

2010/11 AGS Action Plan – Progress at January 2012

1	Issue: Responding to the new policy agenda freedoms since the reduction in the inspection regime and national performance reporting regimes			
	Area: During 2010/11, the new coalition Government has set in place plans to reform local government audit, inspection and monitoring arrangements, including the abolition of the Audit Commission, the Comprehensive Area Assessment and Local Area Agreements. The challenge for Cheshire East is how to respond to the greater freedoms to report and monitor performance.			
	<p>Action: Put in place robust business planning process including full policy context to ensure that submissions for service delivery are made within an overall policy framework.</p> <p>Put in place a framework for producing policy briefings, reviewing parliamentary business, communicating with MPs and interpreting/influencing national policy.</p> <p>Use the service planning process, cabinet/CMT away days and the business planning cycle to set performance indicators and outcomes and provide a performance management service to capture the key date and issues to provide cabinet, CMT, all members with information on performance outcomes and appropriate intervention.</p>	<p>Responsibility: Head of Policy & Performance/ Director Of Finance and Business Services (Cabinet and CMT to provide input)</p> <p>Head of Policy & Performance</p> <p>Head of Policy & Performance</p>	<p>Target Date: September 2011</p> <p>October 2011</p> <p>August 2011</p>	<p>Progress as at January 2012: A new business planning process was instigated for 2011/12 and continuing into 2012/13. This integrated the financial, prioritisation and service imperatives and will be approved in February 2012 as one document encompassing the authority's budget and business plan.</p> <p>Regular policy briefings have been in place throughout the financial year 2012/12 and a number of key policies have been thoroughly reviewed and communicated. This includes the Localism Act 2011 and the Welfare Reform Bill (not yet an Act as at Jan 2012).</p> <p>Regular quarterly performance reporting is in place and in addition, a series of informal reporting mechanisms to CMT and informal cabinet on a monthly basis. A new Leader/Chief Executive challenge process has been put in place to discuss financial and performance targets, achievements and to drive improvements. These are chaired by the Leader of the Council and attendees include the relevant Director and portfolio holder.</p>

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	Action (continued): Generate action plans, intelligence and information to support the implementation of the key new acts of parliament.	Responsibility (continued): Head of Policy & Performance	Target Date (continued): On going (and specific to each key act)	Progress as at January 2012 (continued): This has been achieved through the policy briefings and presentations. In addition, the R & I team have produced key research analysis and implemented a new data observatory on a sub regional basis (DORIC). The Joint Strategic Needs Assessment (JSNA) has also been refreshed.
2	Issue: Financial Management			
	Area: There are a number of areas e.g. Adult Social Care, ICT Shared Service where significant overspends were identified. These were managed and the challenge going forward is to further enhance the process to ensure mitigating actions are in place as soon as possible.			
	Action: Building on progress during 2010/11, a range of actions have been put in place to address budget pressures in the specific areas highlighted, as well as improving general standards of financial and out-turn management. Adult Social Care <ul style="list-style-type: none">▪ Detailed activity and trend analysis has been used to re-baseline the budget, with a significant increase in resources approved as part of the 2011/12 budget.▪ Activity based costing introduced to	Responsibility: Director Of Finance and Business Services/CMT	Target Date: On going	Progress as at January 2012: Budget pressures continue during 2011/12, although the impact is predominantly from temporary one off items, leaving the underlying base budget broadly balanced. Adult Social Care The forecast outturn at the three quarter review anticipates an overspend for the year of £4.1m, which includes the Department striving to cover, in the main, the costs of voluntary redundancies of £2.0m, managing delays in decisions to implement and rationalise the buildings estate

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	Action (continued): Adult Social Care (continued) support future budget monitoring and projection of care costs. <ul style="list-style-type: none"> ▪ Dedicated financial support to Local Independent Living Teams. ▪ Adults Financials Programme initiated to rationalise and simplify financial aspects of care management, including payment and collection of client contributions. 	Responsibility (continued): Director Of Finance and Business Services/CMT	Target Date (continued): On going	Progress as at January 2012 (continued): Adult Social Care (continued) across Care4CE of £1.0m, delays achieving the transport review savings of approximately £0.5m and attempting to implement cross cutting savings of £0.6m. There are a number of extensive underlying pressures being managed, in part due to the rapidly ageing population, including care cost pressures, continued double funding of both Care4CE and direct payments, individuals requiring residential and nursing care following the depletion of their financial capital and inflationary pressures in our care homes that the Service is managing to contain within the overall budget envelope. A review of Client Finance is in hand, working with Internal Audit to help improve the control environment, and provide better financial control. A steering group overseeing this work is chaired by the Director of Children, Families and Adults. The Director is implementing a full needs-based budget exercise for 2012/13, replicating the process started in 2011/12 for Children and

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Action (continued):		Responsibility (continued): Director Of Finance and Business Services/CMT	Target Date (continued): On going	Progress as at January 2012 (continued): Adult Social Care (continued) Families, across all budget areas in Adults. The aim is to facilitate increased ownership and understanding by managed budgets. The aim is to not only cover the primary budget pressure but to also identify and manage potential budget implementation issues during 2012/13.
ICT <ul style="list-style-type: none"> ▪ Zero-base budget exercise in hand to inform targeted programme of cost reduction. ▪ Improved working arrangements between the Shared Service and client councils, based on open-book accounting. ▪ Improved time recording to support cost allocation and charging. ▪ Additional dedicated financial support. ▪ Improved performance management framework. 				ICT <p>There is now a greater understanding of the ICT Shared Service financial position through a more comprehensive and detailed analysis of its current cost base. There is a projected overspend in 2011/12 of £1.3m but this is now fully understood and there is a comprehensive plan to eliminate this overspend position by 2012/13.</p> <p>There is substantial work being undertaken to reduce the cost base to match available budgets, which is still in progress. The Shared Service is significantly reducing its staffing levels based on a new Target Operating Model. In addition the Shared Service is also undertaking a review of third party spend and its current income model.</p>

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	Action (continued): General <ul style="list-style-type: none"> Improvements to financial compliance, reporting and guidance being taken forward as part of the corporate Business Management Review programme. On-going impact of 2010/11 out-turn being analysed to assess implications for forward planning, including the need to find permanent savings where temporary mitigation has been used to balance 2010/11 position. 	Responsibility (continued): Director Of Finance and Business Services/CMT	Target Date (continued): On going	Progress as at January 2012 (continued): General A pilot group of thirty managers has been identified for an initial roll-out phase in early February, prior to full roll out during March. Regular compliance reports are now being produced, focused particularly on P2P processes. The 'No PO, No Pay' policy has been enforced since 1 Jan 2012. The 2012/13 Business Planning proposals include a number of growth requests to address on-going outturn issues and undeliverable savings targets e.g. Children & Families – Teachers Pensions commitments (£2m), Demand pressures in Adults (£3m), H&WB Inherited pressures (£0.5m), Non-delivery of cross-cutting savings (£1.3m).
3	Issue: Review of Constitution			
	Area: This is a key improvement in governance arrangements to ensure clear allocation of responsibilities, effective decision making and modern procurement practices.			
	Action: The Constitution Committee continues to review the Council's Constitution on an ongoing basis. The committee's work plan	Responsibility: Borough Solicitor and Monitoring Officer	Target Date: April 2012	Progress as at January 2012: The Constitution Committee has considered a number of reports and made recommendations to full Council in relation to :-

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3	Issue (continued): Review of Constitution			
	Area (continued): This is a key improvement in governance arrangements to ensure clear allocation of responsibilities, effective decision making and modern procurement practices.			
	Action (continued): sets out that the following areas will be reviewed this civic year. <ul style="list-style-type: none"> ▪ Executive and Cabinet Procedure Rules ▪ Contract Procedure Rules ▪ Terms of Reference for Overview and Scrutiny Committees ▪ Scrutiny Procedure Rules ▪ Staff Employment Procedure Rules ▪ Scheme of Delegation ▪ Urgency Provisions ▪ Policy and Budget Framework ▪ Size and Layout of the Constitution ▪ Finance Procedure Rules 	Responsibility (continued): Borough Solicitor and Monitoring Officer	Target Date (continued): April 2012	Progress as at January 2012 (continued): The Constitution Committee has considered a number of reports and made recommendations to full Council in relation to :- <ul style="list-style-type: none"> • Executive and Cabinet Procedure Rules • Contract Procedure Rules • Terms of Reference for Overview and Scrutiny Committees • Officer Scheme of Delegation (Phase1) • Urgency Provisions • Finance Procedure Rules • Members Access to Confidential Reports • Questions to Council And the Constitution has been updated accordingly. Arrangements are in hand to review the Policy and Budget Framework and to consider the implications of the Localism Act 2011 in terms of changes in Governance arrangements. It is anticipated that a cross party working group will review the options and make recommendations to the Council. The Council must also review its Member Code of Conduct and set up appropriate procedures to investigate and review complaints, as required by the Localism Act by July 2012.