

## Council - 12 September 2011

### Finance and Personnel Councillor Towe – Portfolio holder

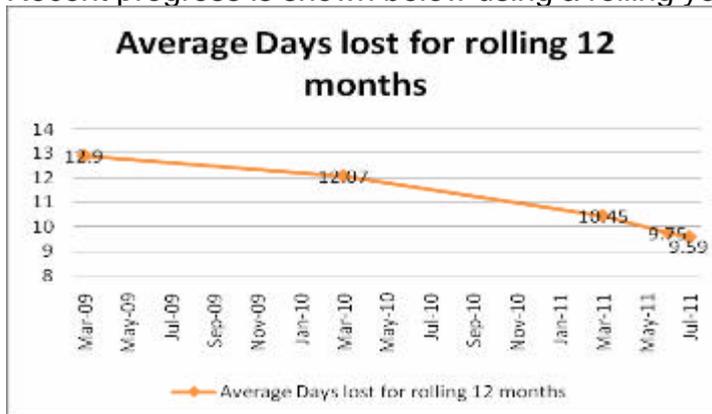
These are detailed notes about progress in my portfolio. I thought that councillors may appreciate this information which they may not regularly receive. I intend to address the highlights in my speech to Council.

#### Human Resources and Development

- **Sickness absence**

The outturn for the four months to 31 July 2011 is 2.75 average days per employee (0.95 days short term absence and 1.80 days long term absence). The outturn for the rolling 12 month period to 31 July 2011 is 9.59 average days per employee, and we are currently on track to achieve the challenging annual target set of 8.0 days per year per employee.

Recent progress is shown below using a rolling year:



| Month  | Average Days lost for rolling 12 months |
|--------|---|
| Mar-09 | 12.90                                   |
| Mar-10 | 12.07                                   |
| Mar-11 | 10.45                                   |
| Jun-11 | 9.75                                    |
| Jul-11 | 9.59                                    |

- **Apprentices**

On 31 March 2011 the council employed 46 apprentices; of these 16 now have jobs with the council or have had their contracts extended. There are currently 29 apprentices.

Despite some withdrawal of national funding, we are determined to continue to support apprenticeships going forwards. In the past few weeks a large number of apprenticeship opportunities have been advertised. The council is seeking to recruit 60 Apprentice Reablement Officers and 13 Youth Service Apprentices.

- **Reorganisation**

Bethany Evans is our new Head of People Services. She joined the Council in July 2011 and is currently implementing a major reorganisation of the Human Resources and Development service, which will both bring about a more customer focused service delivery and achieve substantial financial savings.

- **Revision of Policies and Procedures**

Between October 2010 and January 2011, Appointments Board agreed to the overhaul of procedures for attendance, redundancy and redeployment; disciplinary, grievance and performance.

- **Agency Staff**

The reduction in the number of agency workers has continued to fall to 314 as at 30 June 2011. The comparative figure as at 30 June 2010 was 473. This improvement is the result of targeted, positive action to reduce numbers in those services that have high numbers of agency staff.

- **Equality and Diversity**

Equality Impact Assessments - Given some recent high profile national cases of councils being subject to challenge in relation to poor or non-completion of equality impact assessments, it continues to be important that the council does this properly. Between September 2010 and July 2011 over 70 were submitted for reports to Cabinet.

- **Health & Safety**

Reviewed, consulted on and revised the written Corporate Safety Management System including the Corporate Health and Safety Policy.

- **Learning & Development**

**Skills for Life** - 44 qualifications have been achieved by employees on the Skills for Life programme. 15 employees enrolled on the programme commencing in September with numbers increasing weekly. Staff in Grounds and Street Cleansing won the Skills for Life Award at the Walsall Lifelong Learning Alliance awards in March.

**External funding for training** – the council successfully bid for £38,550 of funding for adult social care training from the strategic health authority stakeholder board.

## **Finance**

### **Revenues and Welfare Rights**

- For the financial year 2010/11, the revenue service achieved an in year collection rate of 97.3% for council tax. This is the highest ever in year collection rate achieved by the Council and a 0.3% increase from last year.
- The in year collection rate for business rates was 98.4%, which is a 1% increase from 2009/10.
- The service recovered £430,000 in overpaid housing benefit in 2010/11, which was 105% of the target for the year.
- The welfare rights team held 262 surgeries through the year to assist residents of Walsall to claim the benefit / allowances that they are entitled too. £11.4m in financial gain for the customers was obtained in 2010/11, which was 120% of their target.

### **Benefits**

- Successfully implemented significant changes to the benefit regulations in April 2011.
- Ceased employing agency staff.
- Continued to reduce the net benefit administration budget spend which has reduced by 56% since 2008/9.
- Dealt with 52,800 customers in the First Stop Shop, 65,800 on the telephone and 15,000 by email.
- Processed 21,012 new claims, 94,546 changes of circumstances.
- Paid £130 million in housing benefit and council tax benefit
- Fraud sanctions have increased with prosecutions increasing 30% due to joint working.
- Improved overpayment recovery.
- Efficiency savings and emergency budget contribution of £323,448
- Realignment of the service completed.
- Obtained 20 free consultancy days from DWP performance team for the review of our processes of new claims and changes.
- Reduced sickness absence by 27.5% compared with this time last year.

### **Internal Audit**

- For 2010/11, we have reported that the Council's overall system of internal control facilitates the effective provision of the council's functions and provides a satisfactory level of assurance regarding the effective, efficient and economic exercise of the council's functions. Based on work undertaken by internal audit and its partner organization during the period.
- The audit service successfully identified, investigated and is recovering funds in respect of 2 significant frauds (totaling £300k); resulting in the recent successful prosecution and custodial sentence of a former finance manager within youth services; and a case in progress regarding a former school finance manager at Fibbersley Park School. In the latter case, internal audit, working with legal services, has applied and secured a mareva (freezing) injunction to secure

arrangements for the recovery of funds in advance of sentencing. Lessons learned following investigation of these frauds, are being disseminated, reinforcing the council's zero tolerance approach to fraud.

- The audit committee work programme has been modernized this year, including the routine reporting of no and limited assurance reports, demonstrating the council's commitment to accountability and transparency in its operations.

## **Financial Planning**

### **Budget for 2012/13**

- The medium term financial plan has been adjusted to reflect known and estimated funding streams over the next few years. In particular, for the setting of the 2012/13 budget, we already know of the government's intention to reduce our funding by £10.667m, and along with provision for corporate pressures, proposals to achieve savings of £12.978m have been sought for consideration by Cabinet in September 2011.
- Resource allocation is focussed on delivering the council's value for money strategy, approved by Cabinet last year. An approach to delivering best in class cost performance within the next 4 years across all council services has been developed. Funding for the development of services will need to be met from the redirection of existing resources through the implementation and rollout of the working smarter programme and systems thinking approach.

### **Treasury Management**

- Walsall Council's Treasury Management maintained a higher average interest rate of 1.82%, compared to other Council's (CIPFA benchmarking group) average of 1.26%. Treasury Management generating £2.7m in investment interest in 2010/11.

## **Financial Administration and Support**

### **Debt Recovery**

- Sundry debt collection in 2010/11 was good and above the national CIPFA benchmarking average.
- 94% of debts raised in 2010/11 were collected in year compared to the benchmarking average of 87%.
- Aged debt, which historically is the most difficult to collect reduced by a further £300k in 2010/11.

### **Restructure**

- Delivered a restructure within finance and financial admin which achieved the target savings required for 2011/12 and 2012/13 and amalgamated the 2 services under one head of service. This was done with no compulsory redundancies.
- 26 posts were removed from the structure to enable the savings to be made following the successful implementation of the final stage of finance direct.

## **Legal and Democratic Services**

### **Legal Services**

#### **Commercial team**

- The joint Walsall Council and Walsall PCT Pelsall Project for the new state-of-the-art health, children's centre and library in Pelsall was successfully negotiated and finalised, thus guaranteeing funding for the landmark £4.5m landmark building to go ahead.
- Big changes in the Education world, working closely with Children's Services on the borough wide conversion of Schools to Academy Status coupled with changes in education role of the Council, Legal Services has taken a lead role in the Serco Education contract management and change in direction following legislative and government policy changes. This has contributed to the significant sum of savings that the Council is delivering through the process of change.
- Undertaking a key role in developing the joint commissioning partnership agreements for health services with NHS Walsall paving the way for the anticipated future changes in health service provision and its delivery through local agencies.
- Making savings whilst supporting local business and jobs. Achieved through developing a simplified Council procurement of service and goods process to not only assist in cost effective and efficient procurement but also support the Think Walsall agenda. Making it actively easier for the local business community to gain access to Council business.

#### **Litigation team**

- Against the back drop of the national Equal Pay agenda and its significant financial impact upon other local authorities, the impact upon the Borough of Walsall has been managed effectively resulting in the settlement of the majority of claims on best terms possible for the Council.
- Employment claims – Legal Services have successfully defended several high profile claims, many of which have been ongoing for some years, including obtaining substantial costs awards in two notable cases (which are rarely awarded in tribunal proceedings).
- Where it has been in the public interest Legal services have successfully pursued a number of criminal prosecutions. One notable example, for benefit fraud, resulted in a sentence of 14 months' imprisonment, a confiscation order for £12,789 and a costs order for £7,842.

#### **Built Environment team**

- The Council's high court challenge against the planning inspectors' decision to grant planning permission for Brownhills Business Park was successful. This challenge by the Council was significant as the impact of the planning permission would have meant that the borough would have lost valuable land that could be used to preserve as well as create future jobs and would have undermined the Council's policies.

- The Mellish Road Church on one of the key gateways to Walsall is now being demolished following protracted and difficult negotiations with the land owner to try to resolve the problem.
- The significant high value regeneration of the town centre known as the Digbeth development has taken a major step forward. Detailed negotiations on the Development agreement have taken place and successfully resulted in an agreement being concluded that takes the Council one step further towards the implementation of the new, exciting and confidence boosting development for the town.

### **Social Care team**

- Against the national back drop of 40% increase in child protection cases, legal services continues to support our colleagues in both Children and Adult services as well as inputting in the continued drive to improve through proactive intervention where necessary..
- The service continues to be at the fore front of Forced Marriage Protection Orders applications locally, as one of the leading councils proactively seeking the protection of these vulnerable individuals.
- The Council's adoption service with continued heavy support from legal services has been recognised nationally by the Times newspaper as being particularly successful in placing children in adoptive placement.

### **Democratic Services**

- A charity website for the Council administered charities has been setup and is proving to be a success giving direct access and information for potential applicants. As part of this simpler and easier access model potential applicants have the ability to 'self serve' by downloading forms thus reducing administration costs for the Council.
- A business plan has been prepared to offer schools not in local authority control a service whereby Democratic Services would administer the comprehensive school admission appeals process, providing an opportunity for the Council to generate income.

### **Election Services**

- Two innovative trials of new ways of working to deliver cost saving benefits for the tax payers of Walsall. The 2011 annual canvass for the electoral register was recently commenced. E-mail messages were sent to 3700 households (who had previously given us their e-mail addresses) giving them a link to a web site where they could confirm their registration details (if no changes). Within 12 hours 516 people had used it. This is working smarter and will save on printing, postal and administrations costs whilst improving the customer experience.
- The second initiative is that we will endeavour to conduct a data matching exercise with council's single person discount in the week before we print the forms for the last phase of canvass, which is the door knocking phase and the most expensive stage of a canvass.