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From: Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform

David Cockburn, Corporate Director for Business Strategy and Support

To: Policy and Resources Cabinet Committee

Date: 22 November 2012

Subject: Business Strategy & Support Mid-Year Business Plan Monitoring

Classification: Unrestricted

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**Summary:** The mid-year Business Plan monitoring provides highlights of achievements to date for the divisions within the Business Strategy and Support Directorate.

**Recommendation:** Members are also asked to NOTE this report.

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## Introduction

1. A light touch mid-year Business Plan monitoring exercise was conducted, with the aim of identifying key achievements and areas where tasks were not completed.
2. Highlights of the mid-year Business Plan monitoring for Business Strategy and Support is shown below and is laid out by Division. The Economic Development team within Business Strategy has not been included as reports to another Committee.

## Business Strategy - Business Intelligence (BI)

3. To support the new governance arrangements, performance dashboards have been produced for all directorates and submitted to all Cabinet Committees meetings for review. An ongoing process is under way to refine these dashboards to give Members the information and reassurance they require.
4. The Performance and Evaluation Board has been established. Chaired by the Cabinet Member for Business Strategy, Performance and Health Reform and with Director level representation from each of the Directorates, the Board works to drive forward performance improvement across the Authority.
5. The BI team continues to produce a range of well-received products, including supporting Locality Board information requirements, producing Census data briefings and supporting services to understand their customer data. The KCC Facts and Figures web-site page is kept up to date and is a valuable resource for KCC service planning and for partner organisations.

6. A new corporate risk team has been established and the corporate risk register was re-freshed and is closely monitored. Directorate and Divisional formal risk management arrangements have been improved in response to the recent risk management audit.
7. The Enterprise Resource Planning (ERP) programme has delivered the key elements of phase 1 including the new financial monitoring system, with Oracle Business Intelligence installed and Finance and HR reporting developed. I-Procurement has continued to be rolled out and is now available to over 1,400 users.

### **Business Strategy - Policy and Strategic Relationships**

8. The team continues to focus on providing both pro-active and demand-led professional policy support to KCC, focusing on horizon scanning, analysis and interpretation of key policy and legislative trends. Advice and guidance is provided to Cabinet, Corporate Directors, senior officers and elected members.
9. The team has developed a number of initiatives and continues to support these after transferring day to day operations to services, including the Big Society Fund, Community Budgets and the Troubled Families programme.
10. The team has led the work to prepare the council for the Community Right to Challenge and contributed to the Make, Buy Sell reviews.
11. Analysis and advice has been provided on key new legislation including the Health and Social Care Bill, and the Public Services (Social Value) Act with on-going support to help KCC deliver new requirements, including for example Health and Well Being Board arrangements.
12. The impacts of welfare reform have been assessed and options developed for the localisation of the Social Fund.
13. KCC's business planning process has been re-freshed and the previous Statements of Required Practice (SORPs) for officers has been re-placed with the new Management Guidance.
14. The team has provided support to the Kent Forum and the development of the Locality Board model.
15. A planned review of the council's Policy Framework has been delayed and the initial intended scope for this work is to be re-examined.
16. The programme office has been established within the team, to ensure a consistent and robust approach to the delivery of key transformational programmes across the council.

### **Finance and Procurement**

17. We successfully implemented the new Division structure on time with a reduction of 110 full time equivalent posts and as a consequence of that we've rolled out

Collaborative Planning to well over 100 budget managers. We're now learning from this before rolling out to those managers with bigger and higher risk budgets.

18. We have prepared the Revenue Budget for consultation and this was released on 6<sup>th</sup> September. The Budget Programme Board continues to evaluate all service strategies and efficiency programmes that are vital to the proposed Budget. We are also continuing an excellent working dialogue with district councils to resolve the very difficult issue of localisation of Council Tax Benefit.
19. Our Statement of Accounts for 2011/12 were again the first County Council Accounts to be approved and signed off by the auditors (in July 2012).
20. A number of highly complex fraud and other investigations have been carried out and remedial action taken. We have promoted an increased awareness of the risk of fraud within the Council. Whilst the number of investigations has impacted the on the Audit Plan, we are still forecasting the delivery of this Plan to target.
21. The new Strategic Sourcing and Procurement Team are now fully in place and are advising on all of the major procurement issues and improving processes and governance - although we have missed the June 2012 deadline for incorporating revised delegated authorities into our processes and systems. The Kent Portal is up and running.
22. A revised Treasury Strategy has been approved that reflects latest market conditions whilst recognising our own risk appetite. We continue to manage daily cash flows and internalise borrowing need, which is on target to save us over £3m in this financial year.

## **Governance and Law**

23. Governance and Law continues to provide efficient Legal advice and services to Kent County Council and over 300 other public sector bodies.
24. For the first time, Legal is handling the full range of complex litigation on behalf of the Council and developed our in-house capability to handle major multi-million pound disputes in relation to contracts, procurement and construction. This work used to be sent to external solicitors at £250-£300 per hour and is now delivered at our internal rate of just £60 per hour. This has saved the council £60,000 since April (estimated full year savings: £100,000).
25. A new Case Management System has been procured and is being implemented with staff trained and using the system from early December 2012. The new system will change the way we work, leading to paper light ways of managing and delivering legal work. These are likely to have a major impact in 2013/14 but savings will still be felt in quarter 4 of 2012/13. (estimated full year savings: £4,000)
26. Greater partnership working is on target to reduce KCC's childcare legal costs this year by £1m compared to 2011/12. This is despite a continuing challenging climate which is resulting in unprecedented numbers of childcare proceedings and legal challenges (estimated full year savings: £1million).

27. Have grown the Kent Legal brand and had articles published in the MJ, the Law Society Gazette, Solicitors Journal, The Lawyer and Local Government Lawyer.
28. Delivered improved training programmes. This includes holding 5 seminars (338 attendees), and from November 2012, we will be working with the Judiciary across Kent to further develop our staff into high level advocates
29. The new Governance arrangements were successfully implemented and became operational on 1 April 2012. After three cycles of the new Cabinet Committees, the early potential of the new structure is beginning to be realised and the intended outcomes achieved
30. In October 2012 the Council achieved its target of 85% of Freedom of Information Act requests completed within 20 working days

### **Human Resources (HR)**

31. We carried out the planned restructuring of the HR division, resulting in reduced staffing numbers and budget, while supporting KCC managers and staff through major transformation.
32. We have been working with all directorates to develop priorities for action plans to support the implementation of the Organisation Development and People Plan. A major outcome has been the publication of a KCC wide Training Strategy and the formation of directorate OD Groups to deliver training plans in accordance with a centralised budget.
33. Training plans to support the Children's Improvement Plan and the Kent and Medway Partnership Trust Plan have been delivered.
34. We have reviewed, refreshed and re-launched the Kent Manager programme. There are improving levels of engagement from staff and the first managers are now completing the programme.
35. A widespread employee consultation on benefits has been completed to inform a review of Terms and Conditions.
36. A Lean Review has been completed to identify efficiencies and potential savings in HR processes.
37. An engagement survey has been conducted to capture the Employee Value Proposition. Outcomes have been communicated to participating managers and used to understand and develop the new deal between KCC and employees.
38. Positive feedback has been received in response to the risk profiling programme which helps managers validate and more readily manage and monitor their service health and safety risks.
39. Increased external business has been generated through the HR Business Centre, including for our CRB service which has approved broker status, and the delivery of HR and payroll services for Shepway District Council. A trading review has been

completed to inform the future business model for HR and in particular the HR Business Centre.

40. The roll out a fixed establishment approach will be delivered from April 2013, with the business plan used to establish staff numbers for the year.

### **Information and Communications Technology (ICT)**

41. The ICT Division continues to work to maximise the value of investments in information and communication technology to support improved service outcomes.
42. The Division has developed a new model to ensure decisions on major ICT investments are aligned to the council's strategic objectives and deliver value for money. The re-structure of the Division is complete with a rationalisation of job and role descriptions.
43. ICT security is being enhanced with the implementation of Exchange 2010, with completion of the project by December.
44. The Unified Communications project to deliver a new telephone system with additional functions and associated cost savings is in progress, with completion due in 2013.
45. ICT collaboration with partners continues to be pursued with a common action plan agreed with Joint Kent Chief Executive Officers and a regional network of networks endorsed by South East 7 Leaders.

46. The project for the replacement of the ICS system is in exception and the original timescale will not be met. The availability of business resource for user testing has compromised the go live date.
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47. The Enterprise Resource Planning (ERP) programme has delivered the key elements of phase 1, including the new financial monitoring system.
48. In collaboration with the Regeneration team, preparation is underway for the Kent roll-out of superfast Broadband, with the procurement of a network operator underway.

### **Property and Infrastructure Support**

49. The relationship of the function with service units has changed significantly in the last year and new guidance and information has been issued to help managers across KCC with property issues. The division is focussed on driving improvements in customer satisfaction and work is underway to assess satisfaction with the service provided.
50. Progress is being made to realise opportunities from the new Corporate Landlord approach, to consolidate property related procurement to drive cost efficiencies.
51. A draft new Property Asset Management Strategy has been prepared and is being discussed with services. This should come to the Cabinet Committee for discussion in January.

52. A pilot of the New Work Spaces Strategy has been completed within the Property division and roll out within two directorates is now underway.
53. Property continues to work with Regeneration colleagues to support a range of projects including Margate Housing and the Rendez-vous site.
54. To support energy efficiency, solar panels were added to three operational buildings in July, although concerns about legal and risk issues are causing difficulties in wider adoption including at schools.
55. The Facilities Management review has completed and tendering for delivery of the new service model is now underway. Work has been undertaken to design a more efficient procurement arrangement for Estates management works, with some finalisation of details to be agreed before this is put in place.
56. Collaboration with district councils and other public sector organisations has been strengthened, with a range of projects identified and progressing. In particular new working relationships have been established with health partner organisations.
57. A Property Services offer for Academy schools has been developed through EduKent.
58. A new Management Concession for Oakwood House is now in place.
59. An updated schools maintenance plan and a basic need requirement for modernisation have been agreed and are being delivered.
60. Academy builds are progressing to plan for Spires, Isle of Sheppey, Skinners and Tunbridge Wells. For new projects, start of works for Dover Christchurch may not go through this year.

## **Recommendations**

61. Members are asked to NOTE this report.

**Background Documents:** Business Strategy and Support Business Plans 2012/13

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