

3.0 BACKGROUND

3.1 Cabinet have been receiving 6 month performance update reports since the start of the PPP contract in October 2010

3.2 In line with the contractual requirements a strong governance structure is being delivered including

- Quarterly Strategic Boards which deal with high level strategic issues facing the partnership and provides strategic direction and guidance.
- Monthly Operational Boards which deals with the delivery and operation of the partnership.
- Weekly informal partnership meetings to discuss the day to day issues and opportunities.

4.0 SERVICE IMPROVEMENTS

4.1 There have been many Service Improvements achieved during the period April 13 to September 13. Major highlights include:-

- Successful launch of the new Customer Service Centre and formal opening on the 10th May 2013
- Further roll out of the i-Pad solution to members
- Channel Shift agenda taking effect with customers moving to alternative payments (19% Rent payments on Direct Debit from 15% this time last year & 50% using Payment Cards)
- Town Centre Retail Occupancy levels remain above the national Average (95.57%) which is also among the Top 5 Occupied Town Centres in Country.
- The redeveloped Market Hall opened its doors on the 28th October 2013.
- The ModGov governance and members system has been successfully installed and training is currently being rolled out to users.
- A new cash machine taking payments for rent, council tax and other services was successfully installed into the Healthy Living

Centre and opened for business on the 4th November 2013. This now means the Staveley area office has now been placed on the market for sale.

- The virtual infrastructure has been built, installed and is currently being tested. This piece of hardware is a key foundation to which the successful delivery of future projects will rely, and is part of the ICT strategy.
- CBC has commissioned Kier to submit business rates appeals against selected operational and non-operational properties. In August the council received notification that it was paying too much and have received a backdated rebate of @£100,000. There is also an annual saving to the Council on the reduced business rates of @ £70,000pa.

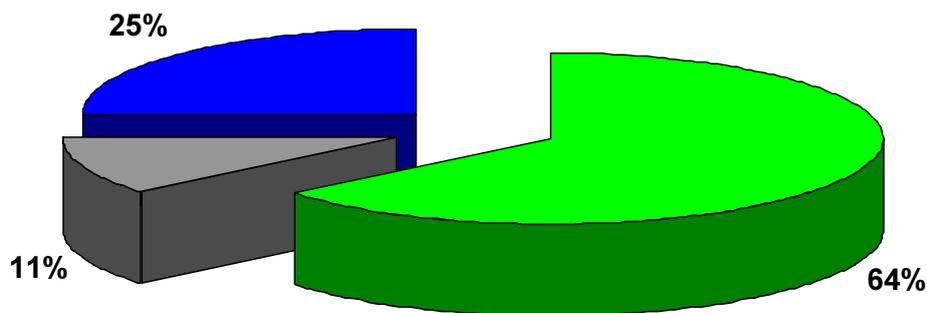
5.0 CONTRACT GROWTH

- 5.1 The Growth Agenda was always going to be a key to the success of the partnership. A particularly pleasing aspect is the creation of additional jobs in the Chesterfield area as a result of arvato attracting work from elsewhere. During the period arvato have been successful in their conversations with neighbouring authority, Derbyshire Dales, and go live commenced on the 3rd June 2013. 28 staff successfully joined arvato and within 12 months the work will be moved to Chesterfield from Matlock which will help the Chesterfield economy.

6.0 PERFORMANCE

- 6.1 As shown in the graph below, performance in respect of the partnership shows 64% of the PPP contract measures are on or above target for the period April 2013 and September 2013, 25% are annual measures, so yet to be formally reported and 11% of measures are covered by a relief event.

% PPP Contract measures performance between Oct 12 and Mar 13



■ Green - on or above target ■ Grey - Covered by relief event ■ Blue - annual targets

6.3 A spreadsheet providing full month by month results for all 100 PPP contract measures can be found at Appendix A.

6.4 Areas of performance particularly worth noting include:-

- A relief event has been agreed due to the expected increase in contact due to Welfare reforms. The relief event covers the call centre measures (% of calls answered and % of calls answered in 20 seconds). It also covers RB3 – benefit processing times, RB4 – council tax collected and RB6 – rent collected as a % of the total collectable debt.
- Town Centre Retail Occupancy levels remain above the national Average (95.57%) which is also among the Top 5 Occupied Town Centres in Country.
- Council Tax is 0.5% behind last year's collection rate due to the ongoing impact of Welfare Reform and the general state of the economy. However, at the same calendar point although more than half a million £'s extra has so far been collected this financial year compared to last. In cash terms £23,280,826 Council Tax

was collected as at the end of September 2013 compared to £22,674,952 in 2012, an increase of £605,874.

- Welfare Reform continues to impact The Call Centre, which is experiencing around 30% more calls than at the same 6 month period last year.
- Business Rates has an annual collection target figure. Compared to the first six months of last year it is 1.1% higher.
- Benefits processing performance is taking on average 13.67 days to process changes, compared to the target of 16 days and 22.60 days at the same point last year.
- In the economic climate it is with great credit that the partnership has been successful in managing business occupancy with rates that continue to buck the national trend. At the end of the reporting period, occupancy levels of the Council's non-operational portfolio remain above target (from 91.96% to 92.7%).
- The partnership have been working towards achieving the Customer Service Excellence Accreditation with the assessment taking place at the end of September and verbal confirmation has been given that the application has been successful.

7.0 **RISK MANAGEMENT**

Description of the Risk	Impact	Likelihood	Mitigating Action
1. The partnership is not monitored in a robust fashion	High	Low	Appropriate resource is allocated to manage the performance and relationship Keep existing governance structure
2. KPIs are not met	High	Low/ Medium	Regular communication and governance Accelerate the Service Improvement Plans

Description of the Risk	Impact	Likelihood	Mitigating Action
			Ensure the Council strictly enforces the financial penalties
3. arvato/ Kier do not focus on CBC work as a priority	High	Low/ Medium	Any drop in performance will be penalised financially Discussions to be held relating to the impact of growth/external work

8.0 FURTHER DEVELOPMENTS EXPECTED WITHIN 6 MONTHS

- 8.1 The partnership will build on the successful management of its contracted transactional KPI outputs and, under the Great Place, Great Service programme, begin to develop and work towards a more effective partnership, working together to deliver agreed tangible outcomes.
- 8.2 The Councils Project Academy team have been leading, managing and working with the partnership on providing suitable accommodation for the voluntary advice organisations. From April 2014 a total of 35 staff from the Derbyshire Unemployed Workers Centre, Chesterfield Law Centre, Trade Union Safety Team and Links CVS will occupy roughly half of the basement offices around the old revenues reception. Several amendments will be made to the existing layout to convert offices into interview rooms and create modern open plan work spaces. By sharing this space the organisations will be able to reduce their operating costs by sharing facilities, knowledge and resources.
- 8.3 Change of use application and listed building consent have been submitted with approval expected in late December 2013
- 8.4 The Housing team who are currently located in the basement of the Town Hall are due to move to Venture House w/c 2nd December

- 8.5 Work to start on site in January 2014 and be completed by March 2014
- 8.6 Work is progressing to rationalise our Depots and have one 'Super Depot' at Stonegravels and make a capital receipt at the current SpirePride depot at East Lodge. The planning permission has been approved. The ground surveys are being completed. The target completion date is April 2014.
- 8.7 The partnership expects town centre occupancy to improve in the next few months due to Christmas temporary lets at the Pavements. It also expects higher occupancy at the Market Hall as we let more of the available units.

9.0 **SUMMARY**

- 9.1 The performance of PPP is generally remaining at least at the same level, if not better, than before the partnership began.
- 9.2 Arvato/ Kier is continuing to work on increasing the amount of work they deliver for other local authorities and potentially putting this work into Chesterfield Borough Council to support the Business Plan and generate Jobs within the Borough. The Council welcomes this but must ensure that this is not to the detriment of the services provided to the Council and its customers.

10.0 **RECOMMENDATION**

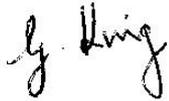
- 10.1 That Members note and comment on the partnership Service Improvements and Key Performance Indicators outturn for the period April 2013 to Sept 2013

11.0 **REASON FOR RECOMMENDATION**

- 11.1 To raise awareness of contract performance against agreed targets.

Further information on this matter can be obtained from John Moran (Extension 5389)

Officer recommendation supported/not supported/modified as below or Executive Member's recommendation/comments if no officer recommendation.



Signed

Executive Member

Date 25th November, 2013

Consultee Executive Member/Support Member comments (if applicable)/
declaration of interests