



RESOURCES DIRECTORATE

ANNUAL REPORT 2006/07



Director's Foreword

Service planning within the resources directorate is improving every year. Our service plans for 2007 – 2010 were put together with more involvement from everyone who works in the directorate than ever before, and the end result was a set of plans that are consistent in style and content **and** that met the corporate standards.

This is the first time that we have produced an annual report highlighting our achievements for last financial year and our priorities for the coming year. I hope to use the document to spread the word both within the directorate and across the council about the important role resources has to play in the council's overall success as an organisation.

The last 12 months have been extremely busy for everyone with lots of changes in the way we are organised. But the results outlined in this annual report show that the upheaval has been worth the effort with significant improvement in performance and value for money in many areas already happening. That's good for the directorate, the council and more importantly the people and communities who live in Herefordshire.

I want to thank everyone for his or her contribution to a very successful year. I look forward to another exciting year as we continue to work together to support corporate priorities.

With thanks.

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Director of resources

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Asset Management and Property Services

Key Contacts



Role of the Service

- Architecture, Asset Management, Building Maintenance and Estate Management, Facilities Management and Custodian Services.

- To manage all aspects of the Council's property holdings including schools, office and administrative buildings, training centres, farms, woodlands, industrial estates, libraries, public toilets, listed buildings, market halls and monuments.
- Projects are managed for external clients including Colleges of Further Education and Aided School Governors.
- Facilities Management for Plough Lane offices and Schools including grounds maintenance, catering and cleaning.
- All aspects of Asset Management and Property Information.

Achievements in 2006/07

Capital Section

A number of large capital schemes have been completed in the last 12 months, these include:

- a new sports hall at Weobley High and Kingstone High schools;
- the conversion of Kington Library into an Info Centre and Library;
- the upgrading of the Info accommodation in both Hereford and Ledbury;
- a number of extensions to existing schools including a classroom at Stretton

- Sugwas Primary and a nursery at Kington Primary.

In addition the new PFI (Private Finance Initiative) funded Whitecross High school opened and has been successful in receiving a number of awards. The procurement process is also detailed in the DfES "Good Practice" Guide.

Work is progressing on a new Museum store in Friars Street, Hereford and a planning application has been submitted for a new crematorium.

Restructuring

Corporate Management Board and Cabinet support for developing the strategic aspects of the former Property Services was secured, including additional funding to create the service.

Property Management

There have been two major advances in the expansion of the Rotherwas Industrial Estate in Hereford. Agreement has been reached on a Rotherwas Futures Plan with Advantage West Midlands and work has commenced on the construction of a new Rotherwas access road after the successful acquisition of the necessary land.

Asset Management and Property Services Cont.

Property Management Cont.

There have been a number of very successful property disposals including two office buildings in St Owen Street that raised in excess of £1 million and the ladies' toilets in Union Street that were sold by auction for £260,000.

The Smallholdings Estate has had a very successful year with capital receipts for disposals exceeding £1 million. Arrears in rent have been almost eliminated and all holdings are tenanted.

Maintenance Section

In accordance with the Performance Indicators, 70% of the maintenance programme was committed by 30th September, 2006. The works included a number of major curtain walling replacement schemes at Weobley High and Kingstone High schools.

The programme for upgrading public toilets has continued with a new toilet block in Gaol Street car park, Hereford and refurbishment work at Union Street toilet, Hereford is still progressing.

Upgrading work to bring the Council's public buildings up to the requirements of the Disability Discrimination Act have continued and by 31st March, 2007 in excess of 63% of the Council's buildings with public access conformed to this requirement. One high profile scheme is a new lift at the Shirehall, Hereford.

Maintenance have also been involved in Energy Conservation work which has included a new pool cover at the learner pool for schools.

Facilities Management

Monitoring of grounds, catering and cleaning contracts have continued throughout the year and all targets have been met. A new Facilities Manager has been appointed to look after the main administration buildings in Hereford, including Plough Lane. The Catering Officer is now involved in a number of major catering initiatives, including nutritional standards, Food Miles and Healthy Schools.

Land and Property Information

The 2006/07 Asset Management Plan was completed by the deadline of 31st July, 2006 and all the data collecting processes including conditions and asbestos reached the required 20%.

A workshop was held with Adult and Community Services Directorate to discuss their property needs and a number of Property Review reports were produced.

Custodians

The Custodians have continued to provide support at all the main administration buildings. There have been improvements in both the security arrangements at a number of buildings and Health & Safety issues.

Finally, the Town Hall Council Chamber and Assembly Room have now been promoted as a venue for weddings.

Key Priorities For 2007/08

Service Restructure

The restructuring of Asset Management and Property Services to provide both an operational and strategic direction is continuing. A new Head of Service is in post, as is the Property Operations Manager. Job evaluation for the next tier of managers is proceeding.

Asbestos Policy

Recent changes to the Asbestos Regulations has introduced a greater

Asset Management and Property Services Cont.

Asbestos Policy Cont.

responsibility for the management of asbestos within buildings. As a consequence a management plan for all Council sites is being prepared.

Partnership Working Arrangements

In consultation with the Partnership Manager a review is being undertaken of the Performance Indicators for the Partnership and how these can be more focussed to service delivery.

Supporting the Capital Programme

The Council has an ambitious capital programme that will require design and technical support including:

- Edgar Street Grid Regeneration Area;
- Livestock Market replacement;
- Rotherwas Futures;
- The Minster high school replacement;
- Riverside and Sutton St Nicholas primary schools replacement; and
- New Crematorium.

Strategic Fit Property Review

This year we will be establishing the strategic asset management element of the service. A key objective will be to review current asset holdings to ensure they support corporate priorities.

Accommodation Strategy

The Council still operates from a significant number of administrative sites within the City area. The strategy to rationalise accommodation on the Plough Lane site is on hold given the landlord's decision not to sell the building and adjacent land to the Council as promised last year. A new strategy is being developed for Cabinet to consider.

Audit Services

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directly responsible for ensuring that adequate and effective internal controls are established to manage the key risks: that responsibility lies with senior management.

Summary of Performance 2006/07

* Audit Services does not control the actual committee dates.

Local Performance Indicators	2005/06		2006/07	
	Target	Actual	Target	Actual
The half year assurance report is delivered to members*	October 05	February 06	November 06	December 06
The end of year assurance report is delivered to members	June 05	Sept 05	June 06	June 06
90% of service managers are satisfied with the Audit Service	90%	95%	90%	93.4%
100% of SRDs are completed by 31st May	100%	100%	100%	100%
Management accepts 95% of level 1 & 2 recommendations	95%	96%	96%	97%
The Audit Plan is agreed by the start of the new financial year	April 05	April 05	April 06	April 06
Ensure that the Council's Statement of Internal Control for previous financial year is published	July 05	July 05	June 06	June 06

Role of the Service

The role of the Audit Services Team is to understand the key risks to which the Council is exposed and to contribute to the improvement of the internal control environment – it is not a substitute for it. The Audit Services Team is therefore not

Key Priorities for 2007/08

- Maintain progress towards excellence in internal control;
- Develop the links between what we do and Herefordshire's cross-cutting themes in our four Service Delivery Plans;
- Continue to work closely with our Directorate HR Officer to embed highest standards in people management;

Audit Services Cont.

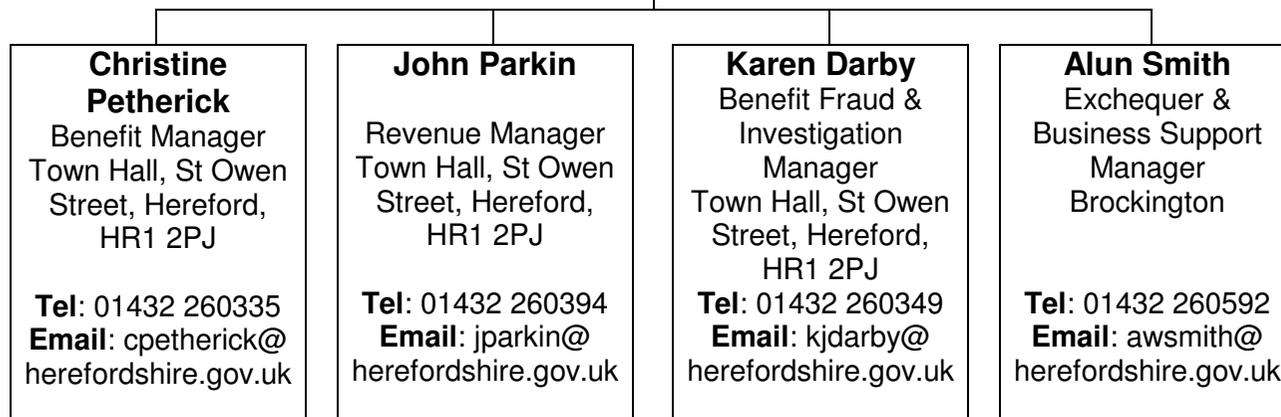
Key Priorities for 2007/08 Cont.

- Deliver the Directorate Vision;
- Develop partnership arrangements with internal clients;
- Continue to follow Herefordshire's protocol for providing a management response to external audit & inspection reports and managing performance against agreed actions;
- Ensure cost and process comparison with others in our Service Delivery Plans for 2007/08;
- Be a part of a cross-directorate working group to analyse the results of our Employee Opinion Survey for 2006 and recommend an action plan to the Directorate Management Team that can be built into our Service Delivery Plan for 2007/08; and
- Continue to review progress as part of routine performance management arrangements within the Directorate.

Benefit and Exchequer Services

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Role of the Service

- Administering Council Tax, Non-Domestic Rates, commercial rent, sundry debtors, mortgages, recurring income.
- Administering the Housing and Council Tax Benefit schemes.
- Enforcement of Parking penalty notices.
- Back-office cashiering services and support activities for the info shop cash

- offices provided by the Corporate and Customer Services Directorate.
- Paying Councillors' allowances, staff salaries and paying suppliers for goods and services.

Achievements in 2006/07

Increased collection levels for council tax and business rates

- Council Tax collected - 98.34% (97.7% in 2005/6)
- Business Rates collected - 98.9% (97.4% in 2005/6)

Improved collecting rates for other income:

- Housing Benefit overpayments in year - 66.58% (61.9% in 2005/6)
- Housing Benefit payments all years - 51.24% (38.79% in 2005/6)

Improved processing times for benefits:

- New Claims 30 days (52.15 days in 2005/06)
- Changes 16 days (42.56 days in 2005/6)

Improved accuracy levels for benefits:

- Increased to 98.4% (98.2% in 2005/6)

Benefit and Exchequer Services Cont.

Increased benefit subsidy received from the DWP due to:

- Faster processing and improved quality with levels of local authority error reduced by over 50% and additional overpayment subsidy secured;
- Tighter controls which avoided payments above the threshold for homeless cases in bed and breakfast accommodation;
- The review of cases where benefit subsidy is limited to 60% (rather than 100%) culminating in the termination of a number of claims and a successful appeal to the Tribunal.

The Benefit Fraud Inspectorate report for benefit interventions identified a number of areas of good practice:

- A secure gateway for benefit claims with good performance in the verification of new claims;
- Fraud referrals from the interventions team were of a good quality;
- HBMS performance with all matches resolved;
- The structure and organisation for dealing with interventions;
- Levels of management checking and the provision of management information

The participation in a performance management audit by a focus group from Benefits that identified a performance management culture within the Benefits Team where:

- Benefit managers have worked with staff on improving the information flow of performance data which has resulted in staff being clearer about the impact of their own work on the performance of the service;
- The benefits service plan contains clear actions and targets and links up to the overall Resources Service Directorate Plan;
- In benefits there is a strong culture of performance emerging with staff being provided with key performance indicator information and performance being discussed regularly at team meetings.

Benefit Fraud has continued to achieve an excellent performance rating for the security element of the benefit performance standards.

The new tax regulations for the Construction Industry, which came into force on 6th April, 2007 were implemented on time.

Key Priorities For 2007/08

Plans to increase the number of council taxpayers paying by Direct Debit

To improve the efficiency of council tax collection by encouraging council taxpayers to use the cheapest payment method the Revenues Service will be running a series of campaigns aimed at increasing the take up of direct debit for council taxpayers. The key element of these campaigns will be to emphasise the benefits to payers of using direct debit and the option of four payment dates each month.

Implementing Local Housing Allowance (LHA) in April 2008

LHA provides a new way of determining housing benefit by removing the need to refer rents to the Rent Service by providing pre-determined rent levels. It will not apply to tenants of social landlords. We will be required to pay benefit direct to claimants not direct to landlords.

Changes to the benefit interventions requirements from April 2007

Until April 2007 the Department for Work and Pensions set all local authorities a target for the number of benefit cases where an intervention should be carried out. The

Benefit and Exchequer Services Cont.

Changes to the benefit interventions requirements from April 2007 cont.

intervention was a case review to ensure the benefit being paid was correct.

The intervention requirement has been replaced from April 2007 by an annual target for the number of benefit terminations and reductions. Herefordshire's target for 2007 is 9,840 reductions or terminations.

Improving our Benefits CPA rating

We will be carrying out regular reviews of the self-assessment against the Benefit Performance Standards to help us achieve our aim of at least a 'good' rating in 2007 and an 'excellent' rating in 2008

Improving the way our customers can contact us

We are currently implementing the Academy self-service software, which will enable customers to access details of their benefit and council tax account on line. It will also offer the facility to send council tax and business rate bills by email and enable claimants to complete and submit applications for housing and council tax benefits on line.

Upgrading our Document Management System

The project to implement a new document management system within the Revenues and Benefits sections is progressing with expected completion by early July. This project has been undertaken because the current Comino system will become obsolete.

Providing better information for Customers

We will be reviewing the information we provide to customers to ensure that all letters, forms and information leaflets are updated and can be clearly understood. We will also be ensuring that our websites are regularly updated to reflect changes that arise within our service.

Planned changes to the Local Government Pension Scheme

The Government has announced plans for major changes to the way the pension scheme operates and we will be ensuring that these changes are implemented and all staff are fully aware of the impact on them of the changes.

Financial Services

Key Contacts



Role of the Service

- Assist Directors, Heads of Service and budget holders with managing the Council's budget.
- Prepare the Council's statutory accounts and develop and maintain the Cedar financial management system.

- Technical aspects of Local Government finance, budgetary policies and consultation.
- Co-ordinating the Capital Programme, VAT advice, borrowing and investment requirements.
- Providing an independent appraisal function for the review of activities as a service to all levels of management

(i.e. internal audit), insurance matters and promote good risk management practice.

- The Head of Financial Services also leads on the development of the Local Public Service Agreements and is the financial lead on the Local Area Agreement.
- Deputy Section 151 Officer.
- Medium Term financial planning to support the Council's objectives.

Achievements in 2006/07

Creation of Financial Services

As part of the 'new' Resources Directorate, Financial Services plays a key role providing advice and helping to ensure our finances are on a sound footing. The new structure has aligned our work with that of our customers whilst ensuring the councils overall financial position is effectively monitored. The changes also put in place clearer management responsibilities.

Revised Financial Training

Ensuring the Council's managers are able to understand our finances and manage their budgets is an important element of

Financial Services Cont.

Revised Financial Training Cont.

supporting service improvement. We've built on an existing comprehensive programme by reviewing how we deliver our training. The feedback has been excellent with Managers responding well to an approach based on promoting a better understanding of how the council's financial position meets corporate and service objectives.

Improved Financial Information

In 2006/07 Financial Services has brought forward a series of improvements in the way we present information:

- A user friendly Annual Review and Summary of Accounts booklet explains the council's final accounts everyday language. There was strong demand for the document;
- The council tax leaflet explains our budget and where we get our funding from in 'bite sized chunks';
- We worked with policy and performance to present financial information alongside other information so that a clearer picture of our performance is presented to members in the integrated performance report.

- We also put a strong entry into the CIPFA Public Reporting and Accountability Awards 2007. We didn't make the shortlist but the quality of the entry was noted by the assessors.

Local Performance Indicators 2006/07

	Target	Actual	Updated Position
No of times aggregate bank balances more than £100,000 in surplus or overdrawn to be no more than once per month	Maximum 12	1	1
Performance against Prudential Indicators for borrowing are within target	100%	100%	100%
VAT partial exemption is not exceeded	100%	100%	100%
Complete all returns by the due date	100%	100%	100%

Key Priorities For 2007/08

- Financial Services will play a central role in many of the changes the council will implement. We will be fully involved in Herefordshire Connects, taking a lead on commercial aspects of our engagement with the selected partner.
- We will better understand the needs of our customers so that they see us as an integral part of their service improvement.
- We will bring forward a Procurement Strategy that ensures we effectively provide goods and services so ensuring the council gets value for money from its suppliers.
- We want to see the Council awarded top marks in the Audit Commission's annual Comprehensive Performance Assessment (CPA) for Use of Resources. We can help make this happen by continuing to improve our performance.