

**REPORT OF THE SENIOR MANAGEMENT TEAM**  
**TO THE EXECUTIVE**  
**5 OCTOBER 2007**

**Corporate Governance Report: First Quarter 2007/8 (April, May and June)**

**1.0 Introduction and Report Summary**

1.1 The Corporate Governance Report looks at the key areas of:

- Corporate Priorities
- Best Value Performance Indicators
- Progress against Service Prioritisation Plans
- Key staffing data (sickness levels and turnover)
- Financial commentary

Corporate Governance reporting to the Executive during 2006/7 included the full versions of all of the individual reports. For 2007/8 the Executive have asked that only exceptions be included in the quarterly report to the Executive. The Senior Management Team (SMT) now has a standard quarterly agenda item for their meetings (which are held monthly) which considers all aspects of corporate governance. At its meeting on 20<sup>th</sup> August SMT agreed the exceptions to be reported to the Executive and the appropriate comments / actions proposed have been included in this report. In addition, a number of areas of good performance have been highlighted. These have been included in section 4.

This new style of reporting has significantly reduced the length of the Quarterly Corporate Governance report. Previous versions were up to 40 pages long and contained too much detail. However, the full versions of the individual reports will be still available on the Council's website. They can be accessed through the performance section of the Council and Democracy area of the website.

1.2 The contact officer for this report is Tim Sadler, Strategic Director, telephone (01235 540360). **Email address: [tim.sadler@whitehorsedc.gov.uk](mailto:tim.sadler@whitehorsedc.gov.uk)**.

**2.0 Recommendation**

*That the Senior Management Team's Corporate Governance exception report and proposals be noted;*

**3.0 Relationship with the Council's Vision, Strategies and Policies**

This report relates to the Council's Vision in that it supports all of its objectives and does not conflict with any Council Strategies. It supports all of the strands of the Vale Community Strategy.

**4.0 Exception Reports**

4.1 Corporate Priorities Report.

SMT decided that only one action needed to be highlighted from this report. This relates to action 4.2 – Transform Human Resource service into a Strategic Business Partner. Full

details of this action for improvement and progress against the milestones are included in Appendix A.

#### 4.2 Best Value Performance Indicator (BVPI) Report.

SMT agreed that there are five BVPIs which need to be reported to the Executive as exceptions. These are:

- BVPI 8 - % of invoices paid on time.
- BVPIs 82ai and ii - % and total tonnage of waste recycled
- BVPIs 84a a and b – household waste collected

Full details of performance during the first quarter and the appropriate comments are included in appendix A.

In addition SMT acknowledged the following areas of good performance:

- BVPI 82bi and ii - % and tonnage of Household waste composted (note that performance for this indicator is interlinked with that of BVPIs 82 and 84 referred to above). Performance was significantly above target during the first quarter and reflects the continued success of the 'Brown Bin' scheme
- BVPI 109 a-c – % of planning applications processed within specified time limits. There was a further significant improvement in performance during the first quarter and is significantly above target for all 3 parts of this indicator

The full version of the BVPI report has now been organised in a different way. Those that relate to Council priorities are included under the appropriate priority. The remainder are included under the heading 'General – non priority'.

#### 4.3 Service Prioritisation Plan (SPP) Progress Report

This is a new report and enables SMT to track progress against all of the SPPs agreed in the 2007/8 budget. Of the 24 SPPs agreed for 2007/8, 17 have already been implemented and a further 5 do not require any savings to be realised during 2007/8. There are no specific issues which need to be considered by the Executive.

#### 4.4 Summary of Sickness and Turnover Report

Sickness: Sickness is slightly up this quarter compared to the same quarter last year. There is no obvious trend, it appears to be a random variation. The totals for 2006/07 were significantly better than target. The new absence policy and procedure will be launched next month and should improve performance.

Turnover: Turnover is higher this quarter compared to the same quarter last year. This represents 11 staff leaving compared to 8 the previous year. There is no obvious trend, it appears to be a random variation. The totals for 2006/07 were significantly better than target.

#### 4.5 Financial Commentary to the end of July 2007

The commentary relates to the revenue budget only and the full version of the report (see section 1.1) follows the approved budget in style as it appears in "Yellow Pages". The variance shows a corporate underspend of £1,030,392.

Explanations of the main items are provided below. Detailed explanations should be discussed in the monthly performance management meetings held by Portfolio Holders and Deputy / Assistant Directors. Any significant variances which will impact the year-end position should continue to be reported by the appropriate Portfolio Holder to the Executive meeting.

### Contracts and Procurement Underspent by £860,000

The underspend is primarily due to outstanding supplier invoices from Veolia in respect of recycling, refuse collection and street cleansing. These three items account for £571,000 of the underspend. Accurate profiling is somewhat difficult due to the uncertainty of the timing of receipt of monthly invoices from the contractor for these services.

There is also an underspend on the three Leisure Centres amounting to £143,000, again due to awaiting receipt of invoices and to a lesser extent accruals brought forward into 2007-08.

### Housing and Community Safety Underspent by £246,000

A payment (income) of £423,000 has been received for renovation grants. This is for the whole of 2007-08 and will require the profile to be adjusted. This is currently producing an underspend of £420,000 on this service alone. This is somewhat offset by an 'overspend' on Temporary Accommodation of £140,000 due to no income being posted to the account. This has now been done in August and is up to date.

### Organisational Development and Support Underspent by £227,000

The main underspend here is £82,000 by ICT where accruals brought forward into 2007-08 have not yet been matched by a payment to a supplier. Likewise under printing there is an unmatched accrual of £23,000. Abingdon LSP is underspent by some £43,000 due to some projects being done later in the financial year rather than earlier. The profile will be adjusted accordingly.

### Planning and Community Strategy Overspent by £356,000

This is due to incorrect profiling on Development Control (over by £350,000). This will be corrected in time for the August budget monitoring report.

A large part of the Council's income is in the form of investment income and property income. Although there is some turbulence in the money market at present, it is anticipated that these two items will be on budget at year end.

Members will be aware that the Council has recently installed a new financial information system. This will provide better information to both the finance department and budget holders. The data provided by the new system is improving month by month as the initial transaction backlog is cleared and errors are corrected.

From September Members will be provided with not only the actuals to budget for the half year, but a projected outturn, and this will be featured until the year end.

TIM SADLER  
STRATEGIC DIRECTOR

### Background Papers:

All of the background reports detailed below can be viewed on the council's website as explained in section 1.1 of the report:

- Corporate Priorities Report
- Best Value Performance Indicator Report
- Service Prioritisation Plan Progress Report
- Summary of Sickness and Turnover Report
- Financial Commentary

**Appendix A - Senior Management Team Exceptions Report**

**Corporate Priorities Report**

	<b>Action for Improvement</b>	<b>Milestones</b>	<b>Timescale</b>	<b>Comments / Progress</b>	<b>Officer</b>
4.2	Transform HR Service into Strategic Business Partner	Review HR Service Update HR Service Plan with actions Deliver action plan  Review People Strategy, develop and implement action plan	June 2007 July 2007  July to March 2008          August 2007	Completed.  Completed.  Action plan agreed to develop the strategic business partner role of HR: <ul style="list-style-type: none"> <li>• Develop the HR Team as individuals and as a group, to gain a greater understanding of each other's styles and job roles;</li> <li>• Review HR processes and associated tasks to "free up" time to focus on the business partner role;</li> <li>• Conduct a customer survey to help shape the delivery of the HR business partner role;</li> <li>• Identify key competencies for all managers, develop those skills and enable the line to manage better through greater clarity of responsibility and understanding.</li> </ul> In view of the actions to develop the Strategic Partner role of HR, agreement to be obtained to review the People Strategy by 31.03.08	Tim Barnett

**Best Value Performance Indicators (see section 4.2)**

BVPI	Indicator Description	Tgt/ Ind	TQ 05/06	BQ 05/06	Actual 06/07	Quartile 06/07	Target 07/08	Actual Q1	Actual Q2	Actual Q3	Actual Q4	on/off Tgt	Comments	Trend
	<i>Cleaner, Greener, Healthier and Safer Priority</i>													
82ai	% of household waste recycled	T	20.87	14.22	22.81	T	25.00	22.47	0	0	0		While the tonnage collected for recycling is on target for the quarter, the green waste collected for composting has increased the waste arisings, thus reducing the percentage of recycled material	↓
82aii	Total tonnage of waste recycled	T	15126	6086	9689	M	10750	2494	0	0.0	0		The tonnage is only marginally below target for the first quarter	↓
82bi	% of household waste composted	T	13.05	3.54	6.3	M	6.00	10.17	0	0	0		(included to show overall picture)	↑
82bii	Total tonnage of waste composted	T	8770	1802	2665	M	3750	1128	0	0.0	0		(included to show overall picture)	↑
84a	Household waste collected (Kg per head of population)	I	393	478	366	T	369	94.9	0	0	0		Worse than target due to high growth in green waste. Unlikely to achieve target.	↓
84b	% change (from previous year) in the waste collected (KG per head per annum)	T	-3.74	1.31	4.2	B	1.20	3.04	0	0	0		See 84a	↓

BVPI	Indicator Description	Tgt/ Ind	TQ 05/06	BQ 05/06	Actual 06/07	Quartile 06/07	Target 07/08	Actual Q1	Actual Q2	Actual Q3	Actual Q4	on/ off Tgt	Comments	Trend
	<b>General - Non Priority</b>													
8	% Invoices paid on time	T	96.71	89.24	94.76	M	95.94	84.08	0	0	0		Below target performance linked to Agresso implementation issues. The Council and Capita are working to resolve the problems. Performance is improving and for the month of August it was 91.33%. It is not expected that the cumulative target will be met at the end of the year.	↓