

Corporate Services Overview and Scrutiny Committee

26 February 2014

Agenda

The Corporate Services Overview and Scrutiny Committee will meet in **COMMITTEE ROOM 2, SHIRE HALL, WARWICK** on **WEDNESDAY, 26 FEBRUARY** at **10.00 a.m.**

The agenda will be:

1. General

(1) Apologies

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election or appointment to the Council. A member attending a meeting where a matter arises in which s/he has a disclosable pecuniary interest must (unless s/he has a dispensation):

- Declare the interest if s/he has not already registered it
- Not participate in any discussion or vote
- Must leave the meeting room until the matter has been dealt with (Standing Order 42).
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests must still be declared in accordance with the new Code of Conduct. These should be declared at the commencement of the meeting.

(3) Minutes of the meeting of the Corporate Services Overview and Scrutiny Committee held on 11 December 2013

2. Public Question Time

Up to 30 minutes of the meeting is available for members of the public to ask questions on any matters relevant to the business of the Overview and Scrutiny Committee. Questioners may ask two questions and can speak for up to three minutes each. To be sure of receiving an answer to an appropriate question, please contact Sally Baxter 5 working days before the meeting. Otherwise, please arrive at least 15 minutes before the start of the meeting and ensure that Council representatives are aware of the matter on which you wish to speak.

3. Questions to the Portfolio Holders

Up to 30 minutes of the meeting is available for the Committee to put questions to the Leader and Portfolio Holders on any matters relevant to the remit of the Overview and Scrutiny Committee.

4. Transformation through Strategic Commissioning Programme

To consider an update of the delivery of the Programme, including timescales and updates on service reviews and observe that the programme will cease at the close of the 2013/14 financial year.

5. Organisational Health Report – 2013/14

To consider the areas of the Organisational Health report relevant to the remit of the Committee.

6. Customer Service Excellence

To consider progress to date in achieving the Customer Service Excellence Standard corporately and ask questions in relation to its content and making recommendations, as considered appropriate.

7. Human Resources and Organisational Development

To receive a presentation from Sue Evans, Head of Human Resources and Organisational Development.

8. Work Programme 2013/14

To consider the Committee's proposed Work Programme and future area of scrutiny activity.

9. Urgent Matters

At the discretion of the Chair, items may be raised which are considered urgent (please notify Democratic Services in advance of the meeting).

9. Dates of Next Meeting

The next meeting of the Corporate Service Overview and Scrutiny Committee has been scheduled for 7 May 2014, commencing at 2pm in CR2.

Jim Graham
Chief Executive
Shire Hall
Warwick

Corporate Services Overview and Scrutiny Committee Membership

Councillors: Nicola Davies, Neil Dirveiks, Martin Heatley (Vice-Chair), Phillip Morris-Jones, Bernard Kirton, Keith Kondakor, Chris Saint, June Tandy (Chair), Alan Webb, Chris Williams

Portfolio Holders:-

Councillor Izzi Seccombe – Leader of the Council

Councillor Alan Cockburn – Deputy Leader

Councillor Colin Hayfield – Customers

Councillor Jeff Clarke – Corporate Business and Environment

For queries regarding this agenda, please contact:

Sally Baxter, Democratic Services Officer

Tel: 01926 412323, e-mail: sallybaxter@warwickshire.gov.uk

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

Present

Members: Councillor Nicola Davies
Councillor Neil Dirveiks
Councillor Martin Heatley (Vice-Chair)
Councillor Phillip Morris-Jones
Councillor Keith Kondakor
Councillor John Horner (substituting for Councillor Chris Saint)
Councillor June Tandy (Chair)
Councillor Richard Chattaway (substituting for Councillor Alan Webb)
Councillor Yousef Dahmash (substituting for Councillor Chris Williams)
Councillor Bernard Kirton

Other Councillors: Councillor Alan Cockburn – Deputy Leader
Councillor Jeff Clarke, Portfolio Holder, Corporate Business and Environment
Councillor Colin Hayfield, Portfolio Holder, Customers

Officers: Sally Baxter, Democratic Services Officer
John Betts, Head of Finance
David Carter, Strategic Director, Resources Group
Phil Evans, Head of Service Improvement and Change Management
Monica Fogarty, Strategic Director for Communities Group
Jim Graham, Chief Executive
Paul White, Strategic Procurement Manager
Andrew Lovegrove, Head of Corporate Financial Services
Spencer Payne, Business and Commissioning Intelligence Service Manager

1. General

(1) Apologies

Apologies for absence were received on behalf of Councillor Alan Webb, Councillor Chris Williams and Councillor Chris Saint.

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interest

Councillor Philip Morris-Jones declared a non-pecuniary interest in so far he was a member of the Solihull and Coleshill branch of the Federation of Small Businesses.

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

(3) Minutes of the meeting of the Corporate Services Overview and Scrutiny Committee held on 16th October 2013

The Committee agreed that the minutes of the meeting held on 16th October 2013 be signed by the Chair as a true and accurate record.

2. Public Question Time

There were no public questions received or presented at the meeting.

3. Questions to Cabinet and Portfolio Holders

Members considered the Forward Plan of decisions by Cabinet and the Portfolio Holders. A question was raised regarding the planned update of the Council Tax database and whether it had been completed. All returns had not been received from District Councils therefore available figures were estimated.

With regards to a question about strategic Housing in Warwickshire, historic profiles of growth had been used to inform the quantity of houses to be built in the 2014/15 period. Other factors such as location had yet to be considered. This was also the case for subsequent years.

3. Customer Service Excellence

The Committee considered the briefing note and acknowledged the stage that the Authority was at to achieve the Customer Service Excellence standard corporately across all four groups.

Monica Fogarty, Strategic Director for Communities Group, updated the Committee that the Customer Service Excellence standard had been awarded to the Communities Group following assessment.

A full report including the outcome of the assessment, good practice and areas for improvement, would be considered at the next scheduled meeting of Corporate Services Overview and Scrutiny Committee in February 2014.

5. Organisational Health Report – 2013/14

The format of the report would be changed to contain areas that are within the Committees' remit only. This would ensure that relevant Officers would be in attendance to answer questions and to avoid duplication with other committees.

A discussion ensued regarding progress of the delivery of corporate ambitions with particular focus on the reported progress against 30 of

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

54 measures. Of these, 20 of the measures were reported to be on target at the point when the information was collated.

One of the measures not on schedule to meet their target was admissions to residential care homes. In response to a question, it was unknown whether this related to either or both privately and authority owned care homes.

Following discussion and questions from the Committee, the following points were noted:

- 1) The additional expenditure for a replacement farmhouse at Hopkins Farm had been approved at the Cabinet meeting held on 13 December 2012, following a business case. The initial expenditure was included in the Capital Programme.
- 2) Cost Information regarding the use of aerial photography would be provided for Councillors, if required.
- 3) Officers were reminded to be consistent when reporting figures. Some services used exact figures whilst others 'rounded up or down'.
- 4) With regards to Corporate Risk, The Chief Fire Officer had considered utilising privately operated fire services during periods of industrial action. However, was considered to be unfounded and that the Fire Service was confident that public safety would remain of paramount importance and a contingency plan was in place to ensure day to day operations continued albeit on a reduced scale.
- 5) The cost of providing the Mobile Library Service would be provided to members of the Committee.
- 6) To scrutinise the effectiveness of the Schools and Education information, a comparison with previous years attainment both locally and nationally, would be beneficial to get a full picture as to performance of Schools in Warwickshire.
- 7) Due to the complex nature of some complaints, the timescales for responses was under 50% however, it was recognised that performance needed to be improved thus the People Group were working towards improving response rates.

6. Transformation through Strategic Commissioning Programme

Phil Evans, Head of Service Improvement and Change Management, confirmed that the Strategic Transformation Programme would cease at the end of the 2013/14 financial year. All reviews would be concluded at a suitable point which would see existing reviews accelerated, if necessary.

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

The Corporate Programme Management Team would continue to support services.

Following discussion, the Committee thanked Phil Evans and the Corporate Programme Management Team for their assistance during the Transformation Through Strategic Commissioning Programme process.

7. The Council's Procurement Procedures

Paul White, Strategic Procurement Manager, provided the Committee with an overview of the continued progress being made in relation to the Council's procurement procedures and the support provided to small businesses when bidding for Council contracts. Whilst support was provided, a series of actions had been developed to further encourage small businesses. Progress on these actions was documented in the report for committee consideration.

An analysis of local authorities total procurement spend was compiled by the Federation of Small Businesses and it was reported that on average, nearly 35% of spend was within their own local authority boundary. In comparison, Warwickshire county Council, for the period 1/4/12 – 31/03/13, procured 55% of its total procurement spend in Warwickshire and 53% in the period 1/04/13 – 30/09/13.

Information as to the actions identified and progress to date was discussed in which the Committee encouraged the approach contained in the procurement procedures. Other organisations procurement procedures were discussed and sub-contracting was identified as an area that would potentially increase small businesses involvement when procuring goods and services. Growth was emphasised of being of particular importance and sub-contracting was being encouraged to achieve this.

Following a discussion the importance of supporting local people and getting best value for money was emphasised. It was important to consider that savings needed to be made thus may have an effect on the awarding of contracts. Existing suppliers were procured through the Espo system which provided assurance that local businesses were utilised including Highways Services. A charter would be established in early 2014 to encourage large companies to provide opportunities for local businesses.

Following discussion and questions from the Committee, the following points were noted:

1. The Communities Group provided support to small businesses particularly when starting up and getting established. Support was provided to both businesses and the voluntary sector to identify opportunities such as tendering for contracts.

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

2. It was important that Warwickshire County Council continued to support and encourage local businesses to tender for contracts alongside larger national providers.

8. Treasury Management Monitoring Report

Andrew Lovegrove, Head of Corporate Services, introduced the Treasury Management Outturn Report to date for 2013/14. The In-house operation was currently under performing however, measures had been put in place to address this.

Other investment when compared with last year, was not reaching expected levels however, there was confidence that that the deficit would be recovered. It was reported that the external investor adviser had forecasted interest rates to increase in 2016. It was currently difficult to achieve positive returns due to low interest rates.

A discussion ensued regarding investment and the mechanism for spreading the risk in relation to short term cash and that no borrowing would occur in this financial year.

A question was raised regarding the level of borrowing and the long term impact it would have on the authority in the future in so far the amount of interest repayable on the borrowing. Loan maturity and redemption was discussed in particular, and the committee was informed that it would not be advantageous to redeem loans before the end of the term due to the punitive nature of early redemption. John Betts, Head of Finance, provided the following written response:

The current level of capital debt in the Authority is £386m. This requires an annual revenue budget of £40m per annum to maintain it. We do not take loans out each year (only when funding is required) so loans come up for redemption on a "lumpy" basis.

The table below shows the outstanding loans due to be repaid during the period of the 2014-18 Plan. It shows the maturity date, the amount of the loan and the interest we are currently paying.

Loan Number	Maturity Date	Amount Advanced £ million	Interest Rate
465711	31/03/2014	3	9.125%
461764	31/03/2015	2.5	9.000%
466188	31/03/2016	5	9.000%
497552	30/09/2016	10	2.740%
466189	31/03/2017	5	9.000%
497553	31/03/2017	10	2.880%

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

Savings arising from redemptions are already built into the savings proposals presented to elected members in September. They form part of the £4.5 million "Other Services" savings.

In response to questioning from the Committee, it was reported that the majority of loans taken by the authority were interest only and the practice of Bond issuing was considered to carry high risks therefore this practice had not been adopted .

It was acknowledged that with regards to paying off loans, prioritisation was being given to those which attracted a higher rate of interest and it was clarified that investing in the stock market was not being considered because short term cash investments attracted a better rate. In light of national publicity regarding the nature of companies that organisations invested in, the committee heard that the authority invested in banking institutions.

The Corporate Services Overview and Scrutiny Committee agreed:

- 1) The Corporate Services Overview and Scrutiny Committee agreed to note the Treasury Management Monitoring Report of 2013/14 to date.
- 2) To receive written responses with regards to further information requested which would be distributed by Democratic Services.
- 3) To receive a briefing note about Pension Funds Investment.

9. Work Programme 2013/14

The Chairman informed the Committee that in response to the Committees suggestions, leaflets had been produced and displayed in Libraries in Warwickshire regarding alternative measures to Payday Loans. This was welcomed by then Committee.

The proposed Work Programme for the remainder of 2013/14 was considered and members were invited to suggest additional items for consideration at future meetings.

The Corporate Services Overview and Scrutiny Committee agreed:

- 1) The proposed Work Programme 2013/14 and;
- 2) The proposed Action Plan.

10. Urgent Matters

There were no urgent matters raised for discussion.

**Minutes of the meeting of the
Corporate Services Overview and Scrutiny Committee
held on 11 December 2013**

11. Date of Next Meeting

The Corporate Services Overview and Scrutiny Committee noted that the date of the next meeting had been scheduled for 26th February 2014 at 10a.m.

The Committee rose at 3.05 p.m.

.....
Chair

Corporate Services Overview and Scrutiny Committee

26 February 2014

Questions to Cabinet and Portfolio Holders

Recommendations

That the Corporate Services Overview and Scrutiny Committee consider the forthcoming Cabinet and Portfolio Holder decisions relevant to its remit, asking any relevant questions and considering areas for further scrutiny, where appropriate.

1.0 Cabinet and Portfolio Holder Decisions

- 2.1 The decisions relevant to the remit of the Committee are listed below. Members are encouraged to seek updates on decisions and identify topics for pre-decision scrutiny. The responsible Portfolio Holders will be in attendance at the meeting to answer any questions from the Committee.
- 2.2 The list was last updated from the Forward Plan on 17 February 2014.
(* Key decision)

Decision	Description	Date due	Cabinet / PfH
(Exempt) Disposal of Bath Place, Leamington Spa	To consider the bids received for the site including a community asset bid.	13 th March 2014	Cabinet
Shaping the Future: One Organisational Plan 2014 - 18 Proposed Reporting Arrangements	Report sets out the proposed reporting arrangements for the delivery of the One Organisational Plan 2014 - 18	13 th March 2014	Cabinet
Use of Insurance Claim monies - Bath Place, Leamington Spa	Seek member approval for use of insurance monies (Revenue) for one off Property Rationalisation programme projects	13 th March 2014	Cabinet
(Exempt) Disposal of property in Warwick North	Freehold disposal of part of property in Warwick North subject to contract and Cabinet approval on terms and conditions acceptable to the Strategic Director of Resources.	13 th March 2014	Cabinet

2014/15 Service Estimates	Cabinet approves the detailed 2014/15 Services Estimates for Business Units	13 th March 2014	Cabinet
(Exempt) CLASP	The CLASP consortium of Local Authorities, of which Warwickshire County Council is a member, is the entity that has provided system build technology and designs for the provision of types of public service buildings in the post-war era. CLASP is almost entirely dormant and instead the trading company Scape System Build Limited delivers projects for the public sector on a commercial basis using the technology and intellectual property rights licensed to it by CLASP. Legal advice has been engaged to investigate whether CLASP should be dissolved.	13 th March 2014	Cabinet
Procurement Direction for the Provision of Asbestos Remedial and Analytical works via the Sub Region	<p>Property Risk Team, Facilities Service, Physical Assets have an on-going requirement for Asbestos remedial and analytical works to meet the needs of the Authority and maintained Schools'</p> <p>The Coventry Solihull and Warwickshire (CSW) Sub-regional Property Officers Group has worked together to identify possible areas where the three Authorities can work together on procurement opportunities.</p> <p>One identified opportunity for collaboration was Asbestos Related work where the members believed common ground on specification requirements and pricing structures could be achieved.</p> <p>A Framework Agreement for this provision has now been established and is ready for use by the sub-regional partners. The Framework Agreement is called "Asbestos Removal and Analytical Works" - Contract Reference number 4363. The Framework includes 5 remedial and 5 analytical suppliers.</p>	21 st March 2014	Portfolio Holder - Customers
(Exempt) Consider alternative uses for the property at 185 Drayton Avenue Stratford upon Avon	To consider Education uses or alternatively use for dementia services or disposal on the open market.	10 th April 2014	Cabinet

(Exempt) Acquisition of land at Montague Road, Warwick	Freehold acquisition of land at Montague Road, Warwick on terms acceptable to the Strategic Director of Resources.	10 th April 2014	Cabinet
(Exempt) Disposal of WCC HEP's	To seek approval to dispose of the Council's remaining Homes for Elderly People	10 th April 2014	Cabinet
Year End 2013/14 Organisational Health Report	Year End 2013/14 Organisational Health Report: Finance, Performance & Risk (April 2013 – March 2014)	10 th July 2014	Cabinet

	Name	Contact details
Report Author	Sally Baxter	sallybaxter@warwickshire.gov.uk
Head of Service	Greta Needham	gretaneedham@warwickshire.gov.uk
Strategic Director	David Carter	davidcarter@warwickshire.gov.uk
Portfolio Holder	Councillor Clarke Councillor Cockburn Councillor Hayfield Councillor Seccombe	cllrclarke@warwickshire.gov.uk cllrcockburn@warwickshire.gov.uk cllrhayfield@warwickshire.gov.uk cllrmsseccombe@warwickshire.gov.uk

Corporate Services Overview and Scrutiny Committee

26 February 2014

Transformation through Strategic Commissioning Programme Update Report

Recommendations

That the Corporate Services Overview and Scrutiny Committee scrutinise the delivery of the Programme, including timescales and updates on service reviews and observe that the programme will cease at the close of the 2013/14 financial year.

1.0 Update

- 1.1.1 At its meeting on 20th December 2011, the Overview and Scrutiny Board agreed that a verbal report would be presented to each Board meeting, to provide members with an overall progress date on the programme, together with an update on ongoing service reviews.
- 1.2 The Overview and Scrutiny Board has since been disbanded and the Corporate Services Overview and Scrutiny Committee will continue to receive updates regarding programmes and ongoing service reviews.
- 1.3 Gill Fletcher, Corporate Programme Manager, will be in attendance at the meeting to provide a verbal update to the committee. This will allow for the most up to date information to be shared with members during a period of high activity.

	Name	Contact details
Report Author	Phil Evans	philevans@warwickshre.go.uk Tel: 01926 412293
Head of Service	Phil Evans	philevans@warwickshre.go.uk Tel: 01926 412293
Strategic Director	David Carter	davidcarter@warwickshire.gov.uk Tel: 01926 412045
Portfolio Holder	Councillor Colin Hayfield	cllrcolinhayfield@warwickshire.gov.uk

Corporate Services Overview & Scrutiny Committee

26th February 2014

Quarter 3 - 2013/14 Organisational Health Report: Finance, Performance & Risk (April – December 2013)

Recommendations

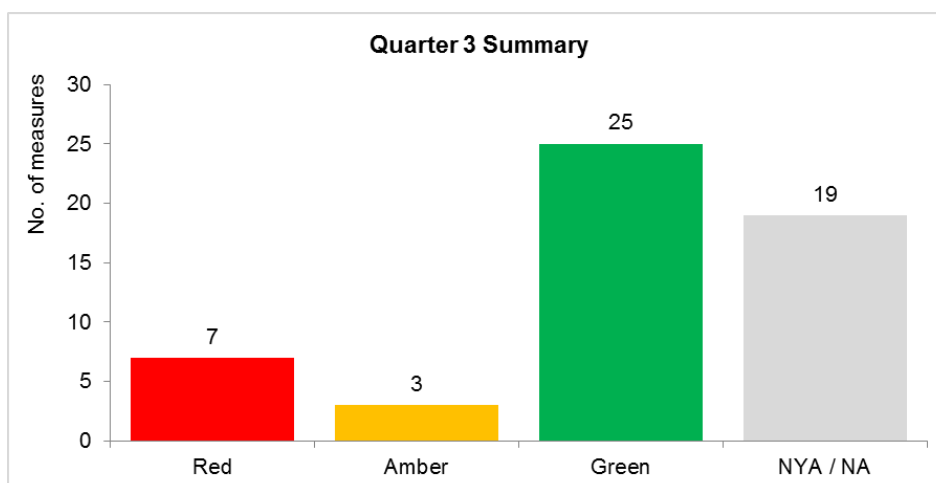
That the Corporate Services Overview and Scrutiny Committee considers the report, asking questions in relation to its content and making recommendations if considered appropriate on the Quarter 3 (April – December) 2013/14 performance of those services within its remit (primarily services within the Resources Group).

1. Key Issues

- 1.1. The following report provides Members with a picture of how the organisation has performed in terms of: delivering on our key performance measures; the financial management of our resources and in managing and responding to significant risks (i.e. strategic and business unit risks which still have a residual 'red' rating following mitigation) at the end of Quarter 3 (April-December) 2013/14. A report covering the whole Council was considered by Cabinet on 28 January 2014. This report considers the overall financial, performance and risk position of the Authority, but focuses primarily on the performance of those services within the remit of this committee.

2. Performance – Quarter 3 High Level Summary

- 2.1. As at the end of December, we are able to report progress against 35 of the 54 measures. Of the 54 measures, 3 are staff survey indicators, which are not due to be reported against in 2013/14, leaving 16 we are currently unable to report against for Quarter 3. Performance of the 35 measures is as detailed in the graph below with 25 (71%) being forecast to be on target and 9% within agreed tolerances.



2.2. Quarter 3 2013/14 Performance Overview

The table below presents Quarter 3 performance information by each Ambition in the Corporate Business Plan.

Ambition	Red	Amber	Green	Subtotal	NYA	Not collected this year	Grand Total
1: Community & Customers	0	0	1	1	3	0	4
2: Safety & Protection	2	2	7	11	2	0	13
3: Care & Independence	1	0	5	6	4	0	10
4: Enterprise, Transport & Tourism	0	0	4	4	4	0	8
5: Environment & Housing	2	1	0	3	0	0	3
6: Schools & Education	1	0	4	5	0	0	5
7: Organisation	1	0	4	5	3	3	11
Total	7	3	25	35	16	3	54

2.3. There was one measure forecast to miss the target within the remit of the Overview & Scrutiny committee. This relates to the % net variation to budget, where the overall underspend is greater than target set (1% of budget).

3. Financial Monitoring – High Level Summary

3.1. Table 1 provides a summary of the financial performance of each Business Unit compared to the previously approved plans. At the end of Quarter 3 the projected revenue outturn position for the authority is an underspend of £5.120 million. However, this includes a forecast overspend on Dedicated Schools Grant (DSG) funded services of £2.947 million. There is sufficient funding in DSG reserves to meet this overspend if it materialises at the end of the financial year. Detailed appendices are attached relating to services within the remit of this committee.

3.2. The projected outturn position for the authority (where it has direct control over the use and allocation of resources) is an underspend of £8.067 million. Any

projected underspends by services form a contribution to their reserves. This money is then available to support spending in future years and to assist in any delays in the delivery of the savings plan (Resources Group is in bold)

Table 1: Summary of the Forecast 2013/14 Outturn Financial Performance as at Quarter 3					
1	Col. 2	Col. 3	Col. 4	Col. 5	
App.	Group/ Service	Revenue (Under)/ Over Spend £'000	Savings Delivered (Above)/ Below Target £'000	Capital Programme	
				2013/14 Variation in Spend £'000	Variation to total capital Programme £'000
	People Group				
A	Safeguarding*	1,156	0	0	0
B	Social Care and Support	1,463	1,997	0	0
C	Business Manager* (Decommissioned)	-	-	-	-
D	Strategic Commissioning*	(2,935)	59	(2,341)	0
E	Early Help and Targeted Support*	766	436	(159)	0
F	Learning and Achievement*	4,226	1,140	117	24,525
	Resources Group				
G	Customer Service	(590)	0	421	4
H	Finance	(236)	0	-	-
I	Human Resources & OD	(55)	0	-	-
J	Information Assets	(17)	0	(242)	6,281
K	Law and Governance	(198)	0	-	-
L	Physical Assets	(191)	0	(1,108)	238
M	Service Improvement & Change Management	(47)	0	-	-
	Communities Group				
N	Sustainable Communities	(905)	(184)	(871)	86
O	Localities and Community Safety	(864)	0	0	0
P	Transport and Highways	(1,633)	0	(3,841)	(141)
Q	Public Health	(50)	0	-	-
R	Fire and Rescue	(1,377)	0	(1,906)	(216)
S	Other Services*	(3,633)	-	-	-
	Total	(5,120)	3,448	(9,930)	30,777

Note: * indicates services where the revenue outturn is partly funded by DSG Column 3 shows the total revenue variation for each service. The breakdown of the corresponding budget is given in Appendices A to S. Column 4 shows the financial variation from the target savings set for 2013/14. This is included in Column 3 too, as part of the overall revenue budgetary performance of the service. Column 5 shows the variation in capital payments in 2013/14 compared to the budget and changes to the total cost of schemes over the life of the programme (again further details are given in Appendices A to S).

3.3. The 2013/14 budget included a savings target of £58.215 million as the last year of the current Medium Term Financial Plan (MTFP). Currently savings of £41.387 million have already been delivered and a further £13.380 million is forecast to be delivered by the end of the financial year. Overall, therefore, there is a forecast £3.448 million under achievement in the delivery of the savings plan by the end of 2013/14.

The only significant variation for the Resources Group relates to **Customer Service**, where the Warwickshire Local Welfare Scheme is predicting to underspend. This is the first year we have run this scheme and given the uncertainty about future levels of funding a prudent approach to minimise future unfunded commitments through the implementation of the scheme has been taken. There are also underspends within the Registration Service due to increased income and delays in customer service projects.

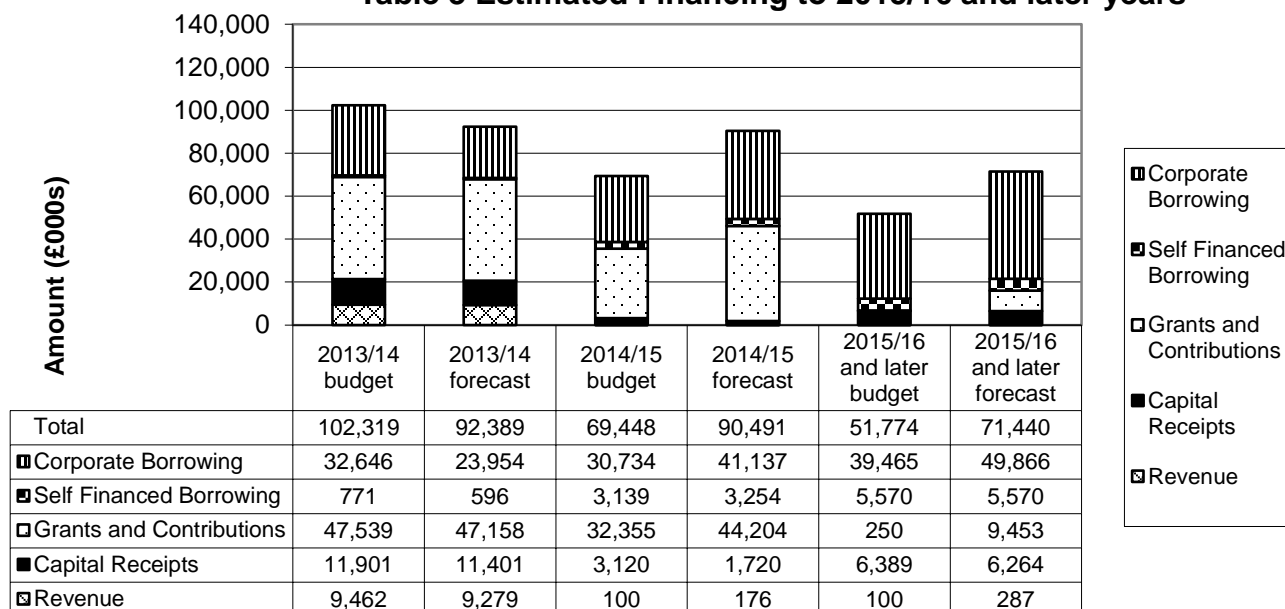
4. Capital Budget Update

4.1. The capital budget provides for spending on assets which have a life of more than a year. At the start of the financial year the approved value of capital payments in 2013/14 was £99.700 million and a further £110.358 million over the medium term. In December 2013 Council approved a number of new schemes, which has added significantly to the value to the medium term capital programme.

From the Resources Group perspective, the main reasons for the increase shown in Table 1 relates to a £6.4 million increase in the Information Assets capital programme relating to the Rural Broadband Project.

4.2. The overall level of borrowing remains within the envelope approved in February. Therefore there is no impact on the MTFP. Details of capital projects relating to the Resources Group are detailed in the appendices.

Table 3 Estimated Financing to 2015/16 and later years



5. Corporate Risk – High Level Summary

5.1. The Council has in place a Corporate Risk Management Strategy which details a corporate approach to risk management, including consistent measures for likelihood and impact. It is regularly reviewed to ensure it continues to meet good practice and remains relevant.

- 5.2. The corporate strategic risk register details those risks that could have an effect on the successful achievement of our long term strategic ambitions/aims. These risks are reviewed and agreed by Corporate Board and then subsequently taken to Audit and Standards Committee for consideration.
- 5.3. The table below lists the corporate strategic risks. The difference between gross and net risk levels indicates that actions are in place to manage these risks. Net red risks (R) are significant risks that need immediate management action, whilst net amber risks (A), although usually accepted, may need some additional mitigation.

Risk Description	Gross Risk Level	Net Risk Level
Failure to effectively transform WCC to reflect the political and economic environment	12 (R)	8(A)
Failure to deliver the agreed savings targets and balance the Council's budget	9(A)	9(A)
Failure to maintain an efficient regulatory framework	12(R)	8(A)
Ineffective and unsuccessful partnerships across Warwickshire and sub-regionally	9(A)	6(A)
5.4. Consequences of the Atherstone Fire tragedy on the organisation	16(R)	8(A)
Failure to meet the needs, demands and expectations of the community	9(A)	4(A)
Children and Young people and vulnerable adults suffer injury or death and questions will be raised as to whether the LA & its partners could have intervened to avoid it happening.	16(R)	12(R)
Market Failure – Commercial or contractual failure of private or independent care providers leads to disruption to care provision and impact on service users and carers	16(R)	9(A)

one risk that has been escalated to the Strategic Risk Register, there is currently one other net red Business Unit risk.

Risk Description	Gross Risk Level	Net Risk Level
Children and Young people and vulnerable adults suffer injury or death and questions will be raised as to whether the LA & its partners could have intervened to avoid it happening. <i>(also included on the Corporate Strategic Risk Register)</i>	16(R)	12(R)
Industrial action by operational firefighters, service control staff or support staff	16(R)	12(R)

- 5.5. Net red business unit risks are identified and assessed by Heads of Service as significant risks, which may have a serious financial, reputational and/or service delivery impact on the Council and the achievement of its objectives if not managed. The risks are reported on regularly and actively managed by risk owners named in the appendices who can be contacted for more information.

6. Impact on Reserves

At the start of 2013/14 our revised reserves were £114.364 million. These are forecast to decrease by £13.310 million by 31 March 2014. Details are shown in Table 4.

Table 4: Reserves Projection				
Reserve	In-Hand/ (Overdrawn) 1 April 2013	Previously Approved Changes	Effect of Forecast Outturn	Forecast In-Hand/ (Overdrawn) 31 Mar 2014
	£'000	£'000	£'000	£'000
General Reserves	18.832	(2.754)	3.425	19.503
Medium Term Contingency	13.315	-		13.315
Insurance Fund	8.015	-		8.015
Service Realignment Fund (1)	8.840	(0.207)		8.633
Earmarked – Schools	19.673	-	(2.947)	16.726
Earmarked – Non-Schools	16.038	(4.076)	3.033	14.995
Service Savings	29.350	(11.393)	1.609	19.566
Community Infrastructure Levy	0.301	-		0.301
Total	114.364	(18.430)	5.120	101.054

Notes:

(1) The Service Realignment Fund is for meeting the upfront costs of redundancy in response to future resource projections.
The table may not sum due to slight rounding differences.

- 6.1. Reserves are held in accordance with the Council's reserves policy. Overdrawn reserves (except Fire Pensions and the Schools IT loan reserves) are a first call on 2014/15 budgets. Meanwhile, any service reserves that are overdrawn in the current year are effectively a temporary call on General Reserves until they are repaid.
- 6.2. General reserves are projected to be £19.503 million by the end of the year. This includes £0.741 million committed to fund future years of approved Going for Growth schemes. Any need for additional reserves or if there are any reserves available for use will be considered as part of setting the 2014/15 budget.

7. Impact on the Medium Term Financial Plan

- 7.1. It was always expected that as we moved to the end of the current Medium Term Financial Plan the pressure on resources would increase.
- 7.2. Services are forecasting an overall revenue underspend which is £1.062 million higher than forecast at the same time last year. The overall underspend position is an indication that Business Units are already making savings pending the approval of the One Organisational Plan savings targets for 2014/15. It should be noted that these underspends are one-off resources and are not an alternative to the delivery of the agreed savings plan or available to support the overall budget on a permanent basis in future years.

7.3. In summary, the overall position will need to be kept under review very closely as the focus on delivering the 2014-18 Plan in a timely manner will have to be the financial priority for the organisation. The organisation has now reached the point, in some services, where there is no longer the availability of short term, one-off resources to cover long term structural pressures.

Authors: Tricia Morrison, Ext 47 6994, triciamorrison@warwickshire.gov.uk
Neill Butler, Ext 41 2860, neillbutler@warwickshire.gov.uk
Sandra Beard, Ext 41 2092, sandrabeardss@warwickshire.gov.uk
Stephanie Gardner, Ext 47 6884, stephaniegardner@warwickshire.gov.uk

Heads of Service: Phil Evans, Ext 41 2293, philevans@warwickshire.gov.uk
John Betts, Ext 41 2441, johnbetts@warwickshrie.gov.uk
Greta Needham Ext 41 2319,
gretaneedham@warwickshire.gov.uk

Strategic Director: David Carter, Ext 41 2564 davidcarter@warwickshrie.gov.uk

Portfolio Holders: Cllr Alan Cockburn, Cllr Jeff Clarke, Cllr Colin Hayfield

Customer Services - Kushal Birla
Strategic Director - David Carter
Portfolio Holder - Councillor Hayfield (Customers)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Forecast Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Customer Contact and E-services	3,147		3,147	2,902	(245)	The Warwickshire Local Welfare Scheme is underspent by £405,000. As the scheme is in its first year of operation it is continuing to be developed - we are using the learning to date to develop a long term approach to the management and distribution of this grant which is aimed at crisis situations.
Marketing & Communications	393		393	288	(105)	The underspend relates to income generation from the Print Unit and Communications.
One Front Door (Formerly One Stop Shops)	294		294	256	(38)	The underspend is due to the restructure of the Library/Registration/One Stop Shop management team and will be used to support the Digital by Default programme.
Registration Services	158		158	(60)	(218)	The underspend is a result of increased income generation. This underspend will be used to primarily support, the Digital by Default programme and redundancy costs.
Other Customer Services	545		545	549	4	
Business Development	305		305	323	18	
Library & Information Services	5,077	1	5,078	5,071	(7)	
Customer Relations	258		258	259	1	
Net Service Spending	10,177	1	10,178	9,588	(590)	

2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of)/ Transfer to Reserves £'000	Reason for Request
Service Savings	491	(491)	590	590		
Total	491	(491)	590	590	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	824	788	788	824	788	788	
CW-CL-01 and 12	Customer Relations	50	50	50	50	50	50	
CW-CC-02	Library Services reconfiguration	471	471	471	621	471	621	
CW-CC-03	Integrated Model for Communications	93	129	129	93	129	129	
	Total	1,438	1,438	1,438	1,588	1,438	1,588	
	Target		1,438	1,438		1,438	1,588	
	Remaining Shortfall/(Over Achievement)		0	0		0	0	

G Customer Service

2013/14 to 2014/15 Capital Programme

Agresso Project Code	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
10155000	Improve Customer Experience in Council Buildings and DDA Works 2009/10	48	0	453	0	501	48	0	453	0	501	0	0	
10624000	Libraries Radio Frequency Identification	770	85	0	0	855	770	91	0	0	861	6	6	Small increase financed by a revenue contribution to capital.
10627000	Improving The Customer Experience- Libraries	184	5	0	0	189	184	5	0	0	189	0	0	
10631000	Library Modernisation Linked To Best Value	221	2	20	57	300	221	77	0	0	298	75	(2)	
10645000	One-Stop Shops Expansion Programme 2009/10	0	60	120	90	270	0	0	180	90	270	(60)	0	
11040000	Improving the Customer Experience/One Front Door Improvements	0	80	1,000	1,920	3,000	0	480	600	1,920	3,000	400	0	
11077000	Capital Fund for Community Libraries	90	0	0	0	90	90	0	0	0	90	0	0	
		1,313	232	1,592	2,067	5,205	1,313	653	1,232	2,010	5,208	421	4	

Performance Information: Quarter 3 April - December 2013

Customer Service: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M01000	% Satisfaction level with the quality of services received	62	62.89				• Head of Service has noted that this is not something that should necessarily be part of the CS Performance Reporting and that it is not measurable but as a Corporate Business Plan measure it has to remain in the reporting framework meantime
M01005	Enquiries by the public resolved at first point of contact - OSS (%)	92	80	98	✓	98.3	
M01012	Number of visits to libraries	1721544	1730152	1730152	✓	1274306	
M01030	% of complaints responded to within agreed timescales - general		80	100	✓	100	
M01096	% of complaints responded to within agreed time scales - Adults	35	60	20	▲	19	• The CRT manager is currently closely monitoring performance in adults and childrens services in liaison with the relevant heads of service. Performance is also been monitored through the management teams
M01097	% of complaints responded to within agreed time scales - Children	58	80	40	▲	40	• The CRT manager is currently closely monitoring performance in adults and childrens services in liaison with the relevant heads of service. Performance is also been monitored through the management teams
M01100	No of processes transferred to digital against each identified major customer contact area.		6	6	✓	4	

Finance - John Betts
Strategic Director - David Carter
Portfolio Holders - Councillor Cockburn (Deputy Leader and Finance)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Forecast Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Head of Service	40	1	41	226	185	The underspends in Corporate Finance & Advice, Communities Finance and People Group Finance is largely the result of vacancies, which are either waiting to be filled or are being held vacant in preparation for delivering the spending reductions currently being considered by Members for 2014-15. An element of the savings target is held against the Head of Service line. In addition, the service has generated additional income from its traded activities with schools and with district councils, as well as additional procurement income (from contract rebates) and will be reinvesting this in service improvements (particularly on the new financial system and redesigning the overall finance service offer) between now and the end of this year to ensure medium term viability. Overall, the service is forecasting a small underspend.
Corporate Finance and Advice	715	0	715	648	(67)	
Treasury, Exchequer, Finance Systems, Pensions	484	0	484	476	(8)	
Communities Group and Fire & Rescue Local Finance, Procurement	994	0	994	866	(128)	
People Group Local Finance, Financial Benefits & Advice	2,014	(12)	2,002	1,865	(137)	
Resources Local Finance, Schools Strategy & Support, Payroll	427	41	468	387	(81)	
Net Service Spending	4,674	30	4,704	4,468	(236)	





2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of)/ Transfer to Reserves £'000	Reason for Request
Service Savings	1,487	(1,487)	236	236		The use of the reserve will be requested in 2014/15 to fund one-off investment in further exploiting financial systems to assist the wider Council in delivering the 2014-18 One Organisation Plan
Total	1,487	(1,487)	236	236	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	1,125	1,125	1,125	1,125	1,125	1,125	
RE-FI-01	Financial process efficiencies	725	725	725	725	725	725	See comments above - on-going savings arising from reduced staffing numbers have delivered the savings, allied with improvements to the County's use of its financial system.
RE-FI-03	Reduction in financial support to both members and managers							
	Sub total	1,850	1,850	1,850	1,850	1,850	1,850	
	Target		1,850	1,850		1,850	1,850	
	Remaining Shortfall/(Over Achievement)		0	0		0	0	

Performance Information: Quarter 3 April - December 2013

Finance: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M02000	Budget variance: percentage end year variance from budget		0	2		2	• Q3 forecasts are being collated - fluctuations within Business Units look larger, but overall within target.
M02001	Corporate revenue & capital spending plan & forecasts produced by due date		Yes	Yes		Yes	• Current work with the Budget Working Group is on track and there have been two Leader's announcements and a report to Cabinet in December.
M02014	Treasury Management strategy produced that supports the MTFP		Yes	Yes		Yes	
M02083	% of milestones within the medium term financial plan that are met		100	100		75	• On track to deliver the medium term financial plan.

Human Resources and Organisational Development - Sue Evans
Strategic Director - David Carter
Portfolio Holder - Councillor Clarke (Corporate Business & Environment)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Forecast Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Advisory Services (including Health & Safety)	1,519	0	1,519	1,443	(76)	£68k relates to the Health and Safety Budget slippage in staff recruitment and agency charges in year. £8k relates to slippage in vacancies within Advisory Service.
Equalities and Diversity	219	0	219	263	44	
Human Resources Service Centre	1,331	3	1,334	1,471	137	£130k authorised overspend to supplement the ongoing HR CRM Transformation project which is being funded by underspends elsewhere in the service.
Learning & Organisational Development	1,255	1	1,256	1,061	(195)	Levy Underspend £52k which in part relates to 2013/14 carry forward of £46k for e-learning/LMS system which has been absorbed by the current levy budget. L&OD Social Care Underspend £140k - £40k salary costs; £100k Delay in delivery of planned development programmes, and structural changes within the team.
Business Partners	655	0	655	654	(1)	
Human Resources Head of Service	1,415	(968)	447	483	36	
Net Service Spending	6,394	(964)	5,430	5,375	(55)	

2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of)/ Transfer to Reserves £'000	Reason for Request
Service Savings	1,129	(1,129)	55	55		
Apprenticeship Programme	0	967	0	967		
Total	1,129	(162)	55	1,022	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	500	500	500	500	500	500	
CW-CL-12	Additional income generation in Equality and Diversity	15	15	15	15	15	15	
CW-WS-03	HR Advisory Service	70	70	70	70	70	70	
CW-WS-04	HR Business Partnership	18	18	18	18	18	18	
CW-WS-06	Management restructure in Workforce, Strategy and Development	80	80	80	80	80	80	
	Total	683	683	683	683	683	683	
	Target		683	683		683	683	
	Remaining Shortfall/(Over Achievement)		0	0		0	0	

Performance Information: Quarter 3 April - December 2013

I Human Resources

HR & OD: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M03000	% WCC staff agreeing that "the county Council is a good employer" as per the Corporate Staff Survey	73	77.5				• No survey in 2013-14
M03001	% staff who are flexible workers						• Agreement needed on which Business Unit owns this indicator.
M03019	% of staff satisfied with the training & development that they receive in their current job	66.6	70				• No survey in 2013-14
M03020	% staff who believe the County Council is an equal opportunities employer	85.1	86				• No survey in 2013-14
M03066	% Delivery against workforce plans (WCC)		100	100	★		
M03067	% Delivery of management workforce reports		100	100	★		• By the end of the financial year, quarterly workforce reports will be delivered to all of the Groups

Information Assets - Tonino Ciuffini
Strategic Director - David Carter
Portfolio Holder - Councillor Clarke (Corporate Business & Environment)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Forecast Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Head of Service	588		588	590	2	
Members Support	98		98	97	(1)	
ICT General Unit Charge	(507)		(507)	(507)	0	This forecast is still at risk as the transfer of Unit Charge Budgets has not yet occurred and will be completed in Q4
Strategy and Programme & Innovation	974	(3)	971	966	(5)	
Corporate ICT Development	1,661		1,661	1,661	0	
R&D Infrastructure Projects	31		31	31	0	
Customer and Supplier Services	592	2	594	545	(49)	Forecast underspend in replacement PCs this year
Production Services	1,041		1,041	1,091	50	This position includes a £189,000 expenditure on redundancy costs to meet the Organisational Plan Proposal IA-B. All Information Assets underspends are being targeted to this area with the possible exception of the Schools ICT
Systems Design & Architecture	1,389	252	1,641	1,645	4	
Schools and Network Team	781	7	788	770	(18)	Underspend being accumulated as part of WES Services Commercialisation activity. The proposal is to be able to use any underspend as a Service development fund.
Information Management	286		286	286	0	
Net Service Spending	6,934	258	7,192	7,175	(17)	

2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of)/ Transfer to Reserves £'000	Reason for Request
Information Assets - Equipment reserve	171	0	0	171	0	These reserves have been earmarked to support the introduction of the new Wide Area Network in Warwickshire, as outlined in the paper to Cabinet in September 2013. We may need to draw down some project costs at the end of Quarter 4. The use of these reserves will allow savings as part of the One Organisational Plan to be fully realised.
ICT - Unit Charge Equalisation Account	625	0	0	625	0	
Service Savings	561	(561)	17	17	0	
Total	1,357	(561)	17	813	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	890	890	890	890	890	890	
RE-IT-01-03	ICT savings via hours reduction, restructuring and general efficiencies	10	10	10	10	10	10	
RE-IT-05	Removing the ICT extended out of hours support cover outside 8:30 to 5:30	100	100	100	100	100	100	
RE-IT-06-10	Reductions in the ICT Development Fund, ICT strategy and research and development and the staff associated with them	275	275	275	275	275	275	
New	Printing Savings	28	28	28	28	28	28	
		1,303	1,303	1,303	1,303	1,303	1,303	
	Target		1,303	1,303		1,303	1,303	
	Remaining Shortfall/(Over Achievement)		0	0		0	0	

2013/14 to 2014/15 Capital Programme

Agresso Project Code	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
10363000	Property Systems Development	71	129	0	0	200	71	129	0	0	200	0	0	
10966000	Centenary Business Centre Data Centre improvements and relocation	511	69	0	0	580	511	69	0	0	580	0	0	
11121000	Development of Rural Broadband	133	470	1,620	1,341	3,564	133	228	4,271	5,213	9,845	(242)	6,281	There is a report going to Cabinet in January and Council in February regarding the additional external financing available for this project. At present only the contribution of WCC is reflected in the figures provided.
		715	668	1,620	1,341	4,344	715	426	4,271	5,213	10,625	(242)	6,281	

J Information Assets

Performance Information: Quarter 3 April - December 2013

Information Assets: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M03001	% staff who are flexible workers						• Agreement needed on which Business Unit owns this indicator.
M04004	% of support calls resolved at the point of contact	38.08	40	40	★	47.67	
M04007	Overall Unavailability of ICT - (i.e. whole network) (SOCITM Level 1 KPI 15)	0	14	0	★	0	
M04013	Overall customer satisfaction (SOCITM Customer Satisfaction Survey)	5.3	5.5	5.54	★	5.54	
M04014	Overall customer satisfaction as measured by ICT Service Desk Survey	94	96	93.99	●	93.99	
M04018	Customer dissatisfaction as reported via complaints (formally recorded via the Corporate Complaints System)	0	0	0	★	0	
M04119	Delivery of ICT solutions to support the Digital by Default Agenda in line with the project plans and deliverables agreed at the Digital by Default Board.		Yes				• Target to be confirmed once ICT Actions Agreed. ICT Requirements not yet defined.
M04143	Implementation of first phase of Broadband Extension as defined in the procurement		Yes	Yes	★	Yes	

Law and Governance - Greta Needham
Strategic Director - David Carter
Portfolio Holder - Councillor Clarke (Corporate Business & Environment)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Final Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Democratic Services	536		536	453	(83)	£50k of this underspend reflects unfilled vacancies in Democratic Services where recruitment is currently underway for a Democratic Services Officer and a Trainee DSO and it will therefore be required in 2014/15. The remainder relates to 2012/13 Police & Crime Panel grant income received where dedicated cover arrangements are to be implemented.
School Governor Services	54	1	55	53	(2)	
Insurance, Internal Audit and Risk Management	513	1	514	496	(18)	This underspend has resulted from unfilled staffing vacancies. Recruitment to these vacancies will take place during this latter part of this financial year.
Law and Governance Administration	1		1		(1)	
Legal Services	(451)		(451)	(525)	(74)	We continue to take a cautious approach on the Legal Services forecast as the transforming organisation is generating different patterns of legal spend in some areas. Quarter 3 saw increased expenditure from external customers
Legal Core	438		438	418	(20)	The underspend is mainly due to the repayment of Legal fees for the disposal of the Former Magistrates Court.
Net Service Spending	1,091	2	1,093	895	(198)	

2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of)/ Transfer to Reserves £'000	Reason for Request
Service Savings	223	(223)	198	198	0	Additional legal resource may be required to support the Fire & Rescue project with West Mercia, albeit the extent of that support is yet to be determined. There is also the potential for additional support to be required on core legal work / extra support to the Monitoring Officer during a period of transition in the leadership of L&G.
Total	223	(223)	198	198	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	365	367	367	365	367	367	
CW-CC-05 and LG-02	Transformation of Corporate Governance support	57	55	55	57	55	55	
CW-LG-03	Reduce core legal discretionary services	3	3	3	3	3	3	
	Total	425	425	425	425	425	425	
	Target		425	425		425	425	
	Remaining Shortfall/(Over Achievement)		0	0		0	0	

Performance Information: Quarter 3 April - December 2013

Law & Governance: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M05000	The annual governance is accepted without qualification by the Council's external auditors	Yes	Yes	Yes	★	Yes	
M05017	£ contributed to the funding of the L&G Business Unit from external legal income	22	50000				• Q3 budget forecast indicates a surplus, overall income is below budget. (Need complete period costs to be posted to get total contribution)
M05074	% Maintained schools purchasing School Governor Development Services	81	85	95	★	92	• The 92% includes the 'Buy as you Need' services for two terms and we expect further buy back in final Spring term and pleased we have surpassed our original target

Physical Assets - Steve Smith
Strategic Director - David Carter
Portfolio Holder - Councillor Hayfield (Customers)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Forecast Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Physical Assets General	731	0	731	731	0	
Construction Services	2,400	3	2,403	2,184	(219)	One off additional income for traded maintenance work. Also there is an underspend on the Carbon Reduction Commitment scheme (£169k shown in reserves below).
Facilities Management	10,153	(117)	10,036	9,631	(405)	Additional surplus in Catering of £104k which goes into earmarked reserve for "Catering equalisation account". Fire Risk Assessments will only be part delivered this year, but the remainder in 2014/15
Estates & Smallholdings	169	0	169	180	11	Additional costs within Surplus Properties
Asset Strategy	294	0	294	223	(71)	One off reduction in salaries due to delay in restructure of the team in line with future One Organisational Plan.
Programme Management & Special Projects	(310)	533	223	223	0	Insurance receipt in respect of Bath Place has been received centrally of £717k (not shown in Physical Assets), report going to Cabinet in March to request this for future funding to support the One organisational plan.
Early Repayment of Self Financed Borrowing	0	0	0	493	493	It is proposed to use an element of underspend for early borrowing repayment. The benefit being the eventual revenue saving when all debt has been cleared.
Net Service Spending	13,437	419	13,856	13,665	(191)	

2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of/ Transfer to Reserves £'000	Reason for Request
Service Savings	0	0	0	0	0	
Salix Energy Management Reserve	404	0	(82)	322	0	The Governments Salix scheme must be eventually repaid from savings made from energy management initiatives.
Catering Equalisation Account	302	0	104	406	0	The equalisation account enables accrued underspends to balance out years where the outturn is affected by reduced trading days, for example where Easter falls twice in the same financial year.
Traded Services Equipment	35	0	0	35	0	
Carbon Reduction Commitment - CRC (Final outturn balance will be returned to Corporate General Reserve)	0	0	169	169	0	This underspend is held in reserve whilst the council remains subject to any fines resulting from reporting its carbon emissions under the CRC Scheme.
Total	741	0	191	932	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	2,030	2,030	2,030	2,030	2,030	2,030	
EE-ER-03 and 04	Rural Services : Review of rents and income generation	5	5	5	5	5	5	
RE-PR-02 and 03	Rationalise existing accommodation - There are three aspects to this work - release, disposal and better utilisation - as well as the rationalisation of professional support	1,602	1,120	1,602	2,536	941	2,536	
	Total	3,637	3,155	3,637	4,571	2,976	4,571	
	Target		3,637	3,637		4,571	4,571	
	Remaining Shortfall/(Over Achievement)		482	0		1,595	0	

2013/14 to 2014/15 Capital Programme

Agresso Project Code	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
Building & Construction														
10971000	Aylesford Flood Alleviation Scheme Contribution	189	736	0	0	925	189	736	0	0	925	0	0	
10972000	Planning Consent For Europa Way	73	227	0	0	300	73	250	0	0	323	23	23	Increase in consultancy costs
11053000	Demolition Works - Sparrowdale Special School	209	0	0	0	209	209	0	0	0	209	0	0	
11122000	Nuneaton Academy(Ald Smith) -Redevelopment	5,862	3,639	177	0	9,677	5,862	3,639	177	0	9,677	0	0	
11131000	Wark St Johns House Museum - Repl Activity Space Bldg	18	55	0	0	73	18	55	0	0	73	0	0	
11134000	Wark Shire Hall - Refurb Of Old Shire Hall	0	750	0	0	750	0	150	600	0	750	(600)	0	
11157000	Nton Higham Lane Sch - Repl Modular Classrms (Fire Damage)	0	0	0	0	0	0	0	0	0	0	0	0	
Property Rationalisation Programme														
11041000	Rationalisation Of The Council's Property	396	484	0	0	880	396	38	209	0	643	(446)	(237)	The reduction of £236,754 from this block header has been used to fund the increases on projects 11190000 and 11230000.
11041003	Nuneaton Library	53	0	0	0	53	53	0	0	0	53	0	0	
11041004	Warwick- Premises at Montague Road -relocation of County Museum Store	132	349	0	0	481	132	349	0	0	481	0	0	
11059000	Warwick Shire Hall - Relocation Of Warwick Library	1,732	0	0	0	1,732	1,732	0	0	0	1,732	0	0	
11078000	Warwick Saltisford Office Park - Alterations to Increase Capacity	556	0	0	0	556	556	0	0	0	556	0	0	
11097000	S/Avon Elizabeth House - Altns Re:Prop Ratnlstn	93	15	0	0	108	93	5	0	0	98	(10)	(10)	

L Physical Assets

Agresso Project Code	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
11190000	Warwick Shire Hall - refurbishment (Phase 2 onwards)	1,260	1,711	117	0	3,087	1,260	1,711	530	0	3,500	0	413	Increase in cost due to changes in the scope and design of the project, plus associated decant costs. Increase has been funded from contributions from other projects - mainly 11041000 (£194k) and 11037000 (£155k).
11230000	Bedworth Kings House - PRP refurbishment for N & B Local Centre	199	405	0	0	604	199	448	0	0	647	43	43	Cost increase relates to improved security measures associated with Health & Safety needs of staff and visitors to the property. This increase is funded from the block header 11041000.
11231000	Nuneaton-Hilary Road Centre - PRP refurbishment for N & B Local Centre	0	674	0	0	674	0	674	0	0	674	0	0	
Structural Maintenance						0	0							
10502000	Fire Precautions - Base Programme 2010/11	33	4	0	0	37	33	4	0	0	37	0	0	
11028000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2011/12	456	2	0	0	458	456	(6)	0	0	450	(8)	(8)	
11029000	Non-Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance	2,055	(67)	0	0	1,988	2,055	(66)	0	0	1,989	2	2	
11029005	Warwick Barrack St Block - Ph 2 Cathodic Protection	165	0	0	0	165	165	0	0	0	165	0	0	
11030000	Schools Capital Asbestos And Safe Water Remedial Works 2011/12	1,140	11	0	0	1,151	1,140	9	0	0	1,149	(3)	(3)	
11031000	Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2011/12	3,183	18	0	0	3,201	3,183	(1)	0	0	3,182	(18)	(18)	
11031003	Exhall Ash Green Sch - Boiler Repl	136	0	0	0	136	136	0	0	0	136	0	0	
11031042	Southam College - Window Repl (Block 1)	115	0	0	0	115	115	0	0	0	115	0	0	
11032000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2012/13	92	(39)	0	0	53	92	(39)	0	0	53	0	0	
11033000	Non-Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2012/13	1,844	39	0	0	1,883	1,844	15	0	0	1,859	(24)	(24)	
11034000	Schools Capital Asbestos And Safe Water Remedial Works 2012/13	1,206	82	0	0	1,288	1,206	77	0	0	1,283	(5)	(5)	
11035000	Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2012/13	5,669	278	0	0	5,947	5,669	229	0	0	5,898	(48)	(48)	
11036000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2013/14	0	311	0	0	311	0	311	0	0	311	0	0	
11037000	Non-Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2013/14	0	2,616	0	0	2,616	0	2,464	0	0	2,464	(152)	(152)	Net effect of amount transferred to PRP Shire Hall project 1119000
11038000	Schools Capital Asbestos And Safe Water Remedial Works 2013/14	0	1,271	0	0	1,271	0	1,292	0	0	1,292	21	21	
11039000	Schools Planned Capital Building, Mechanical And Electrical Backlog Maintenance 2013/14	0	5,561	0	0	5,561	0	5,818	0	0	5,818	257	257	Funded from a transfer from Schools (£85k), an increase in financing (£113k) and developer contributions (£59k)
11042000	Structural Maintenance 2011/12 - Revenue Funded	233	0	0	0	233	233	0	0	0	233	0	0	
11062000	Warwick Shire Hall - Water Hygiene Impvts(Ph 3)	129	(1)	0	0	128	129	(1)	0	0	128	0	0	
11063000	Exhall Cedars Inf Sch - Roof Replacement	139	0	0	0	139	139	0	0	0	139	0	0	
11096000	Wark Barrack St Block - Roof Repl	195	(0)	0	0	195	195	(0)	0	0	195	0	0	
11107000	Wark Shire Hall - Asb Rem/Repl(Basemt)	341	(7)	0	0	334	341	(7)	0	0	334	0	0	






L Physical Assets

Agresso Project Code	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
11142000	Non Schools Asb & Safe Water Remedials 2014/15	0	0	317	0	317	0	0	317	0	317	0	0	
11143000	Schools Asbestos & Safe Water Remedials 2014/15	0	0	1,318	0	1,318	0	0	1,318	0	1,318	0	0	
11144000	Non Sch - Planned Bldg, Mech & Elect Backlog 2014/15	0	0	2,574	0	2,574	0	0	2,574	0	2,574	0	0	
11145000	Schools Planned Bldg, Mech & Elect Backlog 2014/15	0	0	5,680	0	5,680	0	0	5,680	0	5,680	0	0	
11160000	Dunchurch Highways Sub-Depot - Maj Ext Struct Reprs	124	1	0	0	125	124	1	0	0	125	0	0	
11161000	Ansley Nursery Hill Prim Sch - Boiler Repl	74	22	0	0	96	74	22	0	0	96	0	0	
11162000	Llandudno Marle Hall Oec - Boiler Repl	214	1	0	0	215	214	9	0	0	223	8	8	
11166000	Rugby Northlands Prim Sch - Boiler Repl & Htg Dist Impvts	176	0	0	0	176	176	0	0	0	176	0	0	
11167000	Atherstone Queen Elizbth Sch - Flat Roof Repl	122	0	0	0	122	122	0	0	0	122	0	0	
11168000	Warwick Shire Hall and Courts - Boiler Replacement	346	40	0	0	386	346	39	0	0	385	(1)	(1)	
11169000	Leamington The Fordsfield Centre - Major adaptations and replacement heating mains/pipework	154	0	0	0	154	154	0	0	0	154	0	0	
11224000	Non-Schools Capital Asbestos And Safe Water Remedial Works 2015/16	0	0	0	323	323	0	0	0	323	323	0	0	
11225000	Schools Asbestos & Safe Water Remedials 2015/16	0	0	0	1,344	1,344	0	0	0	1,344	1,344	0	0	
11226000	Non Sch - Planned Bldg, Mech & Elect Backlog 2015/16	0	0	0	2,626	2,626	0	0	0	2,626	2,626	0	0	
11227000	Schools Planned Bldg, Mech & Elect Backlog 2015/16	0	0	0	5,794	5,794	0	0	0	5,794	5,794	0	0	
Facilities						0	0							
10581000	Day Services Modernisation Programme 2005/2006	9	0	0	0	9	9	0	0	0	9	0	0	
10592000	Small Scale Reactive / Minor Improvements County-Wide	46	140	72	0	258	46	92	151	0	289	(48)	31	Increase to be financed via a revenue contribution to cover the costs associated with a delay in project commencement.
Energy						0	0							
10400000	Climate Change 2009/10	180	75	153	0	408	180	91	83	0	354	16	(54)	
10410000	Climate Change 2007/08	276	83	0	0	359	276	83	0	0	359	0	0	
11135000	Various Properties - Reducing Energy	0	100	950	1,200	2,250	0	129	915	1,200	2,244	29	(6)	
11136000	Various Properties - Renewable Energy	2	400	1,850	3,648	5,900	2	250	2,000	3,648	5,900	(150)	0	
11159000	Wark Saltisford Office Park - Pv Micro Genertrn Syst	108	0	0	0	108	108	6	0	0	114	6	6	
Smallholdings			0			0	0	0						
10305000	Rural Estates Dairy Units	22	0	0	0	22	22	0	0	0	22	0	0	
10419000	Nitrate Vulnerable Zone - Farm Waste Regulation	311	0	0	0	311	311	0	0	0	311	0	0	
10466000	Smallholdings Maintenance 2011/12	(18)	0	0	0	(18)	(18)	0	0	0	(18)	0	0	
11024000	Dunkleys Farm, Dunchurch	0	0	0	0	0	0	0	0	0	0	0	0	
11025000	Hurley, Poplars Farm	147	0	0	0	147	147	0	0	0	147	0	0	
11026000	Tysoe, Herberts Farm Cottage - Thatch Roof	26	0	0	0	26	26	0	0	0	26	0	0	
11137000	Smallholdings - Nitrate Vulnerable Zone 2012	264	72	0	0	336	264	20	0	0	284	(51)	(51)	Move of project costs from Block header 11137000 to 11139000.
11138000	Smallholdings - Decent Homes Standard 2012	429	98	0	0	527	429	98	0	0	527	0	0	
11139000	Rural Services Capital Maintenance 2012/13	701	241	0	0	942	701	292	0	0	993	51	51	Move of project costs from Block header 11137000 to 11139000.

L Physical Assets

Agresso Project Code	Description	Approved Budget					Forecast					Variation		Reasons for Variation and Management Action
		Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Earlier Years	2013/14 £ 000's	2014/15 £ 000's	2015/16 and later £'000	Total £ 000's	Variance in Year £ 000's	Total Variance £ 000's	
11139009	Lower Tysoe/Hopkins Farm, New Farm House - Pre Contract Consultants Costs / Enabling Works	4	7	239	0	250	4	7	239	0	250	0	0	
11139058	Wolston South Lodge Farm - construction of new parlour, dairy and collecting yard + new stock building	41	484	0	0	525	41	484	0	0	525	0	0	
11140000	Rural Services Capital Maintenance 2013/14	0	242	0	0	242	0	242	0	0	242	0	0	
11141000	Rural Services Capital Maintenance 2014/15	0	0	805	0	805	0	0	805	0	805	0	0	
11158000	Ilmington Wharf Farm - Demolish/Rebuild Bungalow	4	(4)	0	0	(0)	4	(4)	0	0	(0)	0	0	
11228000	Rural Services Capital Maintenance 2015/16	0	0	0	821	821	0	0	0	821	821	0	0	
		31,665	21,122	14,252	15,756	82,794	31,665	20,014	15,598	15,756	83,032	(1,108)	238	

Performance Information: Quarter 3 April - December 2013

Physical Assets: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M06000	% of our retained operational property portfolio having optimum utilisation	90	95	95		90	
M06001	% of corporate projects which deliver CO2 reductions	-32	-2.5	13		13	13 % increase. In 10/11 and 11/12 WCC was able to report on a total of only 93% of its total carbon dioxide emissions from electricity, gas and heating oil consumption. WCC could exclude some 'residual carbon dioxide emissions'. In 12/13 the CRC rules changed and WCC had to report on 100% of its total carbon dioxide emissions from electricity and gas consumption. This resulted in having to report on an extra 8% of property by floor area. The winter of 12/13 was the second worst winter in 20 years. The Degree Days (a measure of the amount of heating required in a building) was 2,031 in 11/2 and increased 23% to 2,640 in 12/13. This indicates that an increase of approximately 23% in energy consumption for heating requirements can be expected. Actual gas consumption increased by 24%. Actual electricity consumption rose by 1% - some electricity will have been used for heating purposes. Since 2009 / 10 schools carbon dioxide emissions have risen by an average of 7%. Since 2009 / 10 corporate carbon dioxide emissions have dropped by an average of 10%. Schools are responsible for 79% of total carbon dioxide emissions. Corporate buildings are responsible for 21% of total carbon dioxide emissions. Total reported CRC emissions as presently recorded in the CRC Registry are: 2010-11 CRC Emissions: 55,541 tCO2 (including street lighting); 41,472 tonnes in 10/11 (when street lighting carbon dioxide emissions are excluded). 2011-12 CRC Emissions: 37,978 tCO2; 2012-13 CRC Emissions: 43,030 tCO2. The 43,030 tonnes CO2 for 12/13 is a 13% increase on the 37,978 tonnes CO2 reported in July 2012; 4% higher than 10/11. Further details about which buildings have seen the largest increase in energy consumption can be found in the Annual Building Energy Consumption Review which is produced at the end of December each year.
M06022	Capital receipts target (£m)	1.34	14.75	13.9		7.51	• Slippage on Guys Cliffe and land at Bidford- rear of Fire Stn.
M06102	Achieve property rationalisation savings target (£m)		1.6	1602		1121.4	• 70% of 1.602 secured
M06103	% achievement against budget on PRP		100			70	• Carry forward saving target at risk, 1.602 on target
M06104	% achievement against time targets on PRP		100	100		75	

Service Improvement and Change Management - Phil Evans
Strategic Director - David Carter
Portfolio Holder - Councillor Hayfield (Customers)

2013/14 Revenue Budget

Service	Agreed Budget £'000	Agreed Changes £'000	Latest Budget £'000	Forecast Outturn £'000	Variation Over/ (Under) £'000	Reason for Variation and Management Action
Performance & Planning	797	1	798	695	(103)	One-off partial year effect of vacant posts
Observatory	368	(10)	358	442	84	Budgeted external income levels not currently being achieved.
Service Improvement and Change Management Admin	175	1	176	187	11	
Development and Support	711	229	940	875	(65)	One-off partial year effect of two vacant posts offset by redundancy costs.
Corporate Programme Management Office	247	0	247	299	52	One-off redundancy costs partially offset by part-year vacant posts.
Commercial Enterprise	103	127	230	204	(26)	
Net Service Spending	2,401	348	2,749	2,702	(47)	

2013/14 Reserves Position

Reserve	Opening Balance 01.04.13 £'000	Movement in Year £'000	Effect of Outturn £'000	Closing Balance 31.03.14 £'000	Request for (Use of)/ Transfer to Reserves £'000	Reason for Request
Service Savings	368	(368)	47	47	0	
Total	368	(368)	47	47	0	

2013/14 to 2014/15 Savings Plan

Reference	Savings Proposal Title	2013/14			2014/15			Reason for Variation and Management Action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Actual to Date £'000	Forecast Outturn £'000	
	Savings delivered in 2011/12 and 2012/13	263	263	263	263	263	263	
CW-CL-14	Reduction in support services	17	17	17	17	17	17	
PPU-02	Generating income through charging for consultation activities	30	30	30	30	30	30	
	Total	310	310	310	310	310	310	
	Target		310	310		310	310	
	Remaining Shortfall/(Over Achievement)		0	0		0	0	

M Service Improvement

Performance Information: Quarter 3 April - December 2013

SICM: All Measures							
Ref	Measure	2012/13 Actual	2013/14 Target	Year End Forecast 31/12/2013	Year End Alert	Period Actual 31/12/2013	Comments
M07041	% Increase in satisfaction with service provision						• This data will not be collected
M07042	Number of Service Reviews delivering full business case to schedule		4	15	★	5	<ul style="list-style-type: none"> • 4 Business Cases delivered in Q3. 10 Business Cases are on track to be delivered by end March 2014. NB1: Three tranche 4 reviews brought forward due to earlier closure of Programme at 31/3/14. NB2: this indicator is measuring the number of reviews delivering Business Cases, not the number of Business Cases delivered.
M07095	% of corporate frameworks scheduled for review completed (March 2014)		100	76	▲	47	• There has been slippage in the programme but successful outcomes are being maintained
M07096	% of reviews which have identified deliverable savings in their business cases commensurate with leadership expectations for the delivery of the 2014-18 CSR		100	100	★	100	<ul style="list-style-type: none"> • 4 of 4 Business Cases in Q3 have identified how required savings and improvements will be delivered. The remaining service reviews are on track to deliver Business Cases with savings and improvements commensurate with Corporate Board's expectations. One Organisational Plan savings are being integrated into current reviews.
M07097	WES reports a quarterly contribution figure which reports < / = 0% gross contribution by Quarter 4 full year 2013/14		100	100	★	100	

Corporate Services Overview & Scrutiny Committee

26 February 2014

Customer Service Excellence Standard

Recommendations

That the Corporate Services Overview and Scrutiny Committee consider progress to date in achieving the Customer Service Excellence Standard corporately and ask questions in relation to its content and making recommendations, as considered appropriate.

1 Introduction

- 1.1 Corporate Board agreed in February 2012 to implement the Customer Service Excellence (CSE) Standard across Warwickshire County Council (WCC). This report seeks to update Corporate Services Overview & Scrutiny Committee on progress to date.

2 Background

2.1 What is the Customer Service Excellence Standard?

- 2.1.1 CSE was developed from Charter Mark and Prime Minister John Major's Citizen's Charter (1992). The Standard has been informed by the Canadian public sector experience on key drivers of customer satisfaction. This Canadian approach led to further work within the UK which was validated by MORI.
- 2.1.2 The research in the UK identified five key drivers of customer satisfaction and arranged the drivers in order of relative importance to members of the public interviewed:
1. Delivery – the service delivers the outcomes it promised and manages to deal with any problems that arise
 2. Timeliness – the service responds immediately to customer contact and deals with the issue at the heart of it quickly and without passing it on between staff
 3. Information – accurate and comprehensive information is given to customers and they are kept informed about progress
 4. Professionalism – staff are competent and treat customers fairly
 5. Staff attitude – staff are friendly, polite and sympathetic to customers' needs
- 2.1.3 The Standard consists of 5 Criteria, 57 elements and more than 100 themes. Each element is rated for compliance. Evidence needs to demonstrate compliance with each theme.

2.1.4 The framework focuses on five criterion (detailed in [Appendix 1](#)):

- Customer Insight
- Culture of the Organisation
- Information and Access
- Delivery
- Timeliness and Quality of service

2.1.5 Once a service or organisation gains accreditation there is a lighter touch assessment, this is an annual surveillance which considers a third of the elements and becomes a rolling programme.

2.2 Benefits to be gained from the CSE standard for the authority and its customers

2.2.1 WCC should provide the services local citizens need, want and will use within the available budget. The primary focus for delivery of our services should therefore be on our customers - their requirements, perceptions and satisfaction levels. In the context of the One Organisational Plan and the delivery over the next 4 years of £92 million of savings the Customer Service Excellence standard will be a valuable tool.

2.2.2 It will also provide a strong corporate direction for future improvements that will see us continue to improve our customer service during challenging times whilst retaining the standard corporately and providing areas for individual improvements across the Groups and Fire and Rescue. Strong management will continue to be needed to ensure that individual sections continue to actively seek their own improvements in customer service - and not think of CSE as a centralised, corporate and separate project. It should also be noted that all services would be simultaneously involved in annual CSE assessments, which may, potentially put strain on available resources.

3. Progress in achieving Customer Service Excellence Corporately

3.1 Outcomes of assessments

3.1.1 To achieve the standard WCC overall and each of the Groups and Fire and Rescue individually must:

- Be fully compliant in at least 46 criteria (80%)
- have 0 non-compliances
- Be partially compliant in no more than 11 criteria (20%)

3.1.2 The table below outlines the timetable and achievements to date:

	Assessment date	Outcome
Resources Group	8 th and 9 th July 2013	Awarded Customer Service Excellence Standard
People Group	4 th and 5 th November 2013	Awarded Customer Service Excellence Standard

Communities Group	18 th and 19 th November 2013	Awarded Customer Service Excellence Standard
Fire and Rescue	4 th and 5 th February 2014	Recommended to receive Customer Service Excellence Standard
Corporate assessment	24 th February	Unknown at this point

3.1.3 Of the assessments completed to date the following has been achieved:

- Resources Group – fully compliant in 54 of the 57 criteria, representing 94.7% achievement rate
- People Group - fully compliant in 54 of the 57 criteria, representing 94.7% achievement rate
- Communities Group - fully compliant in 54 of the 57 criteria, representing 94.7% achievement rate
- Fire & Rescue – fully compliant in 54 of the 57 criteria, representing 94.7% achievement rate

These are excellent levels of achievement and recognise the commitment that WCC has made to its customers and the outcomes we are achieving for them.

WCC is therefore on-track to achieve the Customer Service Excellence standard corporately. Comments from the assessor to date have included:

“.....it is my opinion that the services being provided by Warwickshire County Council Resources Group to both internal and external customers is good and in some areas excellent. It is clear that the service works to ensure the customer receives the best possible experience and this was confirmed in the sample of customers, partners and staff I had the opportunity to meet or have a discussion with.”

“.....the services being provided by Warwickshire County Council People’s Group to both internal and external customers is good and to a high standard. It is clear that the service works to ensure the customer receives the best possible experience and this was confirmed in the sample of customers, complainants, partners and staff involved at the on-site assessment.”

“.....the services being provided by Warwickshire County Council Communities Group to both internal and external customers is too a very high standard. The Communities Group endeavour to ensure that customers receive the best possible experience from what is a very large, diverse and public facing service.”

3.1.4 There are areas for improvement and development although at this stage this is not a complete overview across WCC. Each area will have an improvement plan developed with an expectation that we have moved from partial compliance to full compliance within 12 months. The identified areas of partial compliance for each of the Groups are outlined below:

- Resources Group:

- a. Criteria 2.2.4 – We can demonstrate how customer-facing staff’s insight and experience are incorporated into internal processes, policy development and service planning.
 - b. Criteria 4.3.6 – We ensure that the outcome of the complaints process for customers (whose complaint is upheld) is satisfactory for them.
 - c. Criteria 5.2.4 – Where service is not completed at the first point of contact we discuss with the customer the next steps and indicate the likely overall time to achieve outcomes.
- People Group:
 - a. Criteria 2.2.5 – We value the contribution our staff make to delivering customer-focused services, and leaders, managers and staff demonstrate these behaviours.
 - b. Criteria 3.2.4 – We can demonstrate that information we provide to our customers is accurate and complete, and that when this is not the case we advise customers when they will receive the information they requested.
 - c. Criteria 4.3.6 – We ensure that the outcome of the complaints process for customers (whose complaint is upheld) is satisfactory for them.
 - Communities Group:
 - a. Criteria 3.2.1 – We provide our customers with the information they need in ways that meet their needs and preferences, using a variety of appropriate channels.
 - b. Criteria 3.2.2 – We take reasonable steps to make sure our customers have received and understood the information we provide.
 - c. Criteria 4.3.6 – We ensure that the outcome of the complaints process for customers (whose complaint is upheld) is satisfactory for them.
 - Fire & Rescue:
 - a. Criteria 2.1.2 - We use customer insight to inform policy and strategy and to prioritise service improvement activity.
 - b. Criteria 2.2.5 - We value the contribution our staff make to delivering customer-focused services, and leaders, managers and staff demonstrate these behaviours.
 - c. Criteria 4.3.6 - We ensure that the outcome of the complaints process for customers (whose complaint is upheld) is satisfactory for them.

3.2 Next steps

We are confident of achieving the standard across all parts of WCC’s business and therefore as a corporate body. Once the outcome report for Fire and Rescue has been formally received and the corporate assessment completed on 24th February, we will be able to produce a more detailed over-view of our areas of success and those for improvement. These will then form a three year development plan where we will be improving these areas of customer service whilst continuing to sustain and develop those we have achieved well in.

	Name	Contact Information
Report Author	Tejay de Kretser	tejaydekretser@warwickshire.gov.uk 01926 476860
Head of Service	Kushal Birla	kushalbirla@warwickshire.gov.uk 01926 412013

Strategic Director	David Carter	davidcarter@warwickshire.gov.uk 01926 412564
Portfolio Holder	Colin Hayfield	colinhayfield@warwickshire.gov.uk

Customer Service Excellence Standard

1 Criterion 1: Customer Insight

1.1 Customer Identification

- 1.1.1 We have an in-depth understanding of the characteristics of our current and potential customer groups based on recent and reliable information.
- 1.1.2 We have developed customer insight about our customer groups to better understand their needs and preferences.
- 1.1.3 We make particular efforts to identify hard-to-reach and disadvantaged groups and individuals and have developed our services in response to their specific needs.

1.2 Engagement and Consultation

- 1.2.1 We have a strategy for engaging and involving customers using a range of methods appropriate to the needs of identified customer groups.
- 1.2.2 We have made the consultation of customers integral to continually improving our service and we advise customers of the results and action taken.
- 1.2.3 We regularly review our strategies and opportunities for consulting and engaging with customers to ensure that the methods used are effective and provide reliable and representative results.

1.3 Customer Satisfaction

- 1.3.1 We use reliable and accurate methods to measure customer satisfaction on a regular basis.
- 1.3.2 We analyse and publicise satisfaction levels for the full range of customers for all main areas of our service and we have improved services as a result.
- 1.3.3 We include in our measurement of satisfaction specific questions relating to key areas including those on delivery, timeliness, information, access and the quality of customer service, as well as specific questions which are informed by customer insight.
- 1.3.4 We set challenging and stretching targets for customer satisfaction and our levels are improving.
- 1.3.5 We have made positive changes to services as a result of analysing customer experience, including improved customer journeys.

Criterion 2: The Culture of the Organisation

2.1 Leadership, Policy and Culture

- 2.1.1 There is corporate commitment to putting the customer at the heart of service delivery and leaders in our organisation actively support this and advocate for customers.
- 2.1.2 We use customer insight to inform policy and strategy and to prioritise service improvement activity.
- 2.1.3 We have policies and procedures that support the right of all customers to expect excellent levels of service.
- 2.1.4 We ensure that all customers and customer groups are treated fairly and this is confirmed by feedback and the measurement of customer experience.
- 2.1.5 We protect customers' privacy both in face-to-face discussions and in the transfer and storage of customer information.
- 2.1.6 We empower and encourage all employees to actively promote and participate in the customer-focused culture of our organisation.

2.2 Staff professionalism and attitude

- 2.2.1 We can demonstrate our commitment to developing and delivering customer focused services through our recruitment, training and development policies for staff.
- 2.2.2 Our staff are polite and friendly to customers and have an understanding of customer needs.
- 2.2.3 We prioritise customer focus at all levels of our organisation and evaluate individual and team commitment through the performance management system.
- 2.2.4 We can demonstrate how customer-facing staff's insight and experience are incorporated into internal processes, policy development and service planning.
- 2.2.5 We value the contribution our staff make to delivering customer-focused services, and leaders, managers and staff demonstrate these behaviours.

Criterion 3: Information and Access

3.1 Range of Information

- 3.1.1 We make information about the full range of services we provide available to our customers and potential customers, including how and when people can contact us, how our services are run and who is in charge.

3.1.2 Where there is a charge for services, we tell our customers how much they will have to pay.

3.2 Quality of Information

3.2.1 We provide our customers with the information they need in ways that meet their needs and preferences, using a variety of appropriate channels.

3.2.2 We take reasonable steps to make sure our customers have received and understood the information we provide.

3.2.3 We have improved the range, content and quality of verbal, published and web-based information we provide to ensure it is relevant and meets the needs of customers.

3.2.4 We can demonstrate that information we provide to our customers is accurate and complete, and that when this is not the case we advise customers when they will receive the information they requested.

3.3 Access

3.3.1 We make our services easily accessible to all customers through provision of a range of alternative channels.

3.3.2 We evaluate how customers interact with the organisation through access channels and we use this information to identify possible service improvements and offer better choices.

3.3.3 We ensure that where customers can visit our premises in person facilities are as clean and comfortable as possible.

3.4 Co-operative working with other providers, partners and communities

3.4.1 We have made arrangements with other providers and partners to offer and supply co-ordinated services, and these arrangements have demonstrable benefits for our customers.

3.4.2 We have developed co-ordinated working arrangements with our partners that ensure customers have clear lines of accountability for quality of service.

3.4.3 We interact within wider communities and we can demonstrate the ways in which we support those communities.

Criterion 4: Delivery

4.1 Delivery Standards

4.1.1 We have challenging standards for our main services, which take account of our responsibility for delivering national and statutory standards and targets.

4.1.2 We monitor and meet our standards and key departmental and performance targets, and we tell our customers about our performance.

4.1.3 We consult and involve customers, citizens, partners and staff on the setting, reviewing and raising of our local standards.

4.2 Achieved Delivery and Outcomes

4.2.1 We agree with our customers at the outset what they can expect from the service we provide.

4.2.2 We can demonstrate that we deliver the service we promised to individual customers and that outcomes are positive for the majority of our customers.

4.2.3 We can demonstrate that we benchmark our performance against that of similar or complementary organisations and have used that information to improve our service.

4.2.4 We have developed and learned from best practice identified within and outside our organisation, and we publish our examples externally where appropriate.

4.3 Deal Effectively with Problems

4.3.1 We identify any dips in performance against our standards and explain these to customers, together with action we are taking to put things right and prevent further recurrence.

4.3.2 We have an easy-to-use complaints procedure, which includes a commitment to deal with problems fully and solve them wherever possible within a reasonable time limit.

4.3.3 We give staff training and guidance to handle complaints and to investigate them objectively, and we can demonstrate that we empower staff to put things right.

4.3.4 We learn from any mistakes we make by identifying patterns in formal and informal complaints and comments from customers and use this information to improve services and publicise action taken.

4.3.5 We regularly review and improve our complaints procedure, taking account of the views of customers, complainants and staff.

4.3.6 We ensure that the outcome of the complaints process for customers (whose complaint is upheld) is satisfactory for them.

Criterion 5: Timeliness and Quality of Service

5.1 Standards for timeliness and quality

5.1.1 We set appropriate and measurable standards for the timeliness of response for all forms of customer contact including phone calls, letters, e-communications and personal callers.

5.1.2 We set comprehensive standards for all aspects of the quality of customer service to be expected in all dealings with our organisation.

5.2 Timely Outcomes

5.2.1 We advise our customers and potential customers about our promises on timeliness and quality of customer service.

5.2.2 We identify individual customer needs at the first point of contact with us and ensure that an appropriate person who can address the reason for contact deals with the customer.

5.2.3 We promptly share customer information with colleagues and partners within our organisation whenever appropriate and can demonstrate how this has reduced unnecessary contact for customers.

5.2.4 Where service is not completed at the first point of contact we discuss with the customer the next steps and indicate the likely overall time to achieve outcomes.

5.2.5 We respond to initial enquiries promptly, and if there is a delay we advise the customer and take action to rectify the problem.

5.3 Achieved timely delivery

5.3.1 We monitor our performance against standards for timeliness and quality of customer service and we take action if problems are identified.

5.3.2 We are meeting our current standards for timeliness and quality of customer service and we publicise our performance against these standards.

5.3.3 Our performance in relation to timeliness and quality of service compares well with that of similar organisations.

**Corporate Services
Overview and Scrutiny Committee**

26 February 2014

Work Programme 2013/14

Recommendations

That the Corporate Services Overview and Scrutiny Committee:

- 1) Agrees the proposed 2013/14 Work Programme and makes any additional or changes, as required;
- 2) Considers the use of an Action Plan to update the Committee on any actions or recommendations agreed by the Committee; and
- 3) Notes the scheduled future meeting dates.

1.0 Work Programme

- 1.1 The proposed Committee Work Programme for 2013/14 is attached at Appendix A.

2.0 Committee Action Plan

- 2.1 An Action Plan for the Committee has been created to track any recommendations and actions that are agreed by members at meetings of the Committee.

3.0 Briefing Notes

- 3.1 One Briefing Note regarding the Customer Service Excellence Award was incorporated into the agenda for the Committees consideration in December 2013.

4.0 Dates of Future Meetings

- 4.1 Future meetings of the Committee have been scheduled for 10a.m. and 2p.m. respectively, on the following dates:
 - 7th May 2014
 - 16th July 2014

Appendices:

Appendix A – Work Programme 2013/14

	Name	Contact details
Report Author	Sally Baxter	sallybaxter@warwickshire.gov.uk
Head of Service	Greta Needham	gretaneedham@warwickshire.gov.uk
Strategic Director	David Carter	davidcarter@warwickshire.gov.uk
Portfolio Holder	Councillor Jeff Clarke	cllrclarke@warwickshire.gov.uk

**Corporate Services Overview and Scrutiny Committee
Work Programme 2013/14**

Item	Report detail	Date of last report	Date of next report
Questions to the Portfolio Holders / Forward Plan decisions	Report which includes Forward Plan decisions relevant to the remit of the Committee. (Sally Baxter)	N/a	* Standing item for every meeting
Organisational Health Report 2013/14	Quarterly report to scrutinise the financial aspects of the report, with the appendices relevant to the remit of the Committee. (John Betts). The Committee will consider the most recent version.	N/a	* Standing item for every meeting?
Transformation through Strategic Commissioning Programme	<ul style="list-style-type: none"> • To scrutinise the delivery of the Programme, including timescales and updates on service reviews – this will be a verbal update • Final Business Cases to be presented at the discretion of the Chair – additional Board meetings may need to be arranged. (Phil Evans) 	N/a	* Standing item for every meeting
Property Rationalisation Programme and Modern and Flexible Working	<p>Steve Smith will provide an update on the Programme. Members may wish to consider the following areas:</p> <ul style="list-style-type: none"> • how far has the Council progressed and what more can be achieved? • what has been the impact on the community? This to focus on both internal and external customers • what has been the impact on staff, in terms of their ability to deliver the service? • where have services improved as a result of the programme? • what are the service delivery outcomes? 	3 rd October 2012	16 th October 2013

**Corporate Services Overview and Scrutiny Committee
Work Programme 2013/14**

Item	Report detail	Date of last report	Date of next report
Public Engagement in Overview and Scrutiny	<p>To consider and approve a methodology for public engagement in Overview and Scrutiny, which will include:</p> <ul style="list-style-type: none"> • How public issues are raised • Different methods of engagement to use • How to identify if engagement in scrutiny activity is required • Who should be engaged and how 	20 th February 2013	16 th October 2013
WCC Network to Payday Loan Companies	To consider the Council's options with regard to blocking access via the WCC network to payday loan companies. This was agreed at Council on 9 th July to be forwarded to the OSC to consider and submit recommendations if required. (Tonino Ciuffini)	N/a	16 th October 2013
Treasury Management Outturn Report 2012/13	The Committee to consider the report. (Mathew Dawson)	20 th February 2013	16 th October 2013
Customer Service Excellence Project	There is an on-going project to achieve the Customer Service Excellence (CSE) standard, which would address the level of community access to services. The Committee to consider the outcome of the assessment. (Tejay De Krester)	12 th December 2012	11 th December 2013
The Council's Procurement Procedures	To receive a progress report on how the Council's procurement procedures encourage small businesses to bid for Council contracts. (Paul White)	12 th December 2012	11 th December 2013

**Corporate Services Overview and Scrutiny Committee
Work Programme 2013/14**

Item	Report detail	Date of last report	Date of next report
Strategic Projects	To consider on update on the WCC approach to managing Strategic Projects (Colin Gordon).	N/a	11 th December 2013
Presentation by Human Resources and Occupational Development	To consider the brochure of services and key information on staffing, budget and KPI's.	N/a	26 th February 2014
Community Infrastructure Levy	<p>To consider an outline of CIL and its impact on the County Council. Possible joint scrutiny with the Communities OSC. (Ciaran Power / Louise Wall)</p> <p>This to be followed at a later date with a discussion with representatives from the District/Borough Councils regarding the changes and implications arising from CIL.</p>	N/a	TBC
Traded Services to Schools	TBC	N/a	TBC
Workforce Planning	To consider the impact of budget cuts on staff resources and the changing role of the workforce to achieve the County Council's priorities, together with an overview of staffing for 2014-18 in line with the One Organisational Plan. (Sue Evans)	N/a	March / April 2014
BDUK Project	To receive an overview of the project. (Tonino Ciuffini / Leigh Hunt)	N/a	TBC

**Corporate Services Overview and Scrutiny Committee
Work Programme 2013/14**

Item	Report detail	Date of last report	Date of next report
Review of Small-holdings	To consider the outcome of the review. (Geoff Taylor) This item has been deferred to allow for a full report to be considered at the next Committee meeting.	N/a	TBC
Appointment of Chair and Vice-Chair	To formally appoint the Chair and Vice-Chair for 2014/15.	N/a	May/June 2014

Briefing Notes

Item	Briefing Note detail	Date requested	Date circulated
Customer Service Excellence Project	An update with regards to achieving the Customer Service Excellence (CSE) standard corporately across the authority.	N/a	3 rd December 2013