

MAIDSTONE BOROUGH COUNCIL

CABINET

WEDNESDAY 12 NOVEMBER 2014

REPORT OF HEAD OF FINANCE AND RESOURCES

Report prepared by Georgia Hawkes

**1. CORPORATE IMPROVEMENT PLAN: MID YEAR 2014/15
PROGRESS UPDATE**

1.1 Issue for Decision

1.1.1 To note the progress made April to September 2014 on the projects and areas of work in the Corporate Improvement Plan 2014-17.

1.2 Recommendation of Head of Finance and Resources

1.2.1 That Cabinet note the progress made on the Corporate Improvement Plan 2014-17 shown at Appendix A.

1.3 Reasons for Recommendation

1.3.1 The Council has set the priorities and outcomes for the borough of Maidstone in its Strategic Plan. The Medium Term Financial Strategy (MTFS) sets out what will be spent and where savings will be made. In order to deliver the priority outcomes and the savings required, a number of key pieces of work and projects will be carried out. These are detailed in the Corporate Improvement Plan 2014-17, which ensures the improvement work is aligned with the Strategic Plan and the MTFS and looks at the work required to 2017.

1.3.2 The three objectives of the Corporate Improvement Plan are:

1. A reduction in net cost, through making savings or increased income
2. Improving or maintaining quality: ensuring we deliver excellent services, which means delivering what is promised to agreed standards
3. Identifying and responding to opportunities aligned with the Strategic Plan

1.3.3 The Corporate Improvement Plan involves a number of different workstreams, which are owned by different officers in the organisation. Those workstreams identified as most important are:

- 1. Efficiency and effectiveness (Head of Finance and Resources)** – looking at our services to make sure we are doing the right things to deliver our organisational priorities and working with our customers to make sure that the way we do them is as customer friendly and efficient as possible.
- 2. Income generation (Head of Commercial and Economic Development)** – maximising the value from the income streams we already have in place, exploring other options for income generation and launching any viable initiatives that will bring in sustainable income to the Council.
- 3. Asset management (Head of Finance and Resources)** – making the best use of the building and land we already own or lease, exploring opportunities to add to our property portfolio to support delivery of organisational priorities and bring in income, as well as transferring assets to the community or selling assets that are no longer viable for us to keep.
- 4. Empowerment and self-sufficiency (Head of Housing and Communities)** – empowering borough residents to do more for themselves through building financial and digital access and skills and supporting communities to deliver services where they could do this better or take on assets of community value that we can no longer properly support.

1.3.4 The plan is underpinned by the following enablers of change and improvement. These things need to work well for improvement to happen:

- Organisational culture (Head of HR)
- Councillor assurance
- Commissioning and procurement (Head of Finance and Resources)
- Effective use of technology (Head of ICT)

1.3.5 The progress update (Appendix A) contains updates on work carried out April – September 2014 on improvement projects and priority services for each of the 4 workstreams and on organisational development. More information on the focus of work for each of the priority services and projects is given as part of the progress update at Appendix A. This is how the priority services and projects for improvement fit in with the 4 improvement workstreams:

Efficiency and effectiveness	Income generation	Asset management	Empowerment and self-sufficiency
Planning Economic Development Revenues and Benefits Housing Finance Building Control Environmental Services Customer Services MKIP shared services and operational model Information and knowledge management	Maidstone Culture and Leisure Waste and Recycling Corporate Support Bereavement Services Other work – commercialisation*	Integrated Transport Strategy Major assets review Commercial property investment	Right to bid and community asset transfer Digital Inclusion Financial inclusion Local flood plans

*The projects that would form the Commercialisation Programme were not fully known when the Corporate Improvement Plan was agreed in February 2014, but as this is a large and priority programme of work this has been added to the progress update reporting.

1.3.6 Each of the workstreams/enablers and the projects and areas of work that sit beneath them have been given a RAG rating (Red, Amber or Green) to show how the work is progressing against plan. The table below shows the overall ratings for each workstream and the number and percentage of the different ratings for the projects and priority services under each workstream:

Workstream/enabler	Overall rating	Rating for projects and services			
		Green	Amber	Red	Total
Efficiency and effectiveness	Amber	5 (50%)	5 (50%)	0	10
Income generation	Amber	2 (40%)	2 (40%)	1 (20%)	5
Asset management	Amber		3 (100%)		3
Empowerment and self-sufficiency	Green	3 (75%)	1 (25%)		4

Organisational culture	Green	N/A (100%)	N/A	N/A	N/A
Total		10 (45%)	11 (50%)	1 (5%)	22

1.3.7 Just under half (45%) of the projects/priority services are progressing to plan (Green) and exactly half require a watching brief as they are not quite on track or some other risks or issues have been identified (Amber). The Amber rated projects and services are:

- Planning – whilst the focus of this priority service was on the Development Management Service, the issues with the Planning Support Service and need to embed the service properly before moving onto other things has meant there has not been much progress on sharing/jointly procuring specialist advice and maximising the use of pre-application advice.
- Housing – good progress in a number of areas including Aylesbury House and Magnolia House, but the number of people, length of time spent in and cost of temporary accommodation currently remains a concern.
- Building Control – progress on progressing proposals for sharing the service with partners has been slower than expected.
- Customer Services - whilst face to face visits are reducing year on year, telephone calls are not reducing as hoped and emails continue to rise. The RedQuadrant review findings should help the organisation progress more effectively going forward.
- MKIP shared services and operational model – there has been good progress with the Mid Kent Services Director trial and the shared Transformation Challenge Award bid. However, the most recent shared services, Environmental Health and Planning Support, are both working through some significant post-implementation issues.
- Maidstone Culture and Leisure – some Member decisions on proposals in the plan will not be taken until December.
- Commercialisation – the commercialisation programme has progressed steadily but slowly. Decisions on some of the key proposals in the programme are due to be taken in December.
- Integrated Transport Strategy - there has been further delay to the transport modelling process although this is now underway again. Further bespoke modelling of specific 'hotspots' and transport corridors is required and quotations are being sought.

- Major assets review – proposals to redevelop Medway Street and King Street may lead to the loss of revenue income and redevelopment at Brunswick Street could lead to loss of local parking. The risks of redevelopment at Brunswick Street will be considered as part of the feasibility study.
- Commercial property investment - the rising property market could lead to the yield from investment reducing to a level that barely covers borrowing costs, with asset appreciation being the main return.
- Local flood plans – the large number of applications for support from residents affected by flooding mean that additional staff resources are required to process the applications. The Housing Emergency Plan remains outstanding but should be completed by December 2014.

1.3.8 Only Corporate Support under the Income generation workstream is rated as Red, meaning that major issues or risks with the current or future progress of the work have been identified. In this case, whilst the Corporate Support team have made good progress in identifying and carrying out work that used to be carried out by external printers, there is unlikely to be the capacity available this financial year to take this work further and investigate further wider commercialisation of the service.

1.4 Alternative Action and why not Recommended

1.4.1 Cabinet could decide not to receive six monthly updates on the progress made on the Corporate Improvement Plan. This is not recommended as progress reports on the Corporate Improvement Plan are essential for allowing oversight of a number of different pieces of work across the organisation.

1.5 Impact on Corporate Objectives

1.5.1 The Corporate Improvement Plan 2014-17 contains projects that will have a positive effect on all the priorities and outcomes for Maidstone set out in the Strategic Plan. However, the priority that it aligns with most is Corporate and Customer Excellence, outcomes "Customer focused services that residents are satisfied with" and "Effective, cost efficient services are delivered across the borough" because of the objectives in the Corporate Improvement Plan of reducing net cost whilst improving or maintaining quality.

1.6 Risk Management

1.6.1 The Corporate Improvement Plan and associated governance minimises the risk that important projects will not be undertaken or will not deliver and that new opportunities are missed.

1.6.2 There is still a risk that the Council does not have the resources, both in terms of staff time or money to undertake the projects envisaged in the Corporate Improvement Plan. However, the plan minimises the risk that effort will be put into pieces of work that are not deemed to be a priority and will allow corporate resources to be devoted to the priorities stated in the Corporate Improvement Plan.

1.7 Other Implications

1.7.1

1.	Financial	X
1.	Staffing	X
2.	Legal	X
3.	Equality Impact Needs Assessment	
4.	Environmental/Sustainable Development	
5.	Community Safety	
6.	Human Rights Act	
7.	Procurement	X
8.	Asset Management	X

Financial and staffing

1.7.2 An objective of the plan is to reduce net cost. This could be by reducing cost, including possibly reducing numbers of staff, or by increasing income, which would have an effect on the work that staff carry out. Some of the areas of work reported in the update also require substantial staff resources.

Legal

1.7.3 A number of the projects require legal advice and support.

Procurement and asset management

1.7.4 Asset management is a workstream in the Improvement Plan and commissioning and procurement is an important enabler in achieving improvement.

1.8 Relevant Documents

1.8.1 Appendices

Appendix A – Corporate Improvement Pan progress update April – September 2014

1.8.2 Background Documents

Corporate Improvement Plan 2014-17

<u>IS THIS A KEY DECISION REPORT?</u>		<u>THIS BOX MUST BE COMPLETED</u>	
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If yes, this is a Key Decision because:			
.....			
Wards/Parishes affected:			
.....			