

## **ANNEX C TO AGENDA ITEM 7**

### **Milton Keynes Council**

### **Improvement Analysis**

#### Notes

The purpose of this document is to track identified areas for improvement across Milton Keynes Council from recent analyses of performance. It is an analysis of our response rather than an action plan.

The improvement issues have been derived from analysis of two key documents:

- Annual Audit and Inspection Letter 2004-05 (AAIL)
- Self Assessment prepared in advance of the March 2006 Corporate Assessment by the Audit Commission (SA)

The response section details the Council's response and/or the arrangements for delivering a response.

Where reference is made to a corporate priority, the relevant high level action plan can be found in the Council Plan 2006-09. Other of these actions have been incorporated in section 4 of the new Council Plan. Progress will be monitored through the arrangements for implementing the Council Plan.

Geoff Snelson  
Assistant Chief Executive, Strategy & Performance  
February 2006

Ref	Issue	Response
<b>1. Leadership</b>		
1.1	<p><b>Growth and regeneration:</b> Enable the poorest areas to benefit from the city's overall prosperity and growth opportunities (SA 11)</p> <p>Increasing engagement with a new Milton Keynes Partnership will also help the Council address some of the many changes associated with rapid population and housing growth and the need to regenerate its more deprived areas (AAIL 21).</p>	<p>Corporate priority: Promote equality and social inclusion and improve health</p> <ul style="list-style-type: none"> <li>• <b>Regeneration and growth project</b> - is assessing current practice in the delivery of regeneration and growth with the objective of assessing a suitable way forward for Milton Keynes. The project is analysing existing structures and operational practice, strategies and vision to ascertain its suitability for addressing the decline in some estates whilst concurrently delivering growth.</li> </ul> <p><b>Social Inclusion and Health Inequalities (SIHI)</b> – joint PCT/local authority team established to develop an approach to health and social inclusion. The team has secured agreement with the LSP to prioritise the most deprived neighbourhoods and estates to jointly tackle their needs. SIHI is also working closely with the Regeneration and Growth project discussed above.</p> <p><b>Growth Coordination</b> – The establishment of a team specifically to coordinate MKC's response to growth has facilitated MKC leadership in the planning and provision of services for the City as it expands. Decision-making and policy linkages between MKPC and MKC are developing through the reformed senior management forum 'Overview' and the establishment of Joint Delivery Teams for the delivery of the Expansion Areas Business Plan. These bodies amongst others ensure that the delivery of growth meets Council priorities. The Growth Team is also working with other authorities and public bodies in the MKSM sub region to ensure adequate service planning across the wider MK catchment area.</p>

1.2	<p><b>Integrating strategy and planning frameworks</b>  Area where the Council needs to focus: Integrating its range of strategy and planning frameworks, to ensure corporate and consistent improvement across services and with partners (AAIL 23)</p>	<p>A new corporate framework of objectives and priorities was agreed by the Cabinet in November 2005. This provides the high level structure for the new Council Plan 2006-09. Within the Council Plan are high-level action plans for each corporate priority. These were developed through a cross-cutting approach to capture all service contributions to each priority.</p>
1.3	<p><b>Partnership working</b>  Survey indicates that action is needed to strengthen partnership working arrangements in a number of areas</p> <ul style="list-style-type: none"> <li>- clarity about how partnerships contribute to corporate objectives</li> <li>- assessing whether partnership strategies reflect council needs; maintaining systems for declaring conflicts of interest</li> <li>- developing a coherent approach to partnerships – clearly linking council plans and partnership plans</li> <li>- setting clear objectives and targets within an agreed framework, supported by systems to deal with slippage, exit strategies etc.</li> </ul> <p>(AAIL 78)</p>	<p>A report to the Changing MK Programme Board on 22 July 2005 identified areas for improvement and/or development for strategic partnership working. Most of the issues referred to were covered as part of that report. Comments on which are set out below:</p> <p>The Strategic Partnerships Lead Officer Group (SPLOG) monitors how partnerships are contributing to corporate objectives. SPLOG also receives regular updates from each partnership on the key issues that impact upon the Council and/or other partnerships.</p> <p>Maintaining a system for declaring conflicts of interest is more appropriate for operational partnerships and, given the resources available, was not a priority.</p> <p>Service Plans are now required to identify what partnerships the service is involved with and how the service is helping to deliver the partnerships plans and strategies (and vice versa). This remains an area for improvement.</p> <p>The setting of clear objectives and targets is for each partnership. SPLOG receives updates from each partnership.</p>

<b>2. People</b>		
2.1	<p><b>People Management</b> Implementation of People Management Strategy to achieve the four key strategy outcomes (SA 59)</p> <p>Further improvement can be secured by:</p> <ul style="list-style-type: none"> <li>- developing a wider range of local performance information to effectively monitor people management</li> <li>- clarifying implementation, monitoring and review plans for the new procedures</li> <li>- clarifying the balance of responsibilities for people management procedures between managers and HR staff (AAIL 32)</li> <li>-</li> </ul>	<p>People Management Strategy joint action plan for year 1 complete. Year 2 ongoing. Year 3 under development; key focus on pay and workforce planning.</p> <p>Revised people management policies and procedures implemented 1 July '05. All more resolution focused with the roles and responsibilities of managers and employee clearly set out. Full communication and briefing programme delivered summer '05. Policies easily accessible on intranet, together with full guidance. Impact of policies to be assessed Spring '06.</p> <p>Improved HR management information reporting arrangements in place with regular reports and supporting commentary to CLT, DMTs and trade unions. This will be further developed alongside workforce planning project.</p> <p>Work to address organisational development continues and the Year 3 action plan is under development with 12 projects currently being scoped for review and prioritisation.</p> <ol style="list-style-type: none"> <li>1. Healthy Workforce Strategy</li> <li>2. Workforce Planning</li> <li>3. Career Development and Succession Planning (within the context of workforce planning)</li> <li>4. Job Evaluation</li> <li>5. Pay:</li> <li>6. Influence / facilitate organisational change</li> <li>7. Age Discrimination</li> <li>8. Child Care Subsidy</li> <li>9. Integrated services</li> </ol>

		<p>10. Employment Stability Policy  11. Terms and Conditions of Service  12. CRB Processes</p>
<b>3. Performance &amp; MTP</b>		
3.1	<p><b>Pace of improvement</b>  Pace of performance improvement – only 52% of targets for 2004/05 achieved (SA 81)</p> <p>Overall, the council is below average in 55 per cent of its 2004/05 performance indicators (AAIL 16)</p> <p>Pace, depth and sustainability of improvement an area requiring focus (AAIL 23)</p>	<p>Increased focus on performance through revised approach to Medium Term Planning (MTP)</p> <p>A new PI IT database is close to implementation. This will allow for easier entry and analysis of the PI information that supports performance management.</p> <p>The future programme of CLT performance reviews will be aligned to the new corporate priorities</p> <p>An expanded Benchmarking Group of similar local authorities is being established. A nearby task is to identify best practice in 3 target areas.</p> <p>Following the interventions in Revenues and Benefits and Housing, a major System Thinking intervention (supported by the Vanguard consultancy) is being implemented to look at the main customer-facing services in Environment, beginning April 2006.</p>
3.2	<p><b>Housing</b>  Housing service a performance risk (SA 84)  Landlord services judged in February 2005 to be fair with uncertain prospects for improvement (AAIL 2)  Housing not yet improved substantially in comparison with other councils (AAIL 19)</p>	<p>Corporate priority: Deliver an excellent housing service</p>

3.3	<p><b>Educational attainment</b> Educational attainment at Key Stage 2 a performance risk (SA 84)</p> <p>Educational attainment has not improved substantially compared with other councils (AAIL 19)</p>	Corporate priority: Continue to improve school standards
3.4	<p><b>Children's services</b> Loss of star for Children's services (CA 89)</p>	Corporate priority: Deliver high quality outcomes for children and families
3.5	<p><b>Transport</b> "Weak" rating of Local Transport Plan (CA 89)</p> <p>Transport has not improved substantially compared with other councils (AAIL 19)</p>	Corporate priority: Improve public transport
3.6	<p><b>Street cleansing</b> Street cleansing in lowest quartile (CA 89)</p> <p>Cleanliness of local streets has not improved substantially compared with other councils (AAIL 19)</p>	Corporate priority: Improve the quality of the environment in which we live
3.7	<p><b>Medium term planning</b> Process is too bureaucratic and deals poorly with cross-cutting issues (SA pg 5). The approach is not yet making a consistent impact on service quality and efficiency across these activities and management responsibilities.</p>	Revised MTP process and governance structures being implemented.

	Accelerating the rate of improvement remains a challenge to the Council (AAIL 20)	
3.8	<p><b>Customer Service</b> Delivering major changes to improve the way we serve our customers – including MKDirect and AccessMK (SA 64)</p>	<p>Corporate priority: Improve the experience of our customers.</p> <p>MKDirect (Contact centre and Face to Face Delivery) went live in April 05. Customer Service satisfaction surveys are regularly conducted to measure performance and respond to customer feedback. It is planned to expand MK Direct over the next 2 years to deliver more services from a single point of contact. The aim of MK Direct is to ensure that where possible service requests are dealt with at the first point of contact.</p> <p>AccessMK is a programme of activities set to transform services:</p> <ul style="list-style-type: none"> <li>• Reorganisation of front line services into one location (Civic Offices) and improving the customer focus by developing front of house delivery of professional services.</li> <li>• True front to back end integration of IT systems (using SAP CRM, Government Connects and Adobe Livecycle) that will allow efficient processing of data creating a responsive service to the customer.</li> <li>• We are developing a kiosk strategy in conjunction with our local partners (such as Parish Councils) to provide access to Council Services more flexibly at a local level.</li> <li>• EDRMS – (Electronic Document and Records Management System) is being implemented (starting with Electronic Social Care Records). This will improve customer service by giving electronic access to all data held about the customer and what transactions have taken place.</li> </ul>
3.9	<b>Procurement</b>	The Council's Procurement Strategy was approved by Cabinet on 17 January 2006. Extra funding has been released (February 2006) from

<p>The Council needs to identify a clear, long-term vision for the way in which procurement will shape service delivery and performance (AAIL 4)</p> <p>Key areas for attention include:</p> <ul style="list-style-type: none"> <li>- capacity and leadership to finalise and implement the (procurement) strategy effectively</li> <li>- determining procurement structures along with supporting roles and responsibilities</li> <li>- clear implementation plan with baseline/position statement, high level objectives and expected outcomes (AAIL 28)</li> </ul>	<p>the “Invest-to-save” fund to support implementation of the same. Since its approval in mid January, a number of important actions have been implemented as follows:</p> <ul style="list-style-type: none"> <li>• Appointment of a corporate sponsor for procurement- Geoff Snelson, Assistant Chief Executive, Strategy and Performance (Jan 06)</li> <li>• A cross directorate procurement steering group has been set up to help implement the strategy - first meeting was held on 26 January 2006, at which the terms of reference and work plan agreed, based on the strategy (Jan 06)</li> <li>• The e-tendering system implemented in December 2005 has been followed up by training sessions (Jan and Feb 06)</li> <li>• Sharing of best practice across directorates is taking place between the waste procurement project and the schools construction project (Feb 06)</li> <li>• A means of capturing procurement savings in the Council has been agreed and implemented (Jan 06)</li> </ul> <p>Further key actions to be implemented are</p> <ul style="list-style-type: none"> <li>• Procurement Steering Group to develop plan of prioritised (Gershon) savings.</li> <li>• Report on optimum procurement structure (March 2006). Outcome: Agree set of actions to change shape of procurement in MKC. Update/amend procurement strategy accordingly.</li> <li>• Work with HBS to prepare e-market place business case (April 2006). Outcome: implementation of Council’s preferred e-market place solution by December 2006 as per National Procurement Strategy</li> <li>• Review of procedural regulations with HBS and Internal Audit (June 2006). Outcome: updated, user friendly set of regulations which facilitate service delivery.</li> </ul>
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<b>4. Capacity</b>		
4.1	<p><b>Capacity development and continued challenge</b></p> <p>The council needs to focus on continued capacity development and continued challenge (AAIL 23)</p> <p>Identified some barriers to effective working which are preventing scrutiny from maximising its potential:</p> <ul style="list-style-type: none"> <li>- planning, co-ordination and profile of overview and scrutiny remains a weakness</li> <li>- structural and support issues are preventing scrutiny from working effectively (AAIL 82)</li> </ul>	<p>Formal proposal agreed by BMG 6/7/05 that Overview and &amp; Scrutiny (O&amp;S) Chairs' Group takes over the co-ordination role as the most appropriate body. The Group now meets on a regular bi-monthly schedule and reviews its consolidated work programme. Example of co-ordination is the recent joint review group, comprising Corporate PDC and PR&amp; Audit Panel members, formed to scrutinise the corporate self-assessment document.</p> <p>Chairs' Group is also keen to raise the public profile of O&amp;S and after a successful pilot of local radio debates is planning to continue these on a monthly basis starting June 06. A regular bi-monthly slot in LiveMK is also proposed.</p> <p>A Scrutiny Support Group has been formed comprising officers from across all Directorates. One of the Group's first outputs is an "Officer's Guide to Overview and Scrutiny".</p> <p>Specific problems such as the workload of Performance Review and Audit Panel may be addressed by taking out the audit function and creating a stand alone Audit Committee independent of O&amp;S. This is under consideration for the start of Council year 06/07.</p> <p>Overview and Scrutiny remains committee meeting dominated and work is planned, as part of the Democratic Services Best Value Review implementation, to review staffing structures in order to utilise the dedicated scrutiny support more effectively. Consultation will start 31/3/06.</p>
4.2	<p><b>Use of resources</b></p> <p>Finance service an area of performance risk (SA 84)</p>	<p>Following delivery of 3 key acts by end of December 2005, the Finance Improvement Team continues to meet to oversee the ongoing development of the Finance Service</p>

<p>Further significant improvements are needed by HBS to deliver the key finance elements of the PPP to the standard required (AAIL</p> <p>Local Government funding does not adequately reflect the pressures of being a fast growing area (SA 53)</p> <p>The Council faces risks in securing the resources that will be needed to keep pace with the scale of its population growth and the complexity of other external challenges (AAIL 22)</p>	<p>The council will continue its lobbying strategy on the local government funding formula, working with the lobbyists Citigate.</p> <p>The Council is seeking to mitigate the risk that adequate resources may not be available for its population growth through the following projects:</p> <p><b>Tariff</b> - The council has been working with MKPC and the developers and landowners of the East and West Expansion areas to develop a mechanism which minimises the financial shortfall in the provision of services for the new areas. The Tariff is a vehicle by which developers and landowners' planning gain contributions are maximised to fund local and strategic infrastructure. The contributions are made at a flat rate per dwelling/employment floorspace and paid. Agreement from Treasury has been secured to forward fund the infrastructure to enable installation concurrent to development. Consideration is being given as to how the model might apply outside the expansion areas to the rest of the City.</p> <p><b>Delivery Plan</b> – MKC has, with MKPC developed a delivery plan to schedule the commissioning of new infrastructure associated with growth in the East and West Expansion areas. The plan is to be monitored and delivered by Joint Delivery Teams who are charged to ensure robust financial planning to achieve timely delivery of infrastructure items. The delivery plan is linked to the Council's Capital Programme to ensure that capital is available at appropriate moments. Revenue costs associated with ongoing running and management costs of the facilities are the responsibility of the commissioning directorates.</p> <p><b>Targeted Income Supplement (TIS)</b> – MKC has secured £9m 2002-2005 and a further £3.5m 2006/7 TIS contribution from English Partnerships to support the on going revenue burden of growth planning and implementation.</p>
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		<p><b>Growth Areas Fund and Community Infrastructure</b> – The Council led the MK submissions for CIF and GAF. The strength of the submissions has secured major funding over the past two years to ensure delivery of the key pieces of infrastructure required to deliver growth. Projects include substantial investments in railway stations and other public transport, junction 14 improvements, leisure and cultural facilities, environmental projects, community and economic development.</p> <p><b>Regeneration and Growth Project</b> – the project is examining the best deployment of resources to ensure that the needs of the existing and expanding populations are adequately met.</p>
4.3	<p><b>Improving value for money</b> The council needs to focus on improving value for money (AAIL 23)</p> <p>Council has further to go (effective budgetary control) before it can be said to be embedded and working effectively (AAIL 98)</p> <p>Ambitious targets for Gershon efficiencies (SA 63)</p>	<p>Value for Money to be taken forward through revised MTP governance structures.</p> <p>Procurement Strategy and Steering Group implemented (see Procurement 3.9).</p>
4.4	<p><b>Waste management</b> No additional landfill allowance to reflect the growth of the city (CA 111)</p>	<p>Corporate priority: Improve the quality of the environment in which we live</p>

Geoff Snelson  
February 2006