.</p>	<p>Project management training has commenced with an external provider for all relevant staff members. A formal methodology will be approved through the committee framework.</p>
<p>Recommendation 8: IT strategy The corporate IT strategy should be completed as a matter of urgency and take account of and be aligned to the Council’s e-Government strategy.</p>	<p>A full e-Government and ICT strategy for 2006/2007 has been successfully presented and the following two years will be presented by 24 March.</p>
<p>Recommendation 9: Statement of accounts The Council should set a clear timetable and devote sufficient resources for the production of the 2003/04 financial statements so as to ensure that the 2004/05 accounts can be presented in line with statutory dates. This should be project managed to avoid a recurrence of the delays in the presentation of the 2002/03 Accounts to Members. The Council should also ensure sufficient working papers are produced to support the financial statements in order to improve the timeliness of the audit.</p>	<p>Statement of accounts for 2003/04 and 2004/05 both unqualified with improvements to each set of accounts. 2004/05 was presented to members within the statutory deadline. External support will be sourced during the close of 2005/06 to ensure improved compliance to SORP and audit requirements.</p>

Recommendation	Position as at February 2006
<p>Recommendation 10: Freedom of Information Act</p> <p>The Council need to ensure officers and Members are familiar with the requirements of the Freedom of Information Act through appropriate training.</p> <p>The Council should consider how it will monitor its performance under the Freedom of Information Act. This should include developing a system to allow tracking of information requests.</p>	<p>There is a FOI officer who liaises with departments and members on FOI issues. There have been a number of newsletters to inform staff of the procedures to be followed.</p>
<p>Recommendation 11: Equality</p> <p>The Council should ensure there is a strategy in place to develop and improve its policies and help the Council meet its target.</p>	<p>Draft equalities strategy under review. Equalities champions group in place with a member champion. Equalities forum with relationship developing with external partners.</p>
<p>Recommendation 12: Reserves and balances</p> <p>The Council should review reserves and balances as part of its medium term strategy and budget process as this is an essential tool to sound financial management.</p>	<p>Balances have been reviewed and subsequently reduced to meet one off costs as part of the review of the medium term financial plan.</p>
<p>Recommendation 13: Budget deficits</p> <p>The Council must adopt a vigilant approach to achieving budget savings in light of its anticipated annual deficits and to allow the Council to maintain a general fund working balance of £850,000.</p>	<p>Regular monthly monitoring is in place with budget holders and reports detailed the financial position of the council are presented to members on a quarterly basis.</p>

Recommendation	Position as at February 2006
<p>Recommendation 14: Capital resource allocation The Council should consider the effectiveness of its current capital resource allocation arrangements to ensure that resources are directed where is most appropriate.</p>	<p>There is a clear link between the request for capital resources and the priorities of the Council. Capital appraisal returns have to be completed for all requests.</p>
<p>Recommendation 15: Internal audit Internal audit should ensure they review the high level controls of key financial systems annually. Furthermore, the Council should ensure that all the recommendations raised in our interim memorandum are implemented.</p>	<p>The audit plan for 2006/07 has now been approved. The review of key financial system forms a part of the plan. There are currently two vacancies within the internal audit team to which the Council is aiming to recruit part qualified staff.</p>
<p>Recommendation 16: Improvements to control environment and reconciliations The Council must ensure the outstanding recommendations raised in the follow up report are addressed as a matter of urgency. The Council need to ensure that sufficient reconciliations are produced for 2003/04 and 2004/05 to satisfy itself that systems of internal control are robust.</p>	<p>Reconciliations are now completed and signed off by managers and held centrally. The completion of these reconciliations are part of the local indicators as part of the financial services business plan.</p>
<p>Recommendation 17: New financial ledger system The Council need to consider the use of appropriate computer audit specialists to ensure the data is processed within the system correctly.</p>	<p>No further work on this area – the upgrades to Agresso will be actioned as part of the POP system implementation. Integration with external systems will be improved over the next few months.</p>

Recommendation	Position as at February 2006
<p>Recommendation 18: Budget monitoring</p> <p>The Council should continue to improve budget monitoring procedures including timeliness of information, ensuring that any variations are followed up and appropriate explanations are given.</p>	<p>Regular monthly monitoring is in place with budget holders and reports detailing the financial position of the council are presented to members on a quarterly basis.</p>
<p>Recommendation 19: Risk management</p> <p>The Council should place risk management high on its agenda and ensure there is sufficient drive to embed a risk awareness culture into the Council. This is needed at all levels of the organisation. In particular the Council should establish a set of risk registers that should be regularly reviewed for completeness and appropriateness given any changes in the micro or macro environment.</p> <p>Once the risk registers have been produced the Council should embed risk management into its everyday management practices and service planning process, together with appropriate member involvement</p>	<p>A risk management steering group is now in place to ensure the risk management culture is driven forward through the council. There have been a number of training sessions which will continue during 2006/07 to raise awareness of risk management.</p> <p>A risk officer (one year contract) is to be appointed as part of the restructure.</p>
<p>Recommendation 20: Treasury management</p> <p>The Council must continue to monitor its Treasury Management processes particularly with the introduction of the Prudential Code and the additional £18 million received from the LSVT transfer.</p>	<p>An updated Treasury Management strategy to be reported to members in April 2006. The investment of the funds via the fund managers is monitored by officers on a quarterly basis – this will be formally reported to members on a similar basis in 2006/07.</p>

Audit and Inspection Plan

May 2006



Audit and Inspection Plan

Bromsgrove District Council

Audit 2006/2007

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.

Audit in the public sector is underpinned by three fundamental principles.

- Auditors are appointed independently from the bodies being audited.
- The scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business.
- Auditors may report aspects of their work widely to the public and other key stakeholders.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998, the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

Status of our reports to the Council

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any member or officer in their individual capacity; or
- any third party.

Copies of this report

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For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

www.audit-commission.gov.uk

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Introduction

- 1 This plan sets out the audit and inspection work that KPMG LLP ('KPMG') and the Audit Commission propose to undertake in 2006/07 at Bromsgrove District Council ('Bromsgrove', 'the Council'). The plan has been drawn up from their risk-based approach to audit planning and reflects:
 - the Code of Audit Practice;
 - Audit and inspection work specified by the Audit Commission for 2006/07;
 - Bromsgrove's local risks and improvement priorities; and
 - current national risks relevant to the Council's local circumstances.
- 2 The Council's relationship manager will continue to help ensure further integration and co-ordination with the work of other inspectorates.

Our responsibilities

- 3 In carrying out their audit and inspection duties KPMG and the Audit Commission have to comply with the statutory requirements governing them, and in particular:
 - the Audit Commission Act 1998;
 - the Code of Audit Practice (the Code) with regard to audit; and
 - the Local Government Act 1999 with regard to best value inspection and audit.
- 4 The Code defines auditors' responsibilities in relation to:
 - the financial statements of audited bodies; and
 - audited bodies' arrangements for securing economy, efficiency and effectiveness in their use of resources. Auditors are now required to draw a positive conclusion regarding the Council's arrangements for ensuring value for money in its use of resources. KPMG will give the first such conclusion by September as part of the 2005/06 audit.

The fee

- 5 For 2006/07 the Audit Commission has changed its fee scale structure and details are set out in the Commission's Work Programme and Fee scales 2006/07. Audit fees are based on a number of variables, including the type, size, location and complexity of the audited body and the national and local risks.
- 6 Inspection fees are based on the actual number of days included in the plan for each programmed activity.
- 7 The total fee estimate for the audit work planned for 2006/07 is £90,000 and the total fee estimate for inspection work planned for 2006/07 is £17,451. This compares with a total audit fee of £80,000 and inspection fee of £18,270 in 2005/06.
- 8 In addition KPMG will charge approximately £12,000 for the certification of claims and returns. Further details are provided in paragraph 36 and in Appendix 1.
- 9 The audit and inspection fees include all work identified in this plan unless specifically excluded. Further details are provided in Appendix 1 which includes specific audit risk factors, the assumptions made when determining the audit fee, specific actions Bromsgrove District Council could take to reduce its audit fees and the process for agreeing any additional fees.
- 10 Changes to the plan and the fee may be necessary if KPMG's audit risk assessment changes during the course of the audit. This is particularly relevant to work related to:
 - the opinion on the 2006/07 accounts since KPMG has yet to audit the accounts for 2005/06 and detailed financial reporting requirements for 2006/07 are not yet known; and
 - work on selected performance indicators, since KPMG has yet to assess the Council's overall arrangements for securing the quality of this data and then to undertake a formal risk assessment.
- 11 KPMG will formally advise the Council if any changes to the fee become necessary.

CPA and inspections

- 12 The CPA framework for District Councils from 2006 is currently subject to consultation. It is expected that the proposed methodology will be published by April 2006 and that the opportunity for re-categorisation will be available for some councils during 2006/07.
- 13 If the new methodology identifies the need or opportunity for a revised corporate assessment for Bromsgrove, we will discuss an amendment to this plan and agree an additional fee for completion of the work.
- 14 Following the Council's classification as a Poor council in 2004, its Progress Assessment in 2005 and Direction of Travel Assessment in 2006; we have applied the principles of strategic regulation recognising the key strengths/weaknesses in Bromsgrove's performance. The Progress Assessment found that the Council had made some progress since the last Corporate Governance Inspection in 2003. The Direction of Travel assessment in March 2006 found some additional progress had been made. The key issues identified in these assessments include the following.
- The Council is making some progress and it is tangibly a different organisation than it was two years ago, but much remains to be done before it can emerge from engagement.
 - There has been good progress in defining ambitions for the future but prioritisation of resources is not yet effective.
 - Organisational capacity to deliver recovery is improving but it is still fragile, and there are areas where significant improvement is required.
 - The pace of member development has been slow and some aspects of decision-making and scrutiny arrangements are not operating effectively.
 - Some services continue to perform at a good level and there have been improvements in recycling, planning processing times and more recently in benefits. However, overall service performance remains below average and those services where performance is weaker tend to show less improvement.
 - The council has responded positively to the progress assessment. Councillors are now more actively engaged in performance management and business planning is more closely aligned to corporate priorities.
 - Significant challenges remain in addressing councillor development and improving cross party working.
- 15 As a consequence our inspection activity will focus on the following:
- In the light of the continued below average service performance we will conduct one service inspection in 2006-07. The Council is a relatively high spender on culture services and we propose therefore to undertake a service inspection of culture services. This will focus on sports, leisure, tourism, arts and museum services commissioned or directly provided by the council. This will include services provided in partnership with other bodies.

8 Audit and Inspection Plan | CPA and inspections

- As in 2005 we will conduct an annual assessment in 2006 of the council's progress in building on the strengths and addressing the weaknesses identified in CPA. Along with all underperforming councils (those categorised as poor or weak), this will include a published assessment.
- In March 2007 the Audit Commission will publish a Direction of Travel Assessment on all district councils in England. In 2006 this was not a scored judgement, but in 2007 will give each council an additional CPA category indicating the extent to which the council is making progress.

Table 1 Summary of inspection activity

Inspection activity	Reason/impact
Relationship Manager role	To act as the Commission's primary point with the authority and the interface at the local level between the Commission and the other inspectorates, Government Offices and other key stakeholders.
Progress Assessment	To assess progress of underperforming councils on an annual basis.
Direction of Travel review	To provide focus for continuous improvement. Likely to be included in CPA scorecard.
Service inspection	To assess the strategic approach with partners to culture services and the effectiveness of the service delivered by the Council. To provide recommendations for future improvement.

Summary of key audit risks

- 16** This section summarises KPMG's assessment and the planned response to the key audit risks which may have an impact on its objectives to:
- provide an opinion on Bromsgrove's financial statements;
 - provide a conclusion on the Council's use of resources;
 - provide a scored judgment on the use of resources to feed into the CPA process;
 - undertake audit work in relation to specified 2005/06 performance indicators to support the service assessment element of CPA; and
 - provide a report on the Council's 2006/07 Best Value Performance Plan (BVPP) by December 2006.
- 17** In assessing risk KPMG has applied its cumulative knowledge and experience gained through its appointment as the Council's auditor and:
- considered the Council's local improvement priorities and risks associated with them;
 - the Council's statement of internal control;
 - considered the impact of changes to accounting regulations;
 - held discussions with officers and statutory inspectors; and
 - considered the impact of known changes to the Code of Audit Practice.
- 18** KPMG has incorporated its findings and recommendations from reports issued in late 2005 and early 2006 as a measure to identify ongoing or reduced risk areas of the Council, such as the development of an effective assurance framework.
- 19** Using its cumulative knowledge and experience, including the results of previous work and other regulators' work, KPMG has identified the following areas of audit issues to be addressed:
- improving the Council's Use of Resources score under the KLOEs;
 - developing the performance management framework;
 - development of risk management;
 - supporting the shared services agenda, and effective partnership working;
 - delivery of efficiency savings;
 - delivery of the Council's recovery plan; and
 - the Council's application of the Local Authority Modernisation Programme.
- 20** The full details of these risks and KPMG's planned response are included in Appendix 5.

- 21 KPMG's planned work takes into account information from other regulators, where available. Where risks are identified that are not mitigated by information from other regulators, or Bromsgrove's own risk management processes, including Internal Audit, KPMG will perform work as appropriate to enable it to provide a conclusion on the Council's arrangements.

Value for money conclusion

- 22 The Code of Audit Practice requires KPMG to issue a conclusion on whether the Council has proper arrangements in place for securing economy, efficiency and effectiveness in the use of resources (the value for money conclusion). The Audit Commission has developed relevant criteria for auditors to apply in reaching its value for money conclusion as required under the Code of Audit Practice. These criteria are listed in Appendix 2. In meeting this responsibility, KPMG will review evidence that is relevant to the Council's corporate performance management and financial management arrangements. KPMG will give the first such conclusion by the end of September 2006 as part its audit of the 2005/06 accounts. This may influence its risk assessment for similar work to be carried out as part of the 2006/07 and KPMG will keep the Council informed of any changes to this plan that may become necessary.

Use of resources judgement

- 23 Over and above the Code requirements described above, the Audit Commission requires auditors to make more qualitative assessments of the effectiveness of those arrangements in the form of a series of use of resources judgements. The key lines of enquiry (KLOEs) issued in June 2005 will be updated in Spring 2006 to reflect the lessons learned from the first year's experiences of applying the KLOEs, following a post implementation review of the assessment. KPMG's fee estimate 2006/07 assumes that the KLOEs will be broadly similar to those used in 2005/06. If this changes KPMG will discuss with the Council the implications, including any impact on the fee.
- 24 These judgements may also used by the Commission as the basis for its overall use of resources judgement.

Performance information

- 25 In 2006/07, auditors are required to undertake much more detailed and specific audit work in relation to specified performance indicators to support the service assessment element of CPA, subject to the basis of the agreed methodology. This work will be risk based and will link at least in part to its review of the Council's overall arrangements to secure data quality (as required for its value for money conclusion). KPMG's fee estimate includes an element for this work on the basis that it will assess Bromsgrove District Council as high risk in relation to its performance indicators.

This assessment will include a review of the management arrangements to compile and monitor the Council's performance indicators.

- 26 This risk assessment may change depending on KPMG's assessment of Bromsgrove's overall arrangements. When KPMG has finalised its risk assessment, KPMG will update its plan including any impact on the fee.

Best value performance plan

- 27 KPMG is required to report on whether or not Bromsgrove has complied with legislation and statutory guidance in respect of the preparation and publication of the Council's Best Value Performance Plan (BVPP).

Financial statements

- 28 KPMG will carry out its audit of the 2006/07 financial statements and follow the International Standards on Auditing (UK & Ireland).
- 29 KPMG are also required to review whether the Statement on Internal Control has been presented in accordance with relevant requirements and to report if it does not meet these requirements or if the statement is misleading or inconsistent with its knowledge of the Council.
- 30 On the basis of KPMG's preliminary work to date it has identified the following audit issues:
- providing the required data for the Whole of Government Accounts;
 - full implementation of the total cost principle under the Best Value Accounting Code of Practice;
 - applying the changes specified in the 2006 Statement of Recommend Practice;
 - monitoring and implementing the requirements of the prudential code; and
 - enhancing the Council's systems of internal financial control.
- 31 The issues and KPMG's audit response are described in more detail in Appendix 5 to this Plan.
- 32 KPMG's fee estimate for 2006/07 is based on the assumption that the current standard of working papers will continue to be improved and that Internal Audit will complete its planned work on key information systems to the agreed quality and by the agreed date and that the accounts will be prepared and fully supported by working papers by July 2007.
- 33 KPMG has yet to undertake the audit of the 2005/06 financial statements and its 2006/07 financial statements audit planning will continue as the year progresses. This will take account of:
- the 2005/06 opinion work;
 - KPMG's documentation and initial testing of material information systems;

- KPMG's assessment of the 2006/07 closedown arrangements; and
 - any changes in financial reporting requirements.
- 34 When KPMG has finalised its risk assessment in respect of Bromsgrove's financial statements, KPMG will update its plan in advance of the audit detailing its specific approach, including any impact on the fee quoted above.

Whole of government accounts

- 35 The Government is introducing whole of government accounts (WGA) in order to produce consolidated accounts for the whole public sector. WGA will include the accounts of local authorities and WGA data returns will be required to be audited. The Audit Commission is currently discussing the scope of the likely audit work with the NAO and other stakeholders. The fee for this work is not included in this plan and we will discuss this with the Head of Financial Services when further details are available.

Claims and returns certification

- 36** KPMG will continue to certify the Council's claims and returns.
- Claims for £50,000 or below will not be subject to certification.
 - Claims between £50,001 and £100,000 will be subject to a reduced, light touch, certification audit.
 - Claims over £100,000 have an audit approach relevant to the auditor's assessment of the control environment and management preparation of claims. A robust control environment would lead to a reduced audit approach for these claims.
- 37** Charges for this work is based on skill-related fees scales set out in the Audit Commission's work programme and fee scales 2006/07. Based on this, and on the assumption that the level of grant work will remain reduce, KPMG estimates that the fees for grant certification work will be around £12,000.

Other information

Outputs from the audit and inspection plan

- 38 The expected outputs from its planned audit and inspection work are listed in Appendix 3.

The team

Table 2

Name	Title
Sandy McMillan	Relationship Manager, Audit Commission
Jon Gorrie	Appointed Auditor, KPMG LLP
Andrew Cardoza	Audit Senior Manager, KPMG LLP
Mark Surridge	Assistant Audit Manager, KPMG LLP

- 39 KPMG and the Audit Commission are not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under auditing and ethical standards.
- 40 Both KPMG and the Audit Commission comply with the ethical standards promulgated by the Auditing Practices Board and with the Commission's requirements in respect of independence and objectivity as set out at Appendix 4.

Complaints

- 41 If the Council has any concerns or are dissatisfied with any part of KPMG's work, in the first instance the Council should contact Jon Gorrie, who is the appointed auditor to the Council: Tel. 0121 232 3694, e-mail jonathan.gorrie@kpmg.co.uk who will try and resolve the complaint. If the Council is dissatisfied with the response please contact Trevor Rees on 0161 236 4000, e-mail trevor.rees@kpmg.co.uk, Trevor is the national contact partner for all of KPMG's work with the Audit Commission.
- 42 After this, if the Council remains dissatisfied with how the complaint has been handled, the Council may access the Audit Commission's complaint procedure. Put the complaint in writing to: The Complaints Investigation Officer, Audit Commission, 1st Floor, Millbank Tower, Millbank, London, SW1P 4HQ; or by e-mail to complaints@audit-commission.gov.uk. Their telephone number is 0207 166 2349, textphone (minicom) 0207 630 0421.

Status of reports to the Council

- 43 The Audit Commission and KPMG will provide reports, or other output as agreed, to the Council covering the risk areas identified above. Reports are:
- prepared for the sole use of the Council;
 - not to be relied upon by a third party or quoted or referred to without the Audit Commission's or KPMG's consent; and
 - written without assuming any responsibility by them to any other person.
- 44 The reports are prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. Reports are prepared by appointed auditors and addressed to Members or officers. They are prepared for the sole use of the audited body, and no responsibility is taken by KPMG as the Council's auditors to any Member or officer in their individual capacity, or to any third party.
- 45 ISA 260 Communication of Audit Matters to those Charged with Governance requires KPMG to report relevant matters relating to the audit to those charged with governance. For Bromsgrove District Council, the Audit Commission and KPMG has previously agreed that this responsibility will be discharged by reporting relevant matters to the Audit Committee.

Appendix 1 – Audit and inspection fee

Table 3

Fee estimate	Plan 2006/07 £	Plan 2005/06 £
Audit		
Accounts	48,000	45,000
Use of resources	42,000	35,000
Total audit fee	90,000	80,000
Inspection		
Relationship management	2870	*
Service inspection	5957	*
Corporate inspection	8624	*
Total inspection fee	17,451	18,270
Total audit and inspection fee		
Certification of claims and returns	12,000	12,000
Voluntary improvement work	0	0

* Comparative information is not available for 2005/06 due to the changed fee structure.

- 1 The total audit fee compared to the indicative fee banding equates to 5 per cent above the mid-point.
- 2 The audit fee (plus VAT) will be charged in four equal instalments from April 2006 to March 2007.
- 3 The fee above includes all work contained in this plan except:
 - any work required in relation to the Whole of Government Accounts (discussed in paragraph 35); and
 - any specific work required for CPA in 2006/07.

Specific audit risk factors

- 4 In setting the audit fee KPMG has taken account of the following specific risk factors:
- the Council's score against the Key Lines of Enquiry resulted in an overall 'inadequate performance' scoring in 2006;
 - the Council's risk profile and history of issues over the production of the statement of accounts; and
 - the extent of the changes to the SORP and the practical implications of those changes.

Assumptions

- 5 In setting the audit fee KPMG has assumed that:
- the Council will inform KPMG of significant developments impacting on its audit;
 - Internal Audit meets the appropriate professional standards;
 - Internal Audit undertakes appropriate work on all material information systems that provide figures in the financial statements sufficient that KPMG can place reliance for the purposes of KPMG's audit recognising the shift in requirements of International Standards on Auditing (ISA) 400 Risk Assessments and Internal Control;
 - officers will provide good quality working papers and records to support the financial statements by July 2007, the assumptions of which will be revisited during KPMG's 2005/06 audit of accounts;
 - officers will provide requested information within agreed timescales;
 - officers will provide prompt responses to draft reports; and
 - the Council's Performance Indicators will be adequately prepared and reviewed.
- 6 The key lines of enquiry (KLOEs) issued in June 2005 will be updated in Spring 2006 to reflect the lessons learned from the first year's experiences of applying the KLOEs, following a post implementation review of the assessment.
- 7 Where these requirements are not met or its assumptions change, KPMG will be required to undertake additional work which is likely to result in an increased audit fee.
- 8 Changes to the plan will be agreed with the Council. These may be required if:
- new risks emerge;
 - additional work is required of KPMG by the Audit Commission or other regulators; and

- there are any changes to financial reporting requirement, professional auditing standards or legislation which results in additional work.

Specific actions Bromsgrove District Council could take to reduce its audit fees

- 9 The Audit Commission requires its auditors to inform a council of specific actions it could take to reduce its audit fees. KPMG has identified the following actions Bromsgrove District Council could take.
 - The Head of Financial Services should review and sign off all working papers supporting the financial statements to ensure that they tie in to the approved draft accounts, and clearly cross referenced to supporting evidence.
 - Senior managers should take more responsibility for checking the accuracy of performance indicators and internal audit could usefully check that this had been done.
 - The working papers supporting grant claims should be reviewed in detail and ensure they clearly support how the grant claim has been compiled.

Process for agreeing any changes in audit fees

- 10 If either KPMG or the Audit Commission need to amend the audit [or inspection] fees during the course of this plan they will firstly discuss this with the Corporate Director (Resources). KPMG or the Audit Commission will then prepare a report outlining the reasons why the fee needs to change for discussion with the Audit Committee.

Appendix 2 – Criteria to inform the auditor's conclusion on proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Arrangements for establishing strategic and operational objectives

- 1 The Council (the audited body, 'body') has put in place arrangements for setting, reviewing and implementing its strategic and operational objectives.

Arrangements for ensuring that services meet the needs of users and taxpayers, and for engaging with the wider community

- 2 The body has put in place channels of communication with service users and other stakeholders including partners, and there are monitoring arrangements to ensure that key messages about services are taken into account.

Arrangements for monitoring and reviewing performance, including arrangements to ensure data quality

- 3 The body has put in place arrangements for monitoring and scrutiny of performance, to identify potential variances against strategic objectives, standards and targets, for taking action where necessary, and reporting to members.
- 4 The body has put in place arrangements to monitor the quality of its published performance information, and to report the results to members.

Arrangements for ensuring compliance with established policies, procedures, laws and regulations

- 5 The body has put in place arrangements to maintain a sound system of internal control.

Arrangements for identifying, evaluating and managing operational and financial risks and opportunities, including those arising from involvement in partnerships and joint working

- 6 The body has put in place arrangements to manage its significant business risks.

20 Audit and Inspection Plan | Appendix 2 – Criteria to inform the auditor’s conclusion on proper arrangements for securing economy, efficiency and effectiveness in the use of resources

Arrangements for ensuring compliance with the general duty of best value

- 7 The body has put in place arrangements to manage and improve value for money.

Arrangements for managing its financial and other resources, including arrangements to safeguard the financial standing of the audited body

- 8 The body has put in place a medium-term financial strategy, budgets and a capital programme that are soundly based and designed to deliver its strategic priorities.
- 9 The body has put in place arrangements to ensure that its spending matches its available resources.
- 10 The body has put in place arrangements for managing performance against budgets.
- 11 The body has put in place arrangements for the management of its asset base.

Arrangements for ensuring that the audited body’s affairs are managed in accordance with proper standards of conduct, and to prevent and detect fraud and corruption

- 12 The body has put in place arrangements that are designed to promote and ensure probity and propriety in the conduct of its business.

Appendix 3 – Planned outputs

- 1 Reports will be discussed and agreed with the appropriate officers before being issued to the Audit Committee.

Table 4

Planned output	Start date	Draft due date	Key contact
Audit and Inspection Plan*	February 2006	31 March 2006	Relationship Manager/ Appointed Auditor
Interim audit memorandum	May 2007	June 2007	Appointed Auditor
2006/07 BVPP opinion and 2005/06 PI audit memorandum	August 2006	September 2006	Appointed Auditor
Report on financial statements to those charged with governance (ISA 260)	August 2007	September 2007	Appointed Auditor
Opinion on financial statements	TBA	September 2007	Appointed Auditor
VFM conclusion	TBA	September 2007	Appointed Auditor
UoR Judgements	TBA	TBA	Appointed Auditor
Final accounts memorandum	1 July 2007	October 2007	Appointed Auditor
Local performance work	TBA	TBA	Relationship Manager
Culture Inspection	TBA	TBA	Relationship Manager
Progress Assessment	October 2006	December 2006	Relationship Manager
Culture Inspection	TBA	TBA	Relationship Manager
Annual audit and inspection letter (including direction of travel assessment)	October 2007	December 2007	Relationship Manager/ Appointed Auditor

* To be revisited during the year to reflect outcome of KPMG's 2005/06 final visit and 2006/07 interim visit.

Appendix 4 – The Audit Commission’s requirements in respect of independence and objectivity

- 1 Auditors appointed by the Audit Commission are subject to the Code of Audit Practice (the Code) which includes the requirement to comply with ISA's (UK and Ireland) when auditing the financial statements. Professional standards require auditors to communicate to those charged with governance, at least annually, all relationships that may bear on the firm’s independence and the objectivity of the audit engagement partner and audit staff. Standards also place requirements on auditors in relation to integrity, objectivity and independence.
- 2 The standards define ‘those charged with governance’ as ‘those persons entrusted with the supervision, control and direction of an entity’. In Bromsgrove's case the appropriate addressee of communications from the auditor to those charged with governance is the Audit Committee. The auditor reserves the right, however, to communicate directly with the Council on matters which are considered to be of sufficient importance.
- 3 Auditors are required by the Code to:
 - carry out their work with independence and objectivity;
 - exercise its professional judgement and act independently of both the Commission and the audited body;
 - maintain an objective attitude at all times and not act in any way that might give rise to, or be perceived to give rise to, a conflict of interest; and
 - resist any improper attempt to influence their judgement in the conduct of the audit.
- 4 In addition, the Code specifies that auditors should not carry out work for an audited body that does not relate directly to the discharge of the auditors’ functions under the Code. If the Council invites us to carry out risk-based work in a particular area, which cannot otherwise be justified to support its audit conclusions, it will be clearly differentiated as work carried out under s 35 of the Audit Commission Act 1998.
- 5 The Code also states that the Audit Commission issues guidance under its powers to appoint auditors and to determine their terms of appointment. The Standing Guidance for Auditors includes several references to arrangements designed to support and reinforce the requirements relating to independence, which auditors must comply with. These are as follows.
 - Any staff involved on Audit Commission work who wish to engage in political activity should obtain prior approval from the Partner or Regional Director.
 - Audit staff are expected not to accept appointments as lay school inspectors.

- Firms are expected not to risk damaging working relationships by bidding for work within an audited body’s area in direct competition with the body’s own staff without having discussed and agreed a local protocol with the body concerned.
- Auditors are expected to comply with the Audit Commission’s statements on firms not providing personal financial or tax advice to certain senior individuals at their audited bodies, auditors’ conflicts of interest in relation to PFI procurement at audited bodies, and disposal of consultancy practices and auditors’ independence.
- Auditors appointed by the Audit Commission should not accept engagements which involve commenting on the performance of other Audit Commission auditors on Audit Commission work without first consulting the Audit Commission.
- Auditors are expected to comply with the Audit Commission’s policy for both the District Auditor/Partner and the second in command (Senior Manager/Manager) to be changed on each audit at least once every five years with effect from 1 April 2003 (subject to agreed transitional arrangements).
- Audit suppliers are required to obtain the Audit Commission’s written approval prior to changing any District Auditor or Audit Partner/Director in respect of each audited body.
- The Audit Commission must be notified of any change of second in command within one month of making the change. Where a new Partner/Director or second in command has not previously undertaken audits under the Audit Commission Act 1998 or has not previously worked for the audit supplier, the audit supplier is required to provide brief details of the individual’s relevant qualifications, skills and experience.

Appendix 5 – Key audit issues

Risk level	Issue title	Issue description	Code	Response
High	<i>Key Lines of Enquiry (KLOE)</i>	The Council received an overall level 1 score on the KLOEs representing inadequate performance, which KPMG reported to senior officers in March 2006. Arising from this review KPMG made a number of recommendations to move the Council to the next level.	Use of Resources	KPMG will review the actions taken by the Council to improve performance as part of its re-assessment of the overall score under the KLOEs. KPMG will carry out such work as deemed necessary to re-score the Council's performance under the KLOEs.
High	<i>Performance management framework</i>	The Council needs to further develop its performance management framework to ensure it is able to successfully map performance against cost, and demonstrate a commitment to improving performance. The Council needs to ensure that Corporate objectives are filtered down to service objectives then further to individual officer objectives.	Use of Resources	KPMG will continue to review and monitor the Council's progress in developing a performance management framework and assist by providing commentary based on its experience of developing performance management elsewhere.

Risk level	Issue title	Issue description	Code	Response
High	<i>Risk management</i>	<p>The Council has recently begun to implement risk management with corporate risk registers and operational risk registers due in March and June 2006 respectively. The Council therefore faces a significant challenge to embed risk management into day-to-day operations.</p> <p>The Council has yet to develop an assurance framework to help manage and deliver the agenda.</p>	Use of Resources	<p>KPMG will continue to review and monitor the Council's progress in developing an assurance and risk management framework and assist by providing commentary based on its experience of developing performance management elsewhere.</p> <p>KPMG will also review the Council's risk registers for completeness of information and assess the Council's ability to manage those risks.</p>
High	<i>Systems of internal financial control</i>	<p>The Council identified weaknesses in its systems of internal control in both 2003/04 and 2004/05. The main areas of weakness were:</p> <ul style="list-style-type: none"> • control account reconciliations; • budgetary control; and • Internal Audit. 	Audit of Accounts	<p>KPMG will review the progress made in enhancing the Council's systems of internal financial control in all the key areas.</p> <p>KPMG will review the work of Internal Audit and re-perform certain controls to validate the quality of work and findings.</p>

Risk level	Issue title	Issue description	Code	Response
High	<i>Shared services/ partnerships</i>	Increased partnership working and the provision of shared services is high on the government's agenda of local authorities. Worcestershire authorities are currently undertaking a feasibility study for the provision of a shared service agreement for a number of backroom services, such as revenues and benefits.	Use of Resources	KPMG will review the governance arrangements in place for working in partnership with other authorities to ensure that the initiative brings about benefit for the Council.
High	<i>Recovery Plan</i>	The Council has been in voluntary engagement since 2004 and has made progress in developing and implementing a recovery plan.	Use of Resources	KPMG will continue to monitor and engage in the Council's voluntary engagement process via attendance at the Monitoring Board and delivery of the recovery plan.
High	<i>Local Authority Modernisation Programme (LAMP)</i>	The Council is seeking to enter an agreement with an external provider to implement a number of e-initiatives at a cost of approximately £6.3 million. The Council believes this will lead to annual savings of £0.5 million.	Use of Resources	KPMG will monitor the project management of the project and comment on the delivery of the savings achieved against plan. KPMG will also review the accounting implications and the potential impact on the Council's financial statements.

Risk level	Issue title	Issue description	Code	Response
High	<i>The Statement of Recommended Practice (SORP) 2006</i>	<p>The SORP 2006 provides the guidance on which the Council’s statement of accounts is based. The 2006 SORP contains a number of significant accounting changes including:</p> <ul style="list-style-type: none"> • direct charge of depreciation to services; • the Consolidated Revenue Account will be replaced by an Income and Expenditure Account; and • the Statement of Total Movement in Reserves will be placed by Financial Reporting Standard 3: Statement of Total Recognised Gains and Losses. 	Audit of Accounts	KPMG will audit the Council’s statement of accounts to assess the extent to which they comply with the 2006 SORP.
Medium	<i>Efficiency savings</i>	The Gershon review requires the Council to achieve an efficiency gain of 2.5 per cent annually over a three year period. The Council is required to prepare an Annual Efficiency Statement (AES) to record its progress in achieving these savings.	Use of Resources	KPMG will monitor the progress made by the Council in producing its AES and where requested, help track the gains achieved and monitor the efficiency gains as part of its Use of Resources audit work.

Risk level	Issue title	Issue description	Code	Response
Medium	<i>Whole of Government Accounts</i>	<p>The timetable for the 2006/07 statement of accounts will be brought forward once more which could impact on the Council's closedown procedures and ability to produce complete and accurate information.</p> <p>This will also impact on the preparation of the Whole of Government Accounts (WGA). 2006/07 will be the first 'live' year for both auditors and local authorities, as discussed below.</p>	Audit of Accounts	KPMG will meet with key finance staff in the run up to the year end, then monthly thereafter to ensure the Council's closedown timetable is adhered to and where not, appropriate action is taken by the Council.

Risk level	Issue title	Issue description	Code	Response
Medium	<i>Prudential code</i>	<p>The Prudential Code has diminished the advantages previously held by debt-free authorities, and has created an environment where borrowing is no longer the burden it used to be.</p> <p>The Council may seek prudential borrowing to fund future capital expenditure as an alternative to utilising its depleting reserves.</p> <p>By entering into prudential borrowing the Council will need to demonstrate compliance with its prudential indicators and account for the revenue and balance sheet impact of these loans.</p>	Audit of Accounts	<p>KPMG will review the Council’s prudential indicators and accounting treatment of the borrowings and use of those borrowings to fund expenditure.</p> <p>KPMG will also review the Council’s treasury management performance in cases where the Council enters into prudential borrowing in lieu of utilising existing resources.</p>

Risk level	Issue title	Issue description	Code	Response
Medium	<i>Best Value Accounting Code of Practice (BVACOP)</i>	The BVACOP requires the full implementation of the total cost principle in the statement of accounts. The Council will need to demonstrate compliance with this code of practice by incorporating all costs into the Consolidated Revenue Account. It is important that all authorities incorporate any changes to BVACOP consistently to ensure the WGA returns are comparable and efficiency savings can be contrasted.	Audit of Accounts	KPMG will review the methodology for implementing the total cost principle and perform audit procedures during the final accounts stage to validate the process.

Appendix 6 – Helping KPMG to meet Bromsgrove's expectations

Summarised below the standard that KPMG will work to when performing Bromsgrove's audit, alongside the inputs required from the Council to ensure that this standard can be met. This expectation of Bromsgrove's support represents the assumption on which the audit fee has been based. If these assumptions are inaccurate then additional work may be required to complete the audit. This work will be charged to the Council in line within the Audit Commission's grade-related fee structure.

How KPMG will conduct itself		KPMG's expectation of Bromsgrove's support	
Listening to Bromsgrove's concerns	KPMG will be proactive in developing relationships with staff through the Council where its audit work requires their input.	Audit Plan	Brief its staff on key issues affecting the Council. Review and agree the draft plan.
Working together	KPMG will ensure that all recommendations, and in particular those relating to its performance management work, are included within its Annual Audit Letter having been agreed with the relevant officers	Interim Audit & Accounts Audit	Facilitate the completion of internal audits work (particularly on the core financial systems) in good time for its visits. Ensure that key officers are available for the duration of its audit.
	KPMG will ensure that the Section 151 Officer and other key members of staff are kept informed of the progress of its audit work throughout the year.	Annual Audit Letter	Respond to and agree interim reports in good time.

How KPMG will conduct itself		KPMG's expectation of Bromsgrove's support	
	<p>KPMG will liaise with staff at all levels of the Council to ensure that its work is appropriately planned and completed and where recommendations are made these are agreed with the likely responsible officer.</p> <p>KPMG will continue to co-ordinate its work with that of internal audit and ensure that KPMG provide appropriate proactive commentary to the finance function on issues that affect the Council's accounts.</p> <p>KPMG will always respond promptly to requests for comment on aspects of the Council's operations, where appropriate.</p>	Other work	<p>Ensure that a full draft of the accounts are available at least a week prior to the agreed start date of its audit, and that only agreed adjustments are put into the accounts following receipt of this draft.</p> <p>Produce the documents listed within its prepared by client request by the agreed start date of its audit.</p> <p>Discuss and agree draft reports in good time for the final versions to be presented to Members. Ensure that all action plans are agreed and subsequently followed up.</p> <p>Agree a key Council contact as a focal point for the study or work.</p> <p>Discuss and review its findings so that action plans can be fully completed and implemented.</p> <p>Respond promptly to requests for documents to assist us with its work.</p>