



**Shared Services – Performance Management**

**Monitoring Report**

**February 2010**



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## IMPLEMENTATION & OVERVIEW – HEADLINES

Since the Joint Committee's last meeting:

- The implementation phase for sharing the Human Resources, Finance, ICT and Revenues & Benefits services is drawing to a close.
- Staff have been successfully relocated. Human Resources and Revenues & Benefits are now located in the Annex at Watford Town Hall. ICT and Finance occupy the 1<sup>st</sup> Floor of the West Wing at Three Rivers House.
- Data from the Civica revenues and benefits system, formerly used by Watford Borough Council, has been successfully transferred to the Capita system. The shared service is now harmonised on this system which went 'live' on 11 February 2010. Billing for Council Tax commences week beginning 1 March 2010, by which time it is intended that the backlog of Watford benefit cases will have been substantially cleared.
- The implementation of the new financial management system is progressing in line with the project plan. The system goes 'live' on 1 April 2010. Plans are in hand to close the 2009/10 accounts using the legacy systems by the end of June 2010.
- ICT links between Watford, Three Rivers and Apsley are in place. Shared Services staff have been migrated to the new Active Directory and rollout to remaining services at both councils is ongoing. Transition from the Three Rivers ITFM contract and TUPE arrangements are being progressed with Steria in line with the contract expiry on 31 March 2010.

## IMPLEMENTATION & OVERVIEW – SAVINGS – BUDGETARY CONTROL

Watford Borough Council agreed its budget on 27 January 2010. Three Rivers District Council agreed its budget on 16 February 2010. Both councils accepted the charges the Joint Committee proposed to make at its meeting on 3 December 2009 including the requests for revenue growth and capital investment.

The tables in this Monitoring Report give the approved budgets. There are no variances to report so soon after setting the budgets.

### Operating Costs

Code	Operating Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Expenditure					
	Human Resources	737,088	823,294	750,952	769,585	781,800
	ICT	1,837,784	1,801,885	1,496,347	1,528,634	1,559,900
	Finance	1,727,777	1,681,080	1,658,420	1,697,650	1,733,730
	Revenues	1,434,442	1,396,177	1,431,117	1,411,645	1,451,073
	Benefits	1,402,374	1,385,103	1,180,510	1,170,408	1,210,472
	Total	7,139,465	7,087,479	6,517,346	6,577,922	6,736,976
	Recharge to Councils					
	Three Rivers District Council	2,824,546	2,796,720	2,567,966	2,590,598	2,654,049
	Watford Borough Council	4,314,919	4,290,759	3,949,380	3,987,324	4,082,927
	Total	7,139,465	7,087,479	6,517,346	6,577,922	6,736,976

## Implementation Costs

Code	Implementation Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Revenue Implementation Costs					
	Programme Management	847,312	781,573	15,000	0	0
	Change Management	96,557	86,670	0	0	0
	Transitional Employee Costs	416,474	377,010	197,170	43,000	27,000
	Redundancy	258,414	346,115	0	0	0
	Pension Strain	0	35,000	452,366	0	0
	Total	1,618,757	1,626,368	664,536	43,000	27,000
	Recharge to Councils					
	Three Rivers District Council	501,815	504,174	206,006	13,330	8,370
	Watford Borough Council	1,116,942	1,122,194	458,530	29,670	18,630
	Total	1,618,757	1,626,368	664,536	43,000	27,000
	Capital Implementation Costs					
	Systems Implementation	588,914	1,013,618	0	0	0
	Total	588,914	1,013,618	0	0	0
	Recharge to Councils					
	Three Rivers District Council	182,563	314,222	0	0	0
	Watford Borough Council	406,351	699,396	0	0	0
	Total	588,914	1,013,618	0	0	0

There are no changes to report to implementation costs at this stage.

## INFORMATION & COMMUNICATION TECHNOLOGY – HEADLINES

Since the last progress report to Joint Committee,

The following progress has been made in respect of the IT Infrastructure:

- All Shared Services staff have been migrated to the new Active Directory (AD).
- AD migration for non-shared services Watford staff has commenced.
- Thin client (TS) testing at Three Rivers has been finalised and all Shared Service staff have the ability to work using this method.
- Watford Comms links have been moved to Apsley and 2<sup>nd</sup> phase of DMZ (internet facing servers) move completed.
- Watford is live with the new Capita Revenues & Benefits system. Gone live on Release 53.
- New ICT call logging software (Touchpaper) on track for its soft launch on 1<sup>st</sup> March 2010 and will go live on 1<sup>st</sup> April 2010.

The key activities are now:

- To complete WBC AD live migration and TRDC TS and AD rollout for TRDC.
- To finalise contract with HCC arrangements for staff to visit Apsley daily.
- To complete file, application and print server move to Apsley once contract finalised.
- Test upgrade to release 54 scheduled in with Capita for 24/02. Then test programme to be completed by R & B and then upgrade performed in Live again overnight.
- Progressing ICT tasks for Finance project.
- Incase (Fraud) installation scheduled for 10/03 this will provide an empty database for TRDC information to be stored
- Finalising Steria transition and TUPE arrangements.

Other work being progressed at both councils is :

- Completed joint PID and requirements specification documentation for WBC & TRDC E-petitions. Demos and workshops scheduled week commencing 22<sup>nd</sup> February.
- Scoping study for the mapping of Watford's open spaces for the LDF has been completed.
- Implementation of asset management system for Watford in progress.
- Infrastructure implementation for TRDC Total Land Charges project.



## INFORMATION & COMMUNICATION TECHNOLOGY – RESILIENCE

How Resilience will be Achieved	Completed ✓ / ✗	Progress to Date / Evidence of Completion / Comments
IT staff will cross-train each other to remove any single points of failure within the team. To this end, the Application Analyst team will be generic and will assist services on a number of different systems.	In progress	<ul style="list-style-type: none"> <li>• Handover of TRDC website maintenance being planned.</li> <li>• WBC staff have been trained on administration of TRDC applications.</li> <li>• Revenues &amp; Benefits admin tasks have been cross skilled within the team until handover to the department.</li> <li>• Plans to cross skill and add additional resilience for payment of BACS being progressed.</li> <li>• Steria transition project in progress and handover documents and tasks have been defined.</li> </ul>
Both authorities will be connected on a triangulated network to ensure availability and resilience in data traffic	✓	Completed, a 100Mbps radio connection between TRDC and WBC is in place and operational backed up by a 100 Mbps NTL line between TRDC. WBC has an existing and operational 100 Mbps connection to Apsley via the Hertfordshire backbone. This forms the triangulation which has been tested and is currently functioning.
The shared ICT service will benefit from accumulated learning and experience from previous projects, applications and infrastructure from the two Authorities.	In progress	This is ongoing; lessons learned from the implementation of previous projects are being applied to current and future projects.
Until 2010, the existing support contract with Steria at Three Rivers will run in parallel to the existing technical support team at Watford to ensure resilience during the heavy period of Shared Services implementation.	✓	Contract ends on 31/03/10. Meetings in progress to discuss TUPE of Steria staff to the Shared Services, key staff have been introduced to the current ICT team and have formed good relationships with them already.
Network connectivity allows either of the two council locations to be used for front-line staff in case of an emergency	✓	Complete

How Resilience will be Achieved	Completed ✓ / ✗	Progress to Date / Evidence of Completion / Comments
Continued alignment and harmonisation of systems and processes will bring further benefits and resilience to both councils.	In progress	<ul style="list-style-type: none"> <li>• Server maintenance contract - expiry has been aligned, will re-tender in 05/10.</li> <li>• GIS - expiry aligned to 31/03/10 when joint licence agreement will be negotiated.</li> <li>• Iron Mountain (TRDC tape storage) contract to be reviewed in 02/10.</li> <li>• WBC and TRDC Antivirus contracts have been aligned to run concurrently until end of Feb 2011. Negotiated 100 free clients for home users.</li> <li>• Joint project for procurement of an E-petitions system being progressed.</li> </ul>

**INFORMATION & COMMUNICATION TECHNOLOGY – IMPROVED PERFORMANCE – PERFORMANCE INDICATORS**

Ref	Description	Current Position						
KPI 1	Resolution of Reported Incidents	The target is to respond to pre-agreed timescales for 99% of the incidents that are presented. There has been a 100% resolution at TRDC to Quarter 3. Watford figures are unavailable from the current call logging system. Combined figures from the new system will be reported next year.						
KPI 2	Annual Customer Satisfaction	This is to measure the perception of the service from the end users point of view. A target score of 5.65 has been set for 2009/10. TRDC users have scored the service at 6.37. Figures for Watford will be available at the next update as an annual survey is due to go out this month. Future statistics will represent satisfaction figures for staff at each location rather than which Council they are employed by.						
KPI 3	Acquisition Cost of Workstation	This measures the cost of purchasing the asset and if the ICT team are utilising purchasing processes effectively. The target cost is £665. Actual costs to Quarter 3 are: TRDC £564, Watford £520.						
KPI 4	Service Availability	<p>This measures the availability of the ICT service to users during core working hours. The target is 99%. Figures for TRDC are:-</p> <table border="1" data-bbox="969 871 1402 948"> <thead> <tr> <th data-bbox="969 871 1115 911">Qtr 1</th> <th data-bbox="1115 871 1261 911">Qtr 2</th> <th data-bbox="1261 871 1402 911">Qtr 3</th> </tr> </thead> <tbody> <tr> <td data-bbox="969 911 1115 948">99.95%</td> <td data-bbox="1115 911 1261 948">99.90%</td> <td data-bbox="1261 911 1402 948">100.00%</td> </tr> </tbody> </table> <p>Watford figures are unavailable from the current call logging system.</p>	Qtr 1	Qtr 2	Qtr 3	99.95%	99.90%	100.00%
Qtr 1	Qtr 2	Qtr 3						
99.95%	99.90%	100.00%						
KPI 5	Cost per Connection to Voice Network	The is an annual figure that will be calculated at year end.						

Ref	Description	Current Position						
KPI 7	User Satisfaction (Currently TRDC KPI 1)	<p>This measures the extent to which users are satisfied with the ICT services they receive. The target score is 5.65. Figures for TRDC are:-</p> <table border="1" data-bbox="972 328 1402 405"> <thead> <tr> <th data-bbox="972 328 1115 363">Qtr 1</th> <th data-bbox="1115 328 1258 363">Qtr 2</th> <th data-bbox="1258 328 1402 363">Qtr 3</th> </tr> </thead> <tbody> <tr> <td data-bbox="972 363 1115 405">7</td> <td data-bbox="1115 363 1258 405">7</td> <td data-bbox="1258 363 1402 405">6</td> </tr> </tbody> </table> <p>This is based on customer surveys sent after each call has been fixed. Figures for Watford are unavailable due to limitations in the current system. The new call logging system will allow for this to be reported from Qtr 1 of 2010/11</p>	Qtr 1	Qtr 2	Qtr 3	7	7	6
Qtr 1	Qtr 2	Qtr 3						
7	7	6						
KPI 8	Project Price, Time, Quality Matrix Met	<p>This asks whether the service provided by ICT supported the customers' goals and objectives and whether the project was successful (i.e. within time, budget and quality). The measure will be reported from 2010/11 in respect of projects identified within the ICT Service Plan.</p>						
KPI 9	Successful Recovery of Key Services as stated in Emergency Plan	<p>This asks the question whether the service provided by ICT supported the customers' goals and objectives. The target is 100%. A score of 85% was recorded from the last Disaster recovery Test at TRDC. A Watford DR test will be conducted in the next financial year.</p>						

## INFORMATION & COMMUNICATION TECHNOLOGY – SAVINGS – BUDGETARY CONTROL

The councils have agreed revenue growth in respect of:-

- PCI Compliance, Health Checks, Web Filter Maintenance, Vulnerability Scanner, Firewall Maintenance and 10 VPN Licences for dedicated connection needed to conform to Government Connect (CoCo) Requirements (£52,000 per annum), and
- Touchpaper call logging system licences (£10,000 per annum).

### Operating Costs

Code	Operating Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Expenditure					
	Employees	988,239	1,012,664	1,069,447	1,101,734	1,133,000
	Transport	7,656	2,870	7,000	7,000	7,000
	Supplies & Services	372,019	430,225	419,900	419,900	419,900
	Contracted & Agency Services	469,870	392,370	0	0	0
	Income	0	0	0	0	0
	Charge to Watford Borough Council (virements not done before client\shared services split)		-36,244			
	Total	1,837,784	1,801,885	1,496,347	1,528,634	1,559,900
	Recharge to Councils					
	Three Rivers District Council	735,114	720,754	598,539	611,454	623,960
	Watford Borough Council	1,102,670	1,081,131	897,808	917,180	935,940
	Total	1,837,784	1,801,885	1,496,347	1,528,634	1,559,900

## Implementation Costs

Code	Implementation Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Revenue Implementation Costs					
	Programme Management	115,590	142,150	15,000	0	0
	Change Management	28,005	0	0	0	0
	Transitional Employee Costs	0	0	0	0	0
	Redundancy	0	0	0	0	0
	Pension Strain	0	0	0	0	0
	Total	143,595	142,150	15,000	0	0
	Capital Implementation Costs					
	Systems Implementation	0	81,192	0	0	0
	Total	0	81,192	0	0	0

The councils have agreed capital investment in respect of:-

- Implementation of new SAN in order to cope with increased data storage requirements of current systems and to enable virtualisation in order to reduce the overall amount of servers required to run applications at both councils (£100,000 in 2010/11)
- Human Resources Continued Professional Development Module – an on-line module for Organisational Development Section to log and track professional development including staff appraisals.
- Hardware replacement programme (printers, PCs and servers)

## FINANCE – HEADLINES

Since the Joint Committee last met the following progress has been made:

### **Internal Audit**

Agreement was reached with Deloitte Touché (contracted with Three Rivers) to carry out 2009/10 internal audits for Watford thus avoiding duplication, improving internal efficiencies and meeting external audit requirements more effectively.

Obtained day rates from a range of providers for bought in services for 2010/11.

Anti-Fraud and Corruption Strategy / Whistle-blowing has been examined, rewritten and approved by Watford Audit Committee on 13 January 2010. This will be reported to Three Rivers Audit Committee on 31 March 2010.

Planning for the 2010/11 audits including discussions with relevant Heads of Service for both Watford and Three Rivers has been completed and will be reported to Watford Audit Committee on 17 March 2010 and Three Rivers on 31 March 2010.

Internal Audit terms of reference (role and responsibilities) will be reported to Watford Audit Committee on 17 March 2010 and Three Rivers on 31 March 2010.

Internal Audit is relocating to Rickmansworth at the end of March and this is being coordinated by the Facilities Teams at both Councils.

### **Fraud**

Evaluation of both Councils' respective Fraud systems has been completed and the chosen option is being implemented.

Ant-Fraud and Corruption Strategy / Whistle-blowing has been examined, rewritten and approved by Watford Audit Committee on 13 January 2010. This will be reported to Three Rivers Audit Committee on 31 March 2010. Training sessions are currently being planned for staff in both Councils.

## **Accountancy**

International Financial Reporting Standards – progress continues to be made. Following the Impact Assessment, a project plan was devised and resources allocated to achieve the milestones. Liaison has been continuing with Grant Thornton, the external auditors, and progress reports have been made to both Audit Committees.

External Audit –arrangements have been made for both Councils interim audit visits in March 2010. The interim visits will be looking at:

- documenting key financial systems
- performing walkthroughs of the systems
- carrying out the use of resource assessment

Work is continuing on the closing programmes for the 2009/10 accounts and the production of the Financial Statements.

### **Financial Management System –**

Finance Managers have written and tested interfaces

Chart of Accounts completed and comprehensive code conversion code for Watford finalised in readiness for loading transactions from existing FMSs to COA (the new FMS)

Fixed Assets - work progressing, opening Balance Sheet loaded and reconciled for Watford

User Acceptance Testing for Account Payable and Accounts Receivable progressing well, general ledger UAT to be completed

Collaborative Planning (lower priority) proving complex to implement/understand

Training dates for Accounts Payable and Accounts Receivable agreed

Accountancy went into the Shared Service arrangement with 5.5 vacant posts (30% of the establishment). Advertisements were published in mid-January. Following the closing date, applicants were shortlisted. Interviews have been completed for three Senior Accountants', a Treasury and Technical assistant and part-time Insurance Officer. In all cases job offers have been made and accepted. The situation regarding the remaining vacancies will be updated at the meeting.

The opportunity has been taken to carry out an early review of income management and proposals will be forwarded to the Shared Services Management Team. Progress will be reported at the meeting.



**FINANCE – RESILIENCE**

How Resilience will be Achieved	Completed ✓ / x	Progress to Date / Evidence of Completion / Comments
Intensive training to address limited VAT expertise	x	This will progress following the completion of the recruitment process.
Vacancies, Long-Term Absences and Holiday periods are closely managed	✓	Long term vacancies have been resolved following a successful recruitment campaign.
Generic job descriptions for posts of Finance Manager, Senior Accountants who will rotate on a three-yearly cycle and be re-assigned to services, functions and reporting staff. This practice should mitigate the effects of lean staffing and provide flexibility for wider team working and to provide cover during times of absence	✓	<p>Evidence of success will be that the following critical tasks will be completed satisfactorily within timescales:</p> <ul style="list-style-type: none"> <li>• Budget estimates, budget setting, monitoring and forecasting</li> <li>• Closing accounts, preparations and publication of Financial Statements</li> <li>• Implementation of Financial Management System</li> <li>• Streamlined management of external audit process</li> </ul> <p>It is expected that staff rotation will commence before Autumn 2010</p>
Senior Accountancy Assistant and Accountancy Assistant will cover both Accounts Payable and Income when required	x	This will progress following the completion of the recruitment process.
Specialist skill areas such as Insurance and Treasury, shadowing will occur to widen and strengthen the knowledge base.	Ongoing	This will progress following the completion of the recruitment process.

<b>How Resilience will be Achieved</b>	<b>Completed ✓ / x</b>	<b>Progress to Date / Evidence of Completion / Comments</b>
Internal Audit and Fraud Teams operating with flat structures	✓	Evidence of success will be that the following critical tasks will be completed satisfactorily within timescales: <ul style="list-style-type: none"> <li>• Strategic Internal Audit planning</li> <li>• Continuous internal audit</li> <li>• One internal audit team with the flexibility to buy in specialist resources</li> <li>• Common systems, procedures and harmonisation</li> </ul>
Harmonisation of Procedures	Ongoing	Evidence of success will be that the following critical tasks will be completed satisfactorily within timescales: <ul style="list-style-type: none"> <li>• Common financial procedures will be necessary for efficient use of resources</li> <li>• Review of accounting policies and procedures</li> </ul>

**FINANCE – IMPROVED PERFORMANCE – PERFORMANCE INDICATORS**

<b>Ref</b>	<b>Description</b>	<b>Current Position</b>
FN01	Budget Monitoring & Setting Timetable agreed prior to financial year	Annual Measure (Not Yet Due)
FN02	Monthly Bank & System Reconciliations performed and signed off within 10 days of period end	Bank Reconciliations are up to date but sign off procedure not in place.
FN02	Budget Changes uploaded to FMS within 2 days of approval	This is being achieved
FN02	Third Party Payments are made to statutory deadlines and for other parties within 10 days of month end	This will become an automatic process when new FMS goes live
FN03	Revenue Out-turn within range of -3% to 0% of original budget	Annual Measure (Not Yet Due)
FN03	Capital Out-turn within range of -3% to 0% of original budget	Annual Measure (Not Yet Due)
FN03	Budget Monitoring & Budget Setting Timetables are met	Annual Measure (Not Yet Due)
FN04	Cumulative ongoing cashable efficiency gains are achieved (NI179)	Annual Measure (Not Yet Due)
FN04	Statements of Account approved by 30 <sup>th</sup> June by Audit Committees with no material errors and published with unqualified audit opinion by 30 <sup>th</sup> September	Annual Measure (Not Yet Due)

<b>Ref</b>	<b>Description</b>	<b>Current Position</b>
FN04	Use of Resources – Level 3 achieved for Managing Finances	Annual Measure (Not Yet Due)
FN05	Revenue Account (RA) Form returned by government specified date	Annual Measure (Not Yet Due)
FN05	Revenue Summary (RS) Form returned by government specified date	Annual Measure (Not Yet Due)
FN05	Capital Out-turn (CO) Form returned by government specified date	Annual Measure (Not Yet Due)
FN06	Percentage User Satisfaction with Financial services	Annual Measure (Not Yet Due)
FN07	Insurance – Customer Satisfaction	Annual Measure (Not Yet Due)
FN07	Insurance – Successful defence of claims	Annual Measure (Not Yet Due)
FN07	Insurance – Correspondence answered within 10 working days	Annual Measure (Not Yet Due)
FN08	Average Investment Interest Rate to be no less than 0.12% different from average Base Rate	Annual Measure (Not Yet Due)
FN09	Percentage of Undisputed Invoices Paid within 30 days	Former BVPI 8. Data to be presented orally at the meeting

<b>Ref</b>	<b>Description</b>	<b>Current Position</b>
FN09	Percentage of Invoices Paid by BACS	Former BVPI 8. Data to be presented orally at the meeting
FN09	Percentage of purchasing conducted electronically (E-mail orders)	Former BVPI 8. Data to be presented orally at the meeting
FN10	Achievement of Annual Internal Audit Plan	Annual Measure (Not Yet Due)
FN11	Anti-Fraud – Number of Investigations	Annual Measure (Not Yet Due)
FN11	Anti-Fraud – Number of Investigators	Annual Measure (Not Yet Due)
FN11	Anti-Fraud – Number of Sanctions	Annual Measure (Not Yet Due)
FN12	Allegations of corporate fraud – Investigations to be commenced within 5 days of referral	Annual Measure (Not Yet Due)

## FINANCE – SAVINGS – BUDGETARY CONTROL

The councils have agreed a revenue growth item of £5,400 per annum in respect of professional training.

### Operating Costs

Code	Operating Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Expenditure					
	Employees	1,426,375	1,367,400	1,420,550	1,462,680	1,501,760
	Transport	19,772	20,670	23,170	23,170	23,170
	Supplies & Services	159,130	223,510	174,700	171,800	168,800
	Contracted & Agency Services	122,500	69,500	40,000	40,000	40,000
	Income	0	0	0	0	0
	Total	1,727,777	1,681,080	1,658,420	1,697,650	1,733,730
	Recharge to Councils					
	Three Rivers District Council	691,111	672,432	663,368	679,060	693,492
	Watford Borough Council	1,036,666	1,008,648	995,052	1,018,590	1,040,238
	Total	1,727,777	1,681,080	1,658,420	1,697,650	1,733,730

## Implementation Costs

Code	Implementation Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Revenue Implementation Costs					
	Programme Management	220,230	204,430	0	0	0
	Change Management	0	0	0	0	0
	Transitional Employee Costs	358,010	358,010	149,170	0	0
	Redundancy	0	0	0	0	0
	Pension Strain	0	0	0	0	0
	Total	578,240	562,440	149,170	0	0
	Capital Implementation Costs					
	Systems Implementation	309,650	302,050	0	0	0
	Total	309,650	302,050	0	0	0

## HUMAN RESOURCES – HEADLINES

Since the Joint Committee last met in December:

The following progress has been made:

- Meeting held with Northgate in January to improve the customer service and communication.
- All appeals for roles in Shared Services completed with the exception of 1 role in revenue and benefits
- Induction days held in both Councils for staff to introduce them to their “new” Council
- HR Manager role advertised and 4 candidates short listed for final selection on 22<sup>nd</sup> and 26<sup>th</sup> February
- 3<sup>rd</sup> Party payments now managed by Northgate from February for Watford and from March for Three Rivers, so there is no longer a manual intervention required.

The key activities are now:

- Undertake a harmonisation project covering terms and conditions of service in both Councils. The start date will be 1 March and it is estimated this will take 6 months.
- Complete the remaining 4 modules of ResourceLink. The last module is scheduled for summer 2010.
- To resolve the outstanding appeal in Revenue and Benefits (this will be completed by mid March)
- To overcome the report writing difficulties experienced to date and produce performance indicators on a regular basis.
- To ensure the appraisal process is monitored in both Councils and feedback provided to senior management so that a 100% completion rate can be achieved.



## HUMAN RESOURCES – RESILIENCE

How Resilience will be Achieved	Completed ✓ / x	Progress to Date / Evidence of Completion / Comments
Multi-skilled first line enquiry service to provide cover throughout operating hours.	Ongoing	<p>HR staff provide a service from 8.00 am until 5.30 pm although for Three Rivers this may be via telephone or email at certain times.</p> <p>Difficulty with IT system has resulted in staff being unable to access the “other” Council data and therefore this has led to a delay in exchanging knowledge between the two HR Advisers and therefore allow them to be completely interchangeable.</p> <p>A revised plan is in place to ensure the effective transfer of knowledge between the two employees and in the meantime resilience is provided by HR Business Partners, who have knowledge of the role and cover in periods of absence or leave.</p>
Transfer of common transactions to a self-service model using an integrated HR system that staff and manager can access.	Ongoing	<p>The first stage of ResourceLink involving access to online pay slip and personal details has been completed.</p> <p>There are two further modules currently under production. These are Learning and Development and Expenses/Annual Leave booking. Progress is well advanced and both modules should be available by April. The final Module, which will allow for on-line appraisals, will be introduced in the summer, ready for on-line appraisal to go live in 2011.</p>
HR Business Partners to provide support across both Councils	✓	<p>The HR Business partner job description has been agreed and the HR BP team selected. Cross training is taking place and integration of the HR Business Partner to the “new” Council is underway. For example a Watford HRBP has been attending David Gardner’s Section Heads’ Meeting and her Three Rivers counterpart supporting IT with Watford staffing issues, requiring knowledge of Watford policies</p>

## HUMAN RESOURCES – IMPROVED PERFORMANCE – PERFORMANCE INDICATORS

There have been considerable problems with the provision of meaningful reports and performance indicators following the transfer to Northgate, however, these are now resolved and new reports are in the process of being set up. This should allow for future reporting to take place on a regular basis from March.

The data that can be provided at present is:

### Appraisal completion 2008/09 year

IT	0.00%	Previous Head of Service in Watford did not complete appraisals before leaving. It is not possible for the new Head of Service to complete these outstanding appraisals. This situation will not be repeated in 2009/10 and appraisals will be completed for all staff.
Finance	31.25%	The Shared Services project and workload has had an adverse impact on managers and many appraisals are outstanding as a result. This situation will not be repeated in 2009/10 and appraisals will be completed for all staff.
Revenue and Benefits	43.24%	Similar to Finance. The Revenue and Benefits project required significant input from management which adversely affected their ability to conduct appraisals. This situation will not be repeated in 2009/10 and appraisals will be completed for all staff.
HR	100.00%	It was made a condition of leaving that the HR Manager had to complete all outstanding appraisals before leaving the Council

Sickness Absence Data – to be verbally updated at the meeting

Staff turnover figures – to be verbally updated at the meeting

Cost of HR staff per employee – this is an annual figure and CIPFA provide the report following submission of our data in June/July. The report is generally available around August/September and provides a comparison against other Shire Councils. This year will be the first submission as a Shared Service.

All other reports will be provided for future Joint Committee meetings once the difficulty in generating the data to populate the report has been resolved.

## HUMAN RESOURCES – SAVINGS – BUDGETARY CONTROL

The councils have agreed capital investment of £10,000 in respect of a continued professional development module for the organisational Development Section to log and track professional development including appraisals. The on-going licence and maintenance costs of £4,500 per annum are included in the table below.

### Operating Costs

Code	Operating Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Expenditure					
	Employees	636,078	723,024	63,532	654,165	666,380
	Transport	8,970	5,000	5,000	5,000	5,000
	Supplies & Services	21,620	30,775	22,620	19,620	19,620
	Contracted & Agency Services	95,000	81,000	96,000	96,000	96,000
	Income	-24,580	-16,505	-5,200	-5,200	-5,200
	Total	737,088	823,294	750,952	769,585	781,800
	Recharge to Councils					
	Three Rivers District Council	235,868	263,454	240,305	246,267	250,176
	Watford Borough Council	501,220	559,840	510,647	523,318	531,624
	Total	737,088	823,294	750,952	769,585	781,800

## Implementation Costs

Code	Implementation Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Revenue Implementation Costs					
	Programme Management	312,546	274,026	0	0	0
	Change Management	68,553	86,670	0	0	0
	Transitional Employee Costs	58,464	19,000	48,000	0	0
	Redundancy	258,414	346,115	0	0	0
	Pension Strain	0	35,000	452,366	0	0
	Total	697,977	760,811	500,366	0	0
	Capital Implementation Costs					
	Systems Implementation	0	120,940	0	0	0
	Total	0	120,940	0	0	0

## REVENUES & BENEFITS – HEADLINES

Since the Joint Committee last met:

The following progress has been made:

- The Capita system is operational and all staff are now working on one system.

The key activities are now:

- To test the integration portal so that we can transfer agreed first-line enquiries to the Customer Services Centres.
- To continue to build experience and knowledge of the new system for staff.
- To extend mobile working so that we can visit as many new claimants at home as possible in order to speed up processing times

## REVENUES & BENEFITS – RESILIENCE

How Resilience will be Achieved	Completed ✓ / x	Progress to Date / Evidence of Completion / Comments
Across all the service teams in shared services, the larger overall size of each team will increase the resilience of the service. This will be further enhanced through the proposal to multi skill many 1st line support staff in all the shared services so that customer service is not compromised through any one person being out of the office.		
The multi-skilling approach will also provide flexibility to reallocate workload and provide cover during holiday periods and sickness absence.		
Being part of a larger team will also increase the pool of knowledge and expertise that councils can access as well as providing more opportunities to train and develop staff, which will improve retention.		
Flexible and remote/mobile work practices are likely to be easier to introduce with a larger sized team.	In progress	We now have two benefit officers who are 'mobile' and are visiting new claimants at home. We are currently recruiting to two benefit officer vacancies and one of these appointments will be as a third mobile benefits officer.
Greater cover should enable leave and training to be scheduled more easily without detriment to the service.		
There will be a greater resource to meet changes.		
NNDR where both councils have one officer only dealing with this and in their absence no substantial cover. Skills and knowledge in NNDR will be transferring to billing officers.		The first step in this is to ensure that billing and NNDR officers are confident using the Academy system.
Quality and training officers will predominantly be working on benefits but will have exposure to revenues work also.		We have three officers in this role and for the first will be able to introduce a structured quality checking regime.

<p>Reconciliations on council tax refunds, direct debits etc. are currently done by one officer in TRDC, and have been delayed when that officer is absent or busy on other matters, leading to criticism by auditors. The shared service will be adopting the WBC approach where work is done by billing officers. The test that this has achieved greater resilience will be reconciliations always being performed on time.</p>		
<p>Recovery staff will deal with a diversity of collection – council tax, NNDR and housing benefit overpayments.</p>		

**REVENUES & BENEFITS – PERFORMANCE INDICATORS**

Ref	Description	Current Position																																			
NI 180	Changes in Housing Benefit/Council Tax Benefit new claims and change events	New Indicator. To be updated at the meeting																																			
NI 181	Time taken to process Housing Benefit / Council Tax Benefit new claims and change events	<table border="1" data-bbox="1019 475 1774 590"> <thead> <tr> <th>Outcome</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>TRDC</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Watford</td> <td>30.09 days</td> <td>33.76 days</td> <td>41.72 days</td> <td></td> </tr> </tbody> </table> <p data-bbox="1019 627 1594 657">New Indicator. To be updated at the meeting</p>	Outcome	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC					Watford	30.09 days	33.76 days	41.72 days																					
Outcome	Qtr 1	Qtr 2	Qtr 3	Qtr 4																																	
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Watford	30.09 days	33.76 days	41.72 days																																		
RB 1	The percentage of council tax collected	<table border="1" data-bbox="1019 694 1736 965"> <thead> <tr> <th>Target</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>TRDC</td> <td>29.87%</td> <td>57.90%</td> <td></td> <td>98.70%</td> </tr> <tr> <td>Watford</td> <td>27.00%</td> <td>53.00%</td> <td>80.00%</td> <td>97.00%</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th>Outcome</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> <tr> <td>TRDC</td> <td>29.70%</td> <td>60.03%</td> <td>86.40%</td> <td></td> </tr> <tr> <td>Watford</td> <td>27.40%</td> <td>54.70%</td> <td>81.70%</td> <td></td> </tr> </tbody> </table>	Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC	29.87%	57.90%		98.70%	Watford	27.00%	53.00%	80.00%	97.00%						Outcome	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC	29.70%	60.03%	86.40%		Watford	27.40%	54.70%	81.70%	
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RB 2	The percentage of NNDR collected	<table border="1" data-bbox="1019 1034 1774 1305"> <thead> <tr> <th>Target</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>TRDC</td> <td>37.89%</td> <td>63.48%</td> <td></td> <td></td> </tr> <tr> <td>Watford</td> <td>31.50%</td> <td>60.00%</td> <td>88.00%</td> <td>99.80%</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th>Outcome</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> <tr> <td>TRDC</td> <td>35.20%</td> <td>61.30%</td> <td>86.50%</td> <td></td> </tr> <tr> <td>Watford</td> <td>30.50%</td> <td>58.50%</td> <td>87.20%</td> <td></td> </tr> </tbody> </table>	Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC	37.89%	63.48%			Watford	31.50%	60.00%	88.00%	99.80%						Outcome	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC	35.20%	61.30%	86.50%		Watford	30.50%	58.50%	87.20%	
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Ref	Description	Current Position																																			
RB 3	Speed of processing: average time for processing new benefit claims (days)- The average processing time taken for all new Housing Benefit and Council Tax Benefit (HB/CTB) claims submitted to the Local Authority, for which the date of decision is within the financial year being reported.	<table border="1" data-bbox="1019 272 1774 539"> <thead> <tr> <th>Target</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>TRDC</td> <td>18 days</td> <td>18 days</td> <td>18 days</td> <td>18 days</td> </tr> <tr> <td>Watford</td> <td>28 days</td> <td>28 days</td> <td>28 days</td> <td>28 days</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th>Outcome</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> <tr> <td>TRDC</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Watford</td> <td>47.8 days</td> <td>60.9 days</td> <td></td> <td></td> </tr> </tbody> </table> <p data-bbox="1019 576 1406 608">To be updated at the meeting.</p>	Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC	18 days	18 days	18 days	18 days	Watford	28 days	28 days	28 days	28 days						Outcome	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC					Watford	47.8 days	60.9 days		
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RB 4	Speed of processing: average time for processing notifications of changes in circumstances (days) : The average processing time taken for all written notifications to the Local Authority of changes to a claimant's circumstance that require a new decision on behalf of the Authority.	<table border="1" data-bbox="1019 679 1774 946"> <thead> <tr> <th>Target</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> </thead> <tbody> <tr> <td>TRDC</td> <td>6.2 days</td> <td>6.2 days</td> <td>6.2 days</td> <td>6.2 days</td> </tr> <tr> <td>Watford</td> <td>11.0 days</td> <td>7.25 days</td> <td>7.0 days</td> <td>7.0 days</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th>Outcome</th> <th>Qtr 1</th> <th>Qtr 2</th> <th>Qtr 3</th> <th>Qtr 4</th> </tr> <tr> <td>TRDC</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Watford</td> <td>24.2 days</td> <td>31.4 days</td> <td></td> <td></td> </tr> </tbody> </table> <p data-bbox="1019 983 1406 1015">To be updated at the meeting.</p>	Target	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC	6.2 days	6.2 days	6.2 days	6.2 days	Watford	11.0 days	7.25 days	7.0 days	7.0 days						Outcome	Qtr 1	Qtr 2	Qtr 3	Qtr 4	TRDC					Watford	24.2 days	31.4 days		
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RB 5	Accuracy of processing: Percentage of cases for which the calculation of the amount of benefit due was correct on the basis of the information available for the decision for a sample of cases checked post-decision	<p data-bbox="1019 1086 2040 1182">The Committee set a target of 99.2%. It has already been agreed at Watford that this indicator has not been reported since 1 April 2008.</p>																																			

Ref	Description	Current Position
RB 6	Amount of housing benefit overpayments (HB) recovered during the period being reported on as a percentage of HB deemed recoverable overpayments during that period	To be updated at the meeting.
RB 7	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.	To be updated at the meeting. It has already been agreed at Watford that this indicator has not been reported since 1 April 2008.
RB 8	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.	To be updated at the meeting. It has already been agreed at Watford that this indicator has not been reported since 1 April 2008.
RB 9	Percentage by numbers of customers (net of full benefit and exemptions) of council tax collected by direct debit	To be updated at the meeting. This has been something that Watford councillors have been keen to see in past years but has not been reported at Three Rivers. Watford collected 64.28% by this method in Quarter 1.

## REVENUES & BENEFITS – SAVINGS – BUDGETARY CONTROL

### Operating Costs

Code	Revenues – Operating Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Expenditure					
	Employees	1,170,571	1,150,914	1,155,132	1,135,660	1,175,088
	Transport	8,761	8,761	8,761	8,761	8,761
	Supplies & Services	192,490	236,442	267,224	267,224	267,224
	Contracted & Agency Services	82,420	0	0	0	0
	Income	(19,800)	0	0	0	0
	Total	1,434,442	1,396,117	1,431,117	1,411,645	1,451,073
	Recharge to Councils					
	Three Rivers District Council	559,432	544,486	558,136	550,542	565,918
	Watford Borough Council	875,010	851,631	872,981	861,103	885,155
	Total	1,434,442	1,396,117	1,431,117	1,411,645	1,451,073

Code	Benefits – Operating Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Expenditure					
	Employees	1,276,164	1,293,680	1,048,176	1,038,074	1,078,139
	Transport	14,330	14,330	14,330	14,330	14,330
	Supplies & Services	110,930	245,035	118,004	118,004	118,004
	Contracted & Agency Services	950	0	0	0	0
	Income	0	(167,942)	0	0	0
	Sub-Total	1,402,374	1,385,103	1,180,510	1,170,408	1,210,473
	Recharge to Councils					
	Three Rivers District Council	603,021	595,594	507,619	503,275	520,503
	Watford Borough Council	799,353	789,509	672,891	667,133	689,970
	Sub-Total	1,402,37	1,385,103	1,180,510	1,170,408	1,210,473
	Total	0	0	0	0	0

### Implementation Costs

Code	Implementation Costs	2009/10 Original £	2009/10 Revised £	2010/11 Original £	2011/12 Forecast £	2012/13 Forecast £
	Revenue Implementation Costs					
	Programme Management	198,946	160,967	0	0	0
	Change Management	0	0	0	0	0
	Transitional Employee Costs	0	0	0	0	0
	Redundancy	0	0	0	0	0
	Pension Strain	0	0	0	0	0
	Total	198,946	160,967	0	0	0
	Capital Implementation Costs					
	Systems Implementation	279,264	509,436	0	0	0
	Total	279,264	509,436	0	0	0