

Resources Portfolio Update

Key Issues/Priorities Overview and Scrutiny – Feb 2008

Audit and Risk

CPA Use of Resources. Overall Level 3 achieved for the use of resources score. An action plan is in place to consolidate our score of 3 out of 4, with an aspiration to achieve 4 for Internal Control. Regular meetings with key officers from across the council are taking place to address recommendations made by the Audit Commission.

The London-wide insurance mutual company (LAML). The council is due to join as a full member in April 2008, although there has been a legal challenge to LAML the hearing started on 11 February 2008. Robust contingency arrangements are in place if the judicial review decides against LAML prior to April 2008. Assuming the legal challenge is not successful, savings of 10% on previous years' external premium costs will be realised.

Policies not covered by LAML. The tender returns for those insurance policies which will not be covered by LAML are currently being evaluated and in negotiations with those companies who have participated in the procurement process. A report will be made to the Cabinet Procurement Committee in February, but it is anticipated that costs of the policies will be similar to costs in 2007/08, and no significant increases will be reported. Leaseholder consultation has taken place, in accordance with statutory requirements, as part of the tender process.

Risk Management Strategy. The council's risk management strategy is currently being updated, the aim is to link all key risk based processes (risk registers, health and safety, project management, business continuity planning, performance management) into one document. The strategy will ensure that key risks are considered at regular stages during the business planning cycle.

Business and Local Taxation (BLT)

Implementation of the Local Housing Allowance – April 2008

The Local Housing Allowance will be implemented from 7th April 2008. This is the most radical change to the Housing Benefit scheme in recent years. In summary, the two main changes are that rent levels will no longer be set on an individual property by a Rent Officer. Instead, rent levels will be set for an area as a whole. All benefit entitlement for accommodation of similar size in any particular area will receive the same amount of benefit entitlement, regardless of the condition of the property. Where the rent charged by the landlord is less than the rent level for the area, the tenant can retain the difference up to £15. The second main change is that benefit entitlement shall be paid directly to the tenant, unless the tenant is deemed as vulnerable, rather than directly to a landlord.

BLT preparations continue to progress well and the implementation project is within timescale. Haringey have been in discussion with the Rent Service over the new rent localities following legal challenge from London Borough of Westminster. Haringey are not raising objections to the localities. A landlords forum took place on 13/2/08 and Advice and Welfare Agencies have been fully briefed.

As we will be required to pay Housing Benefit to claimants direct instead of landlords following LHA implementation, a new 'Safeguards Policy' has been produced and published, which addresses the risks for landlords where claimants would be unlikely to pay their rent or are unable to manage their own affairs. We also have a project underway to encourage all benefit claimants to be paid by BACS rather than by cheque, which is the cheapest and safest option.

All LHA details, including the Safeguards Policy can be found at www.haringey.gov.uk/LHA

Annual Billing

Preparations for 2008/2009 annual billing are progressing well. 104,500 Council Tax bills will be produced at our printers on 23 February 2008 and will be posted to Haringey residents on a staggered basis, starting from early March 2008. A Council Tax and Business Rates Information Booklet incorporating the Council A-Z of Services and the Better Haringey Street Guide will be enclosed with the bills. This has saved on postage costs.

Council Taxpayers who are not currently in receipt of Council Tax Benefit will receive a leaflet in the billing pack, advising them of the benefit claiming process, in an attempt to increase benefit take up.

New PI's for BLT

As part of the New Performance Framework for Local Authorities and Local Authority Partnerships, BLT will now report two PI's, which form part of the 198 national indicator set. These PI's focus on 'right benefit' and 'right time.'

NI 180 – Changes in Housing Benefit/Council Tax Benefit entitlements within the year.

N1 181 – Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.

Work is currently underway to ensure that we are prepared for the new reporting regime, including managing resources and IT requirements.

Home working Pilot

BLT has been at the forefront of the flexible working pilots in Haringey. 19 staff now work from home. The majority of staff are working with Council provided broadband and IT equipment, although some are using their own equipment.

Early benefits include

- Sickness absence reduction.
- Desk sharing culture introduced into the workplace
- Extended system availability, allowing home workers to work varied hours at home.
- Productivity increases from all officers taking part
- Increased work/life balance opportunities for BLT staff.
- One officer saves £200 per month in travel costs and 60-80 hours in travelling time. This is not an exception.
- 12 month journey for one officer creates 5.752 tonnes of CO2. Working from home will reduce this to 0.150 tonnes. A significant reduction in the carbon footprint

New challenges for Feb – April

- Introduce VOIP telephony for officers
- Webcam video conferencing introduction. Officers at home will see their Team Leader in the office. Can take an active part in team meetings and training from home
- Piloting 'weekly target based' working with three officers, replacing 'hours worked'.
- Planning for office space reduction to begin.

IT

Flexible working: IT Services is supporting the flexible working project by providing technology to enable home working. The Council's IT infrastructure supports two cost effective solutions for home workers based on using own PC or a home installed thin client. Both solutions provide for the full range of IT functionality to be available to a home worker.

As part of the pilot evaluation, IT will assess how other technologies can support home workers, in particular seeking ways in which staff can continue to 'feel connected' with Haringey Council

Replacement of Customer Relationship Management (CRM) system: During the negotiations with SAP for a site licence, opportunities for significant cost savings were identified. The resulting project will replace the current Siebel CRM System with the corresponding SAP solution and is on target for completion in May. This will save the council almost £500k per annum, and provide a base for further savings through rationalisation onto the core SAP platform.

Corporate Geographical Information Systems. (GIS): Haringey is a leader in the field of shared GIS services and is implementing systems to facilitate the centralised control and sharing of GIS data. This will enable sharing internally as well as with our external partners, providing invaluable knowledge into decisions around the provision of service delivery and joined up working. The resultant mapping information can be integrated with our internal intranet for use across the Council as well as for providing map based information and problem reporting on our Web site.

Continuous development of IT Services: The IT Service Desk continues to maintain its improved performance. Further enhancements to our operational process during March will reduce administrative effort and introduce a self service portal.

ITS are evaluating improvements to the resilience of the Customer Services' Call Centre following the recent disruptions to service caused by power outages in the local area.

We will be complete a self assessment as part of the HfH programme of VFM reviews of procured council support services. This review will ensure that an accurate representation of both the level and scope of services is provided.

Corporate Procurement

Contract Management System (CMS)

The CMS has been populated with over 700 contracts and monthly reports are being issued to managers that lists their contracts and alerts them of those contracts that are due to expire within the next 18 months. The benefits are that the Council now has a single view of all contracts and managers are able to plan much more effectively.

Category Management

The Council has traditionally managed its contracts and procurement strategies based on directorate structures greater attention can now be given to process and cost efficiency opportunities offered through aggregation.

In early 2007, a project was initiated to change the way in which the Council views its procurement needs from being based on directorates to one based upon external Markets.

Working with directorates, Corporate Procurement identified 17 markets including Food & Drink, Finance, Construction, Travel, Property & Facilities Mgmt, IT.

Consequently all suppliers and contracts have been mapped in SAP against these 17 markets and a senior manager identified to act as Category Manager.

In February and March 2008, 90 contract managers along with their Category Managers will undergo training on relevant tools and techniques devised by Corporate Procurement and assisted by an external specialist training provider.

Benefits should include a more effective approach to setting procurement strategies based upon Council needs as a whole and prevailing market conditions, leading to improved efficiency and better value.

Energy Management

CPU has completed the transformation of energy billing administration and has established Target & Monitoring facilities that will help identify opportunities to reduce the use of energy.

By October 2008, it is a mandatory requirement that all public buildings over 1000sq metres in size must display an energy certificate on the energy efficiency of that building. For Haringey we shall need to produce approx 150 certificates along with a Recommendations Report.

Although final legislation has yet to be ratified, CPU is confident that all our buildings will meet the October 2008 deadline to display the certificates.

CPU has also been successful in bidding for external grant money of £155k matched by Council funds (making a total of £310k) to deliver energy efficiency schemes e.g. thermal covers for swimming pools to retain the water temperature, reduce the voltage levels on key buildings to save on energy costs etc. The grant is offered by SALIX and is only offered to schemes that will directly reduce CO2 emissions.

Corporate Property Services

Accommodation Strategy – implementation of the next stage of the accommodation plan to achieve further efficiencies and rationalisation of the offices portfolio is currently in progress and will require greater sharing of space and flexible working practices throughout the Council. This project is now part of the Achieving Excellence programme and is linked with SMART working.

Commercial Portfolio – following the strategic review of the portfolio there is now a focus on improving the financial performance of the whole portfolio and the physical environment of the industrial estates. In addition work is now underway to carry out a detailed assessment of all the holdings to consider options for future management. The aim of this review will be to consider the extent to which the portfolio needs to be realigned in order to improve the contribution that our shops and industrial estates make to the Council's key priorities.

Supporting Regeneration – a large programme of major disposals is being implemented as part the Asset Management Plan to support regeneration by identifying surplus sites and working with others to help meet housing needs, deliver major regeneration schemes and generate capital resources.

Improving Operational Properties – having established corporate management of service properties there is now an urgent need to address legacy issues relating to condition, compliance and general improvement of our service properties. As well completing the assessment of needs we are now implementing further improvements in the procurement of capital and maintenance works to drive down costs and contribute to the Achieving Excellence programme.

Corporate Finance

Revenue and Capital Budgets - We have allocated the approved revenue and capital budgets for 2008/09 to all business units at a detailed level on the Council's accounting system SAP.

2006/07 Accounts - Work has commenced of the process for the closure of accounts 2006/07, including preparation for the external audit to be completed this year, for the first time, by Grant Thornton, who are taking over from the Audit Commission as our approved auditors.

Use of Resources - Planning for the Corporate Performance Assessment (CPA) Use of Resources (UoR) 2007/08 review with a view to maintaining or improving our score has commenced.

New Banking Contract - Preparation for the commencement of the new banking contract with the Royal Bank of Scotland (our accounts will be Nat West accounts) from 1 April 2008 is well in hand.

HR and OD&L

1. Single Status & Equal Pay – Members will be interested to hear that the Council made an offer to the national trade unions on the matter of single status. The offer is the result of more than a year’s hard work locally between Council officers and unions rep’s. I believe that the offer represents a value for money approach to the requirements placed on us by the National Joint Council. We expect to hear over the next couple of weeks from the national unions. We have a plan for staff engagement including letters in payslips, notices in newsletters, and a series of roadshows. We will complete the first phase of implementation by 31st March 2008.

2. Use of Agency Staff – This is a subject upon which I have been very keen to reduce our reliance of agency staff. Members will recall that we now operate a managed service contract. The contract has been running since May 2006 and during this period we have:

a) Temp usage

Temp usage has been reduced by over 50% in the last 12 months (as at January 08 820 temps placed – but please remember that this figure can fluctuate by as much as 100 on a daily basis dependent on essential services need). The introduction of HR policies on agency temps and availability of detailed management information has contributed to the improvement in the way temps are used. Members will be interested that of the temps that we now use far more are short term (up to 3 months) than was the case a year ago.

Date	Temp Volumes	Temp Volumes				
		0 to 3 mths	3 to 6 mths	6 to 9 mths	9 to 11 mths	12+ mths
Dec-07	964 as at 15/12/07	289.2	202.44	115.68	86.76	269.92
				Total 6 to 12 mths: 472.36		

Date	Temp Volumes	Temp Volumes			Further split figures between 6 and 12 months were unavailable pre August 07
		0 to 3 mths	3 to 6 mths	6 + mths	
Apr-07	1526 as at 15/04/07	366.24	274.68	885.08	
Dec-06	2036 as at 15/12/06	468.28	549.72	1018	

b) Centralised savings

The Council has realised cashable savings of £1.25Million during the contract. These are taken from lower profit margins negotiated with the suppliers.

c) Management Information

We are able to properly understand where and why we use agency temps. Spend and patterns of use are monitored by Directors and I have recently arranged for each Director to meet with the ACE to look at this expenditure together with other key employment issues. I

have asked for this information to form the basis of discussion between Directors and their Cabinet Members.

d) Consultants – I have asked for reports of the use of consultants to be provided to Cabinet Members so that they may discuss with their Directors. I know from the meetings held with the ACE that Directors have set up systems to monitor and authorise the use of consultants. This is in addition to the corporate arrangements through HR. In overall terms the use of consultants has reduced over recent months and we currently hold 48 on our books

Sickness Absence – Members will be pleased to learn that our efforts on reducing long term sickness absence have been fruitful with the average rate down to 5.1 days . This year we targeted long term cases. Our attention is now on short term absences. A number of new initiatives have started including more attention on return to work meetings, a review of the triggers used in procedures, and better management reports. We are likely to close the year with an average of 10 days average per person (long and short term together).

Employee Wellbeing – it is that time of year when many people think about their health and fitness. To compliment our work on sickness management, we have a campaign about healthy eating and exercise. The stop smoking campaign for example succeeded in helping 57 staff quit (that is a 73% success rate) and our medical MOT's for staff continue to be very popular with over 200 staff given the once-over during the last year.