

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE - 13 SEPTEMBER 2000

REPAIRS SERVICE PERFORMANCE MANAGEMENT AND PLANNING

Report by Director of Homes and Technical Services

1. PURPOSE OF REPORT

- 1.1** To advise the Housing Committee of the outcome of the 1999/2000 Performance Management and Planning (PMP) Audit in respect of the Repairs Service, which was undertaken by Audit Scotland and to highlight the requirements for the PMP Audit in the current financial year.

2. BACKGROUND

- 2.1** Best Value requires Councils to develop a Performance Management and Planning framework providing answers to the following key questions:

- How do we know we are doing the right things?
- How do we know we are doing things right?
- How do we plan to improve?
- How do we account for our performance?

- 2.2** Scottish Office Circular 12/98 states that the audit process will be used to cover the quality and content of all parts of the PMP framework. As a result Audit Scotland will audit each Council's progress in developing this framework at service level.

- 2.3** The 1999/2000 Audit has been completed and this report presents a summary of the External Auditor's main findings which have been presented by the Auditors in a Summary Report covering the Repairs Service, which was included in the audit.

3. 1999/2000 PMP AUDIT

- 3.1** The PMP audit has three main objectives:

- to provide independent external assurance that Councils are making progress on implementing PMP frameworks;
- to identify good practice and areas for concern;
- To ensure that services are planning improvement.

3.2 The audit assesses:

- the extent to which a Performance Management and Planning system is in place;
- the evidence for improvements and service delivery and/or service management that have been achieved as a result;
- The service's planned improvements to its PMP framework against which progress will be audited in future years.

3.3 The audit examines the departmental framework but also examines as part of the process, an area of the department, which is or has been subject to service review in accordance with the Council's programme for Service Review.

3.4 The Repairs Service was required to submit a completed Audit Template to the External Auditors, which then formed the basis of the assessment of the issues, highlighted in paragraph 3.2 above. The auditor's role was to challenge the service on its submission, provide independent external assurance on progress, highlight areas for concern, and ensure that the service is planning for improvement. Progress against the planned improvements will be audited in future years.

3.5 In terms of the External Auditor's overall findings, the conclusions which are reached are generally positive. The Auditors state that the Repairs Service demonstrated its support for continuous improvement in service delivery and is in the course of completing a service review. These will result in a range of improvement action. Some of these actions have been implemented whilst others are being progressed. Additionally, in relation to the actions identified by the service for continuous improvement, the Auditors conclude that 'These planned improvements are comprehensive and so possibilities for further action identified by the audit review are limited'.

3.6 As part of the audit, the service supplemented its existing action plans to address matters suggested by the PMP framework. All of these detailed actions have been agreed with and are included within the Auditor's report to the Director of HATS. In addition, these actions will be incorporated into the conclusions of the service review being conducted by the Repairs Service.

4. SUMMARY OF EXTERNAL AUDITOR'S MAIN FINDINGS

4.1 Criterion 1 *We understand the needs, expectations and priorities of our stakeholders:* Most of the key best value features are in place and actions are to be taken on completion of the current consultation process to ensure the process continues to develop in a structured manner.

4.2 Criterion 2: *We have decided on the best ways to meet these needs, etc:* Some of the key best value features are largely in place. The incorporation of the EFQM Excellence Model into the Service's review process should ensure that the remaining key features will be addressed as part of the process of bringing the Best Value Service Review to its conclusion.

4.3 Criterion 3: *We have detailed plans for achieving our goals:* Most of the key best value features are in place. One of the key objectives of the Repairs Service is to fully align the Client's and DLO's policies, strategies, plans and budgets to ensure a closer link between the two partners.

4.4 Criterion 4: *Our plans are clearly based on the resources available* Some of the key best value features are partially in place. Consideration should be given to the further development of multi-year budgeting and fully costed action plans.

4.5 Criterion 5: *We make best use of our available resources:* Some of the key best value features are partially in place but it is expected that recommendations arising from the service review will result in further planned actions (in SMART terms) for the improvement of resource use. The improvements planned include the development of costing and benchmarking processes and of local performance indicators.

4.6 Criterion 6: *We make best use of our people:* Some of the key best value features required for a service to make best use of its people are partially in place and others such as benchmarking and local performance indicators require development. The introduction of the staff development scheme should also lead to enhanced performance in due course.

4.7 Criterion 7: *We monitor and control our overall performance:* Some of the key best value features are partially in place. The main area of planned improvement is the full introduction and integration of computerised management information systems, which should enhance the service's capability to develop and monitor its key performance measures. Also, the development of a computerised reporting mechanism which will inform all key stakeholders of performance; levels on a regular and systematic basis is planned.

4.8 Criterion 8: *We have sound financial control and reporting:*

Some of the key best value features are in place. The actions planned to improve the content of the financial performance reports and introduce devolved budgeting should resolve the weaknesses identified.

4.9 Criterion 9: *We actively support continuous improvement*

The key best value features are in place to varying degrees. The development of benchmarking practices to identify best practice and the full integration of the management information systems should enable the service to put in place the remaining features. Continuous improvement of the Repairs Service will be progressed by the implementation of improvements identified by the current service review and the List of Improvement Actions identified in the best value PMP submission. Progress will be monitored by the Director of Homes and Technical Services and at a corporate level evidenced through the Council's service review programme follow-up procedures.

5. AGREED IMPROVEMENT ACTIONS

The actions in the first table below are a summary of the most important of those already planned by the service to ensure continuous improvement. The audit process in the context of the 2000/2001 audit will monitor progress on these actions.

*Those actions marked with an * are also included in the service's list of improvement actions.*

Action	Responsible Officer	Date	Current Status
The recommendations arising from the consultation process, undertaken as part of the Best Value Service Review, will be implemented once the results have been evaluated. The effectiveness of the consultation process then will be evaluated. *	Director of Homes and Technical Services	June 2000	Ongoing
The service is to complete its service review in accordance with the Council's guidelines and incorporating an EFQM Excellence Model assessment. *	Director of Homes and Technical Services	April 2000	Revised date September 2000
The Council is to approve the service's DLO Business Plan 2000/2003 and then submit it to the Scottish Executive.	Director of Homes and Technical Services	April 2000	Complete

The service is preparing a 2000/2001 Performance Plan. One of the key objectives is to ensure that the Client's and DLO's policies, strategies, plans and budgets are aligned. *	Director of Homes and Technical Services	April 2000	Ongoing
The costing and allocation of resources and budgets to key plan business areas is currently under review.	Director of Homes and Technical Services	April 2000	Complete
The service is to fully implement the new IT management systems to include the interfacing of IT systems between client, Building and Works and the private contractor. *	Director of Homes and Technical Services	August 2000	Ongoing
In the meantime, the Council is to confirm that previous problems with incorrect recharging and jobs 'lost' from the system have been resolved and are not a feature for 1999/2000	Director of Homes and Technical Services	Immediate	Complete
The service is to develop local performance indicators for all aspects of its operations.	Director of Homes and Technical Services	Ongoing	Ongoing
A staff development scheme (EAGER) is to be implemented.	Director of Personnel Services	April 2000	Ongoing
The Department of Housing and Technical Services is to continue to monitor high earners in the Building and Works DLO.	Director of Homes and Technical Services	Ongoing	Ongoing
The service is to demonstrate that the new tender led bonus payments are exceeded by gains in productivity.	Director of Homes and Technical Services	June 2000	Complete
A reporting mechanism is to be developed for all key performance measures. *	Director of Homes and Technical Services	30 September 2000	Ongoing
The format of financial monitoring reports is to be reviewed as part of the process of introducing the new management system.	Director of Finance/Dir. Of Homes and Technical Services	31 March 2001	Ongoing
The service is to develop its benchmarking processes.	Director of Homes and Technical Services	Ongoing	Ongoing

A limited number of other actions have been identified by this review which may help further develop the service's approach to continuous improvement.

Action	Responsible Officer	Date
The development of three-year budgets should be considered once agreed by Council/Scottish Executive.	Director of Homes and Technical Services	Discussions Ongoing
A monitoring statement should be prepared to describe progress made on an annual basis against the List of Improvement Actions.	Director of Homes and Technical Services	Each year

6. POLICY LEGAL AND FINANCIAL IMPLICATIONS

6.1 Nil

7. RECOMMENDATIONS

7.1 The committee is asked to note the contents of the report

James Lavery
 Director of Homes and Technical Services
 13 September 2000

LIST OF BACKGROUND PAPERS

1. Accounts Commission - East Ayrshire Council Summary Report (PMP)
2. Accounts Commission Performance and Planning Framework: Repairs Service (Housing and Property) – 1999/2000 Audit

Anyone wishing further information should contact Joseph Cassidy, Policy Manager on Telephone (01563) 576617

AGENDA