

**Organisational Improvement and Greater Efficiency**

|  | No. of indicators | On course to achieve target (or establish baseline) | Some progress, but data not available to determine whether the target will be achieved | Not on target / no activity reported |
|--|-------------------|---|--|--------------------------------------|
| Corporate Plan (including LAA and HCS) | <b>16</b>         | <b>7</b>  | <b>5</b>   | <b>4</b>                             |
| of which                               |                   |   |  |                                      |
| Local Area Agreement (LAA)             | <b>0</b>          | <b>0</b>  | <b>0</b>   | <b>0</b>                             |
| Herefordshire Community Strategy (HCS) | <b>0</b>          | <b>0</b>  | <b>0</b>   | <b>0</b>                             |
|  |                   |   |  |                                      |
| All reported indicators                | <b>27</b>         | <b>15</b>   | <b>7</b>   | <b>5</b>                             |

| <b>Direction of Travel</b> |           |
|----------------------------|-----------|
| Improving                  | 8         |
| No real change             | 0         |
| Deteriorating              | 6         |
| <b>Total</b>               | <b>14</b> |

**Headlines**

- Improvements in a number of Human Resources indicators, but also four reds, the reasons for which are explained in the interim Head of Service's commentary below.
- Improvements in a number of Revenues and Benefits indicators. There is also one red, in respect of a slightly increased processing time for benefits claimants' change of circumstances, which has arisen as a result of a high volume of changes received, together with the time it took to obtain all the required information from claimants. The latest figures – to end August - show a significant improvement: 14.5 days compared with the 16 reported to the end of July. The target is 14.
- A reassuring Annual Governance Letter 2008 from the Audit Commission (more detail in the Director of Resources' commentary below).
- The Deputy Chief Executive's Office is currently projecting overspending of £170K. Work is underway to retrieve this.

### **Interim Deputy Chief Executive Commentary**

*'Key actions confirmed in the Corporate Plan and Local Area Agreement have been formulated into the DMT's performance improvement cycle, which is reviewed monthly, together with the risk register.*

*Community engagement plans and activities are being reviewed to support increased opportunities for community engagement, greater inclusion of more extended groups and communities (relevant to CAA NI 1) and better integration across Herefordshire Public Services contacts with the public. This will be supported by the review of the customer services strategy, which is expected to convene in October, linked to the upgrading of the Connects customer services ICT system.*

*Initial feedback from the external Data Quality Audit was positive and demonstrated sound improvements over the past year.*

*External verification of the Council's Equality Standard declaration is scheduled for October/November.*

*IIP preparations are being led by HR.*

*These are all key elements of the preparations for Comprehensive Area Assessment commencing in 2009.'*

### **Interim Head of Human Resources commentary**

*'The preponderance of HR performance indicators rated as red is mainly due to the small target figures. Although these reflect historical benchmarking within the authority and are therefore appropriate, the margin for error is very small. Often the traditional measure using percentages, also equates to less than one full time equivalent and this also skews performance negatively at times.*

*To mitigate the inherent risks in this respect, an evaluation process is underway to assess a basket of more meaningful and appropriate performance measures, which will be introduced, for 2009/10.*

*The primary exception to this, at present, is the average number of days taken off sick per employee. This has shown deterioration since the end of March 2008. HR is working closely with directorate managers to help correct this position as quickly as possible and remedial actions will be implemented to bring this area back on line.'*

### **Resources Director Commentary**

*'The Resources directorate has developed a set of five service plans that comply with the corporate standard. Our plans set out what we will do to focus our activity on supporting council priorities as set out in the Corporate Plan 2008 – 2011. The Resources directorate contributes most to the council's corporate priority on 'organisational improvement and efficiency'. We have reflected this in our service plans under the themes of 'our customers', 'our staff' and 'improving value for money'. Performance management arrangements have been established across the directorate at a team, head of service and directorate management team level. We have introduced a 'traffic light' system similar to that used in the ICPR to assess whether we are on track. Performance is reviewed at each level on a monthly basis and we monitor progress with implementation of action plans and provide feedback to staff in the directorate each month via Team Talk. We also review our financial position and risk register on a monthly basis.*

*The indicator basket relating to the Resources directorate is broadly in line with expectations at this point in the year and, at present, there are no apparent obstacles to a positive direction of travel. Identified budget pressures are being managed within the directorate and indeed the Financial Services team has contributed to an improved corporate position through further gains in treasury management. We continue to closely monitor staffing issues, particularly within the Asset Management & Property Services team, and are contributing fully to the development of the new HR and workforce development strategy*

*Despite a significant increase in numbers of notified changes in benefits claimants' circumstances, remedial action was taken to bring performance back towards target by the end of August. Across the wider basket of benefits indicators the end August figures show a positive direction of travel.*

*The Annual Governance Letter 2008 has just been received from the Audit Commission. It identifies no issues in relation to financial reporting and no material issues in respect of internal control. It confirms an unqualified opinion on last year's statements of account and the council's arrangements for securing value for money.'*