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Committee and Members' Services Section
3rd Floor, Adelaide Exchange
24-26 Adelaide Street
Belfast BT2 8GD



10th March, 2008

MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE

[To which the Members of the Health and Environmental Committee are invited in connection with Item 5(f)]

Dear Councillor

The above-named Committee will meet in the Council Chamber, 3rd Floor, Adelaide Exchange on Friday, 14th March, 2008 at 10.00 am, for the transaction of the business noted below.

You are requested to attend.

Yours faithfully

PETER McNANEY

Chief Executive

AGENDA:

1. Routine Matters
 - (a) Apologies
 - (b) Minutes
2. Modernisation and Improvement
 - (a) Review of Public Administration - Update (Pages 1 - 4)
 - (b) Northern Ireland Assembly Liaison (Pages 5 - 8)
 - (c) Improvement Agenda Update (Pages 9 - 78)
 - (d) Review of Advertising (Pages 79 - 90)
3. Corporate Plan and Performance Management
 - (a) Strategy 2008-2011 - Update on Progress (Pages 91 - 94)
4. Democratic Services and Governance

- (a) Policy on Representation at National Association of Councillors Conferences/Seminars (Pages 95 - 96)
 - (b) Member Development Programme - Update (Pages 97 - 100)
 - (c) Requests for Provision of Hospitality (Pages 101 - 104)
5. Finance
- (a) Strategic Financial Management Framework (Pages 105 - 110)
 - (b) Minutes of Audit Panel (To Follow)
 - (c) Revised Terms of Reference of Audit Panel (To Follow)
 - (d) Review of Travel Policy (Pages 111 - 120)
 - (e) University Rating Policy (Pages 121 - 128)
 - (f) City Hall: Virement of Revenue Expenditure to Finance Development of Emergency Co-ordination Room (Pages 129 - 136)
6. Human Resources
- (a) Standing Order 55 - Employment of Relatives (Pages 137 - 138)
7. Asset Management
- (a) Council Office Accommodation (Pages 139 - 149)
 - (b) 6 Callendar Street: Former Consumer Advice Centre (Pages 150 - 153)
 - (c) Blythefield Open Space (Pages 154 - 161)
 - (d) Capital Programme 'Urgent' Projects (Pages 162 - 173)
8. Good Relations and Equality
- (a) Minutes of Good Relations Steering Panel (To Follow)



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Review of Public Administration Update
Date:	14 March 2008
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Kevin Heaney, ext 6202

Relevant Background Information

- 1.1 At last month's Strategic Policy and Resources Committee it was reported that the Northern Ireland Executive had not yet considered a final RPA recommendations report. This report was to address the key issues of numbers of Councils, functions of Councils, timescale for implementation, severance arrangements, modernisation/capacity building and functional and transitional arrangements.
- 1.2 Members also noted funding decisions which had been made in the draft budget and endorsed an approach that the Council should start to develop a dialogue with central government departments on the development of pilot transitional arrangements and capacity building programmes for a number of functional areas which are likely to transfer.

Current Position

- 2.1 At the time of writing the Northern Ireland Executive has not yet considered the RPA findings paper. It has been rescheduled for consideration on a number of occasions and is presently scheduled for consideration at the Executive's meeting on 13 March. Negotiations are ongoing amongst the Party Political Groups on a number of issues and indications are that progress is being made. However if the matter is not determined by the Executive this week, it is likely that decisions will be delayed until early April as the Assembly is in recess from 15-30 March.
- 2.2 Latest intelligence indicates that serious consideration is being given to the eleven Council model and specifically Option 11B. An appendix showing a map of Option 11B is attached hereto.
- 2.3 The Minister for the Environment, Arlene Foster, is still in discussion with her ministerial colleagues. In a recent meeting with the Minister for Social Development, Margaret Ritchie, the DSD have indicated that they would like to explore how they might work more effectively with Councils to develop pilots over the transitional period and a number of housing regulation functions are also now due to be transferred to local government.

2.4 It is likely that the Executive, if they agree to the review programme, will apply to the Secretary of State for an extension of the length of the current Council term. Indications from the NIO are that legal advice will make it unlikely that an extended term could be granted for any longer than a year. It therefore looks increasingly likely that there will be local government elections in May 2009.

Recommendations

3.1 The Committee is asked to note the updated position.

Option 11A
Council Boundaries



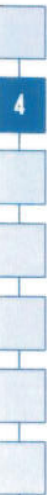
Option 11B
Council Boundaries



Option 11C
Council Boundaries



Figure 3





Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	NI Assembly liaison/update
Date:	Friday 14 th March 2008
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Joanne Delaney, Assistant Policy & Performance Analyst (ext 6206)

Relevant Background Information

This report is being brought on a monthly basis to Strategic P&R as agreed at August 2007 meeting. It provides contact and update information on the work of the Assembly to assist Members liaise with, and influence the work of, the Assembly and ensure that the interests of the city of Belfast are most effectively represented.

Key Issues

1. Belfast City Council guide to the Assembly

An updated version of this guide is available on the Members' portal.

2. Official liaison with the Assembly

In order to ensure that the Council is aligned in its approach and liaison with the Assembly, it was agreed that Assembly/Ministerial updates are added as a standing item to the agenda of the Strategic Policy & Resources Committee and the appropriate Committees of the Council.

3. Update on Assembly business

Updates/changes to final Budget 2008-11

Minister of the Environment answered on 15th February that the Budget 2008-11 has provided her department with additional resource funding of £4.4m (2008/09), £6.5m (2009/10) and £13m (2010/11). She explained that following proposals put to the Finance Minister and the Executive the Department had also been allocated additional Capital funding of £3.1m (200/09), £13.7m (2009/2010) and £180.2m (2010/11). This funding, which had been disclosed both in the Budget 2008-2011 document and the Investment Strategy for Northern Ireland (ISNI) will be disbursed to the councils to help them procure the waste infrastructure required to enable Northern Ireland to comply with the stringent EU Landfill Directive targets

Housing Affordability

- Minister for Social Development outlined the range of actions planned to take forward John Semple's recommendations from the Affordability Review

- £205million extra to tackle housing waiting lists, homelessness and affordability
- Implementation plan put in place to identify how and when Semple's recommendations will be advanced
- Final budget for 1,500 homes in year 1, 1,750 in year 2 and 2,000 in year 3

Rates (Regional Rates) Order NI 2008

Approved

Varney Review

Minister of Finance and Personnel answered on 22 Feb that Sir David Varney has requested individual meetings with Executive Members with a key role in delivering economic development policy in Northern Ireland. Ministers will then have an opportunity to submit evidence to Sir David under a covering Executive paper.

Older People's Commissioner

It was announced on the 18th December that OFMDFM was to create a Northern Ireland Commissioner for Older People. Consultants were appointed to undertake a review of the case for an Older People's Commissioner and will be undertaking three consultation events which will examine the possible role and remit of a Commissioner.

Children and Young People

All Ministers in the Executive, as well as representatives from the NIO and the Northern Ireland Court Service, have been invited to the first meeting of the Ministerial Sub-Committee on Children & Young People, during which attendance at future meetings will be discussed.

Inter-Agency Protocol on Flags

First Minister and Deputy First Minister answered on 22 Feb that a review of the flags protocol is currently underway

Multi-Sports Stadium

The Committee for Culture, Arts & Leisure met and had a lengthy engagement with the Minister for Culture, Arts & Leisure on the business case report for PriceWaterhouseCoopers on the location for the proposed multi sports stadium. The committee hopes to devote a session to this in the near future.

Junior Minister

Appointment of new Junior Minister, Jeffrey Donaldson

Energy Bill

The Minister for Enterprise, trade and Investment asked the Assembly to approve the extension of the UK Energy Bill to Northern Ireland, which allows for gas storage in Northern Ireland territorial waters. The UK Government can legislate at Westminster for gas and carbon dioxide storage in Northern Ireland, however they had agreed to seek the approval of the Assembly, which was given unanimously.

Education System

Education Minister announced on 4 March that 6 independent bodies are to be established to oversee the restructuring of the post primary school system. This is an interim arrangement to further planned changes before the establishment of the Educational Skills Authority in 2009. The Educational Skills Authority will deliver restructuring at all levels of the school system from pre-school to post primary from 2009 with the new education system to be in place by 2013.

Community Festival Fund

Oral question to Minister for Culture and Arts on plans to transfer the administration of the Community Festivals Fund to Councils from April 2008. Work is ongoing with NILGA to facilitate the transfer. BCC has sought further clarification and information on elements of the plans.

Regional Development Strategy

A 5 year focused assessment of the Regional Development Strategy has been completed and is being discussed with the Regional Development Committee. The Minister for Regional Development proposed to publish a report by the summer after discussion with Executive colleagues.

Sewerage Infrastructure

Minister for Regional Development has been advised by Northern Ireland Water (NIW) that substantial investment will continue to be directed towards improving wastewater treatment and sewers, with committed expenditure of £492 million in the three year period up to 2010 together with Public Private Partnership investment of £122 million. In addition, poorly performing small wastewater treatment works serving local communities will benefit from investment of £30 million in the period up to 2014.

Funding for Minority Ethnic Voluntary Organisations

First Minister and Deputy First Minister announced on 28 February that Voluntary Groups working with or representing minority ethnic communities are being invited to apply for funding under the minority ethnic communities funding scheme. Funding is for one year until March 2009. In the longer term, this funding will form an important part of the proposals for a Programme of Cohesion, Sharing and Integration for a Shared and Better Future which was announced in the Programme for Government. The funding for minority ethnic voluntary organisations will build on the current three year fund which is due to expire on the 31 March 2008.

Reorganisation of Health and Social Care

The Minister for Health and Social Services made a statement on the reorganisation of the health and social care system in Northern Ireland and set out plans for the creation of a public health improvement agency for Northern Ireland. The proposals reflect a desire to see local councils work closely with the new structures, playing a pivotal role in developing plans to improve public health and the strengthening of the role of health and social services councils with representatives from local government.

Review of Public Administration

In response to an Oral Question re an update on RPA, Minister of the Environment stated that the aim would be to implement RPA by 2011 provided that agreement was reached before the end of February 2008. If agreement was not reached then there would be no option but to run elections in 2009 for the 26 Councils - leaving 2013 as next target date for implementation of RPA.

Resource Implications

Financial

No financial implications

Human Resources

No HR implications

Asset and Other Implications

No asset or other implications

Recommendations

It is recommended that Members note the contents of the above report.

Key to Abbreviations

N/A

Documents Attached

N/A



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Improvement Agenda Update
Date:	14 March 2008
Reporting Officer:	Gerry Millar, Director of Improvement
Contact Officer:	Ronan Cregan, Improvement Manager Emer Husbands, Strategic Performance Manager Maggie McNally, Strategic Programme Manager

BACKGROUND

Performance management is one of the fundamental building blocks of any successful, high performing organisation. It matters to Belfast City Council as a whole, because it helps to ensure we are achieving what we set out to do, giving value for money to the ratepayer and making the lives of the people of Belfast better. Basically, it is about politicians making decisions on how to make things better based on information about how things are today; officers acting on these decisions and Members making sure that the desired outcomes are achieved. This is the essence of evidence based decision making and scrutiny in terms of Members making sure that the priorities they have determined are delivered by officers.

Performance management is therefore the key tool to ensure that the Council DELIVERS what it says it will do and the key mechanism by which it can assess whether what it delivers makes any difference. This report is about providing Members with performance information in relation to the programme of Council improvement activity which the Policy and Resources Committee approved at its meeting on 16 February 2007. This programme was agreed in the context of a Council Value Creation Map which formed the basis of the corporate plan 2007/08.

This is the first time we are reporting on improvement activity in the context of performance and therefore marks a breakthrough for the Council. The report will also make a number of recommendations in relation to developing the role of Members in managing and scrutinising performance against the priorities the Council has determined.

In addition to the work detailed in this cover report, it is also recognised that the work of the services and departments is critical to the Council's overall performance. This work will shortly be reported to the relevant standing committees through departmental plan progress reports and Strategic and Policy Resources will take a regular overview of how the entirety of the organisation is performing and integrating its activities to achieve maximum VFM.

Members should note that the programme of improvement is only one element of the corporate plan and a full update on the implementation of the corporate plan will be provided to Members as part of the corporate planning process for 2008/09 – 2010/11. This will cover strategic elements one and two, which relate to the improvement of quality of life for the citizens of the city and civic leadership.

Members should also note that as this report is a first step in reporting performance and programme activity together and as the performance management framework of the Council continues to improve, the nature and style of performance reporting will also improve and Members' feedback on what they find most useful will be vital to this improvement. This will mean that Members will in future be able to concentrate their attention on areas of red and amber performance. At this time, however, we are reporting on all areas in order to give Members a clearer overall picture of performance.

Performance Management and the Role of Members

Before discussing the performance of each improvement area, it is important to discuss the role of Members in relation to performance management. Any management textbook will tell you that performance management will not work unless it is led by the top of the organisation. For Belfast City Council this means Members and senior officers. At present, it would be reasonable to suggest that this leadership could be enhanced by a greater clarification of specific and joint Member / officer roles in relation to performance management. This clarification would also help to better define the skills which Members and officers require to fill these roles.


In order to achieve this, it is recommended that members of the Strategic Policy and Resources Committee and COMT attend a number of two hour performance management workshops between April and June which could be facilitated by the IDeA. It is important that this work is completed before we start the regular performance review meetings of the new corporate plan. Appendix three contains, "a Councillor's guide to performance management" which is produced by the IDeA and Audit Commission. This publication provides good background information for Members before attending the workshops.

If this is agreed, it would then be our intention to roll out a joint programme of performance workshops for each committee and its relevant officers.

IMPROVEMENT AGENDA UPDATE

The remainder of this report provides a status report on the Improvement Programme highlighting results of key performance indicators and the progress of projects / activities undertaken during the year in relation to the specific elements of the VCM. Each strategic element is cross referenced to a more detailed performance report which can be found at appendix one.

We have assessed each strategic element using a traffic light system based on performance results and work completed. As the organisation develops specific performance targets and more benchmarking this assessment will become more sophisticated.

Strategic Element 3	Status:	
Meet the needs of local people through the effective delivery of quality and customer-centric services	Customer focus strategy requires completion.	

Actions Completed

- A Baseline assessment of customer focus completed with improvement actions identified for each service
- A visioning exercise and gap analysis has been undertaken to inform the development of a customer focus strategy

Performance Update

The delivery of customer centric services is one of the 2 core competencies of the organisation and it is encouraging that 74% of residents are satisfied with the services provided by BCC, an increase of 9% from the 2004 survey. Likewise, our complaints have almost halved to 533 in 2006/07 from the previous year. In terms of efficiency, there has been no change and the majority of residents (61%) feel that BCC is efficient in the delivery of its services. These indicators would suggest that one of the key elements of the customer focus strategy should be around improving and demonstrating the efficiency of our service delivery.

Strategic Element 4

Develop and maintain relationships with key stakeholders

Status:

External Relations Strategy still to be developed in line with new corporate plan



Actions Completed

- A Stakeholder Audit completed which will help the organisation in the development of an External Relations Strategy.

Performance Update

The survey results show that 68% of Councillors and 53% of Employees agree that BCC works well with other organisations (increased by 8% and 9% respectively since 2004). This indicates that from an internal perspective, relationships with our stakeholders have improved. The Council is involved in numerous partnerships across the city at organisational, departmental and service level which facilitates service delivery and in turn will assist the Council to play a fundamental role in shaping the future direction of the City. The challenge for the organisation will be how best to manage these relationships in a "one council" way in the context of the delivery of the new corporate plan.

Strategic Element 5

Promote a positive image and reputation

Status:



Actions Completed


- Implementation of review of communications resulting in £320,000 savings for the organisation
- Proactive approach to media relations developed

Performance Update

A number of elements contributing to creating a positive image and reputation have been achieved through the implementation of the review of communications which has also resulted in £320,000 per year savings for the council, through the reduction in publications and paying for the production of City Matters through accepting advertising. In addition to this the increased production of City Matters has helped portray positive messages to residents and 91% of those that read City Matters feel it helps improve their understanding of the work of the Council. There are also strong internal results with 88% of Councillors and 71% of employees proud to tell others that they work for the Council, an increase of 9% since 2004.

Almost half of residents surveyed think that the Council treats all people fairly and without discrimination and 46% think that the Council has a positive image among residents - an improvement of 4% from 2004.

There is a more proactive approach to media relations and that has resulted in improved coverage on behalf of the council. In order to quantify the improvement, a new system is being established which will provide more accurate and meaningful information on the council's performance in the media so the proposed indicators for media reports are being reviewed.

<p style="text-align: center;">Strategic Element 6</p> <p style="text-align: center;">Communicate Effectively – Internally and Externally</p>	<p>Status:</p> <p>Development of internal communication plan</p> <p>Completion of community engagement & Consultation review</p> 
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Actions Completed

- Appointment of Internal Communications Manager
- Introduction of Core Briefs and Improvements to Intercom
- Increased production of City Matters
- Implementation of Corporate Identity Guidelines

Performance Update

Communication, both internal and external, has improved. The increased production and distribution of City Matters has improved the understanding amongst residents of what the Council does and the issues facing the Council – 91% of those who have read City Matters felt it helped improve their understanding of the work of the Council. Likewise the new website of the Council has improved communication with 78% of residents who use it finding the website useful. However it must be noted that only 12% of residents had visited the site, though the number of unique visitors to the Council's web site has increased significantly – from 63,299 in January 2007 to 136, 618 in January 2008. This is reflected in the SOCITM web site ranking, which has risen one category in the past year to 'transactional' – the only Council in Northern Ireland to have a ranking this high.

Internally, the appointment of an Internal Communications Manager, the introduction of One Council Briefings and Core Briefs, improvements to Intercom and e-bulletins covering key Council decisions have made employees more aware of what is happening in the Council outside their own sphere of responsibility – 63% of employees agree that the "corporate information I receive is clear and easy for me to understand" – an increase of 22% from 2004 and 80% of employees knowing the overall objectives of the Council, up 25% from 2004.

<p style="text-align: center;">Strategic Element 7</p> <p style="text-align: center;">Ensure continuous improvement & innovation of service delivery</p>	<p>Status:</p> <p>Implementation of Parks improvement plan</p> <p>Completion of BIS review of Community Services</p> <p>Further roll out of employee suggestion scheme</p> 
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Actions Completed

- Improvement plans developed for Parks and Community Services
- Implementation of Employee Suggestion Scheme

Performance Update

Currently 67% of residents in the City (up by 9% from 2004) think life in Belfast as a whole has got better, with good levels of satisfaction recorded for a number of our key services. Overall, 53% of residents are satisfied with the quality of Council services and 56% are satisfied with access to Council services. In the future this strategic element will need to reviewed in the

context of the customer focus strategy, performance management framework and the efficiency programme.

Strategic Element 8	Status:	
Provide quality advice and evidence based decision making		

Actions

- Review completed of Member Remuneration
- Member Development Programme developed
- Implementation of Modernising Governance minute system
- Implementation of New Committee Structure

Performance Update

Significant work has gone into improving the quality of advice to enable effective evidence based decision making. Initiatives that have been undertaken include the new governance arrangements, the alignment of corporate and service VCMs, Member Development Programme and closer working relationships between Councillors and Officers. The effort put into these initiatives has resulted in 66% of Councillors and 62% of employees being satisfied that the quality of advice given enables them to make decisions. 69% of Councillors and 70% of employees were satisfied or very satisfied with the availability of the right information to enable them to make effective decisions.


Strategic Element 9	Status:	
Develop an open and performance driven culture		

Completed Actions

- Implementation of a Performance Management Framework
- Residents, Members and staff surveys completed.
- Baseline for 141 performance indicators completed.
- VCMs cascaded to all services.
- Integrated planning cycle for 2008 – 2011 initiated.
- New corporate objectives identified by Members in line with comprehensive city assessment and citizen feedback.

Performance Update

83% of employees understand how their role contributes to the overall goals of the Council, 78% have individual goals and objectives and 72% feel safe to admit to mistakes. This was also reflected in the members survey, with 61% of Councillors satisfied with performance improvement in the Council. These indicators would suggest that the roll out of the VCM process has helped create a better understanding of the organisation and how staff contribute to this. The performance work completed starts to build the foundations of a strong performance culture.

Strategic Element 10	Status:	
Develop our knowledge, skills and expertise		


Completed Actions

- Development of a Workforce Development Plan
- Implementation Member Development Framework
- Development of a Competency Framework
- SMG Capacity Building programme
- Establishment of a People Panel

Performance Update

The investment by the Council in its people has improved the ability of both employees and Councillors to do their jobs. 81% of supervisory employees agree that their current team has the knowledge and skills necessary to deliver what is required. The increased use of PDPs and the introduction of the workforce development plan should improve this further. 66% of Councillors and 73% of employees agree that the training and development they have undertaken has enabled them to carry out their roles effectively. Although the Councillor figure is down slightly since 2004 there has been a notable increase in the percentage of employees that agree, up by 17%, to 73% in 2007.

The workforce development plan and the various work streams contained within it need implemented if the Council is to make full utilisation of the skills it has – currently only 23% of employees agree that knowledge is shared across all parts of the Council. Similarly, PDPs across the organisation need to be pushed out further.

<p>Strategic Element 11</p> <p>Create happy and dedicated employees and Councillors</p>	<p>Status:</p> 
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Actions

Actions contained within other strategic elements such as developing skills and expertise, Image and Reputation and Communication will help to achieve this strategic element.

Performance Update

Councillors expressed a high level of satisfaction working within BCC (85%) and 93% stated that they take pride in doing their job well. The Member Development Programme, new governance arrangements, changes to member remuneration and improved Member / Officer relationships have been implemented to help improve satisfaction levels.

There have also been a number of initiatives aimed at increasing the levels of happiness and dedication of employees – for example MAD Awards, Brainwave, Workforce Development Programme, Work Life Balance etc. While 96% of employees agreed that they took pride in doing their job well, which demonstrates a high level of dedication, only 53% of employees agreed their morale was high and only 54% experienced a high level of satisfaction working within BCC. The previously mentioned workforce development plan and the implementation of the new HR Strategy will contribute to improvements in this area.

<p align="center">Strategic Element 12</p> <p align="center">Develop Strategic Financial Planning</p>	<p>Status: Further development of MTFP Agree and implement asset management Strategy Roll out of gateway process Implement rate maximisation recommendations</p> 
<p>Completed Actions</p> <ul style="list-style-type: none"> ➤ Review of rate maximisation ➤ Development of Asset Management Strategy ➤ Implementation of Gateway Process ➤ Implementation of Efficiency Programme <p>Performance Update</p> <p>A number of projects have been ongoing to help improve the strategic financial planning of the Council such as the efficiency agenda (which saved £1.15 million in 2006/07, £1.5 million in 2007/08 and £1.22 million savings in 2008/09), Better Business to improve the financial processes and information, the Gateway Review, the development of an Asset Management Plan, work to maximise rate income and the development of a City Investment Strategy financing plan.</p> <p>This year's work has concentrated on improving the Council's ability to maximise its rate income. The Institute of Revenue, Rating and Valuation has been working with the Council and Land and Property Services to identify key improvement areas. The results of this work will be reported to the Strategic Policy and Resources Committee in May. The Council's Building Control Section is currently carrying out a review of all vacant property in Belfast in order to ensure the loss of rate income in this area is minimised. The Director of Corporate Services is also currently developing an Income Policy for the Council.</p>	
<p align="center">Strategic Element 13</p> <p align="center">(R.2) Develop Strategic Human Resource Management</p>	<p>Status</p> 
<p>Completed Actions</p> <ul style="list-style-type: none"> ➤ Development of HR Strategy ➤ Implementation of Single Status Arrangements ➤ Implementation of Absence Management Framework <p>Performance Update</p> <p>Significant work has been ongoing into developing strategic human resource management. Most notably, a new HR Strategy has been developed and approved that will enable the Council to ensure that the HR function underpins both the day to day activities of the Council and the achievement of it's medium to longer term objectives. Currently, the absence figures for the Council are 12.00 days per employee (FTE) between April 2007 and end of January 2008 – a drop from last year when the figure for the same period was 12.91 days per employee (FTE). While this figure is encouraging, it is still above target; for this period, the absence target for the Council is 10.90 days per employee (FTE).The Workforce Development Plan, Single Status implementation and Absence Management Framework have also been developed to improve human resource management within the Council.</p>	

The full implementation of the HR Strategy will further improve the management of our people.

Strategic Element 14	Status:	
(R.3) Develop Strategic Information Management	Agree and implement information management strategy	

Completed Actions

- Development of draft information management strategy
- Implementation of new council website
- Implementation of new minutes system
- Implementation of Better Business

Performance Update

Information management in the Council has seen a number of improvements, for example the new Council Website, Better Business, new Minutes System and Members' remote connectivity. These have helped improve information management within the Council and are reflected in the results of Member and employee surveys – 85% of Councillors and 70% of employees were satisfied or very satisfied with access to information. Furthermore 78% and 66% of Councillors and employees respectively were satisfied or very satisfied with the quality of information received about the Council. The council's website is now consistently rated in the top 20 of UK local government websites by Sitemorse, an organisation that independently assesses councils. We now also have a baseline for percentage of residents satisfied with access to information about the Council, which currently stands at 61%

Next Steps

Improvement Programme for 2008 / 09

The attached performance report provides further detail on the programme of work and the performance indicators. It also highlights proposed next steps in relation to each element based on the initial analysis of the information. These proposals are in their early development and will be brought formally to committee for approval as part of corporate planning process.

DECISIONS REQUIRED

Members are asked to:

- to note the contents of the report;
- to agree to attend a number of 2 hour IDeA facilitated performance management workshops along with COMT between April and June 2008;
- to agree the improvement agenda key actions for 2008/09 as part of the finalisation of this year's corporate planning process.



Belfast City Council Improvement Agenda





Performance and Activity Report

As at

End of January 2008

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Strategic Element 3				Status:																							
Meet the needs of local people through the effective delivery of quality and customer-centric services																											
Key Performance Indicators				Projects Overview																							
<table border="1"> <thead> <tr> <th>Performance Indicator</th> <th>Baseline</th> <th>Latest Result</th> <th>Trend</th> </tr> </thead> <tbody> <tr> <td>% of Residents who agree that BCC is efficient in the delivery of its services.</td> <td>61% (2004)</td> <td>61% (2007)</td> <td>No change from 2004</td> </tr> <tr> <td>% of Residents' who overall are satisfied with services provided by BCC.</td> <td>65% (2004)</td> <td>74% (2007)</td> <td>Up 9% from 2004</td> </tr> <tr> <td>Number of customer complaints received. (Source Corporate Plan).</td> <td>1053 (2005/06)</td> <td>533 (2006/07)</td> <td>Down 49% from 2005/06</td> </tr> </tbody> </table>				Performance Indicator	Baseline	Latest Result	Trend	% of Residents who agree that BCC is efficient in the delivery of its services.	61% (2004)	61% (2007)	No change from 2004	% of Residents' who overall are satisfied with services provided by BCC.	65% (2004)	74% (2007)	Up 9% from 2004	Number of customer complaints received. (Source Corporate Plan).	1053 (2005/06)	533 (2006/07)	Down 49% from 2005/06	<table border="1"> <thead> <tr> <th>Project Name</th> <th>RAG Status</th> </tr> </thead> <tbody> <tr> <td>Development of Customer Focus Strategy</td> <td style="text-align: center;"></td> </tr> </tbody> </table>				Project Name	RAG Status	Development of Customer Focus Strategy	
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Summary

Key Performance Indicators

The delivery of customer centric services is one of the 2 core competencies of the organisation and it is encouraging that 74% of residents are satisfied with the services provided by BCC, an increase of 9% from the 2004 survey. Likewise, our complaints have almost halved to 533 in 2006/07 from the previous year. In terms of efficiency, there has been no change and the majority of residents (61%) feel that BCC is efficient in the delivery of its services.

Tasks/Projects/Initiatives

Development of Customer Focus Strategy – While service improvements are the responsibility of individual Heads of Service, there is also the need to consider customer focus at a corporate level in areas such accessibility to services. During the year the Senior Management Group carried out a number of exercises including the establishment of a baseline customer focus assessment and undertaking a visioning exercise and gap analysis. In order to translate this work into a deliverable customer focus strategy, COMT recommends that a senior manager be seconded for six months, at no additional cost, to the post of Customer Services Manager. This officer's work will include assessing the impact of NI Direct on the Council.




Way Ahead


Tasks/Projects/Initiatives



Customer Services Manager to be appointed, on a secondment basis, at no additional cost for six months to develop a customer focus strategy for the Council.

Related Performance Indicators

Performance Indicators	Baseline	Latest Result	Trend
% of Residents who agree that BCC is efficient in the delivery of its services.	61% (2004)	61% (2007)	No change from 2004
% of Residents' who overall are satisfied with services provided by BCC.	65% (2004)	74% (2007)	Up 9% from 2004
% of Employees satisfied that their service works well with other services within the Council.	----	44% (2007)	New indicator
% Employees who agree that they offer good customer service.	----	98% (2007)	New indicator
Number of customer complaints received. (Source Corporate Plan).	1053 (2005/06)	533 (2006/07)	Down 49% from 2005/06
Number of Services moving up at least one step on Customer Services Stepladder.	----	Not available	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 4	Status:	
Develop and maintain relationships with key stakeholders		


Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Councillors who agree that BCC works well with other organisations to provide services.	60% (2004)	68% (2007)	Up 8% from 2004	Stakeholder Audit	
% of Employees who agree that BCC works well with other organisations.	45% (2004)	53% (2007)	Up 9% from 2004	External Relations Strategy	

Summary
<p>Key Performance Indicators The survey results show that 68% of Councillors and 53% of Employees agree that BCC works well with other organisations (increased by 8% and 9% respectively since 2004). This indicates that from an internal perspective, relationships with our stakeholders have improved. The Council is involved in numerous partnerships across the city at organisational, departmental and service level which facilitates service delivery and in turn will assist the Council to play a fundamental role in shaping the future direction of the City.</p> <p>Tasks/Projects/Initiatives Stakeholder Audit - The Council has carried out a stakeholder audit to identify the key corporate partners and obtain their perspective on how our partners feel about the relationships that have been established. This audit will also form the basis of the organisations External Relations Strategy. External Relations Strategy - The Council's external relations strategy needs to align to the Council's strategy for 2008 and beyond. Members have established draft corporate strategic objectives for 2008-11 and within these key areas have been identified, advocacy and influence, including skills, transport and housing.</p>

Way Ahead
<p>Tasks/Projects/Initiatives External Relations Strategy – When objectives, priorities and key areas of advocacy and influence are determined a stakeholder analysis will be developed to ensure effective engagement with the organisations involved and the creation of agreed corporate policy and advocacy positions.</p>

Performance Indicators	Baseline	Latest Result	Trend
% of Councillors who agree that BCC works well with other organisations to provide services.	60% (2004)	68% (2007)	Up 8% from 2004
% of Employees who agree that BCC works well with other organisations.	45% (2004)	53% (2007)	Up 9% from 2004
% of key stakeholders who agree that working in partnership with BCC brings real and tangible benefits for the city.	----	Not available	New indicator
% of key stakeholders who are satisfied with how their relationship with BCC is managed.	----	Not available	New indicator
% of key stakeholders who believe it is easy to engage effectively with the Council at the required level.	----	Not available	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 5	Status:
Promote a positive image and reputation	

Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Residents who agree that local Councillors present a positive image of the Council.	43% (2004)	48% (2007)	Up 5% from 2004	Development of Scoping Paper	●
% of Residents who agree that generally BCC has a positive image among Residents.	42% (2004)	46% (2007)	Up 4% from 2004		
% of Employees who agree that "I am proud to tell others that I work for BCC".	62% (2004)	71% (2007)	Up 9% from 2004		
% of Councillors who agree that "I am proud to tell others that I am a Councillor for BCC".	-	88% (2007)	New indicator		
% of residents who read City Matters who feel it helps improve their understanding of the work of the Council	85% (2004)	91% (2007)	Up 6% from 2004		

Summary

Key Performance Indicators
The Council has been involved in a number of initiatives that have helped promote a positive image and reputation for the Council. In particular the increased production of City Matters has helped portray positive messages to residents and 91% of those that read City Matters feel it helps improve their understanding of the work of the Council. There are also strong internal results with 88% of Councillors and 71% of employees proud to tell others that they work for the Council, an increase of 9% since 2004.

Almost half of residents surveyed think that the Council treats all people fairly and without discrimination and 46% think that the Council has a positive image among residents - an improvement of 4% from 2004.

The council's website is now consistently rated in the top 20 of UK local government websites by Sitemorse, an organisation that independently assesses councils. This enhances the council's image and reputation as it compares it to similar organisations.




There is a more proactive approach to media relations and that has resulted in improved coverage on behalf of the council. In order to quantify the improvement, a new system is being established which will provide more accurate and meaningful information on the council's performance in the media so the proposed indicators for media reports are being reviewed.


Tasks/Projects/Initiatives
Developing a Scoping Paper - A number of elements contributing to creating a positive image and reputation have been achieved through the implementation of the review of communications which has also resulted in £320,000 per year savings for the council, through the reduction in publications and paying for the production of City Matters through accepting advertising. The final part of the review to be implemented is a corporate approach to advertising which, if agreed, will result in efficiencies of between £250k and £450k as a result of both reducing expenditure and identifying income streams. The staff, public and members surveys all indicated major rises in satisfaction with communications while our website, City Matters and proactive approach to media have enhanced the image and reputation of the council.

Way Ahead

The next step will be the development of a scoping paper to identify and what else needs to be achieved in this area and will be produced following the implementation of the advertising review, which is still subject to council agreement.

Performance Indicators	Baseline	Latest Result	Trend
% of Residents who agree that local Councillors present a positive image of the Council.	43% (2004)	48% (2007)	Up 5% from 2004
% of Residents who agree that generally BCC has a positive image among Residents.	42% (2004)	46% (2007)	Up 4% from 2004
% Residents who agree that City Matters has helped improve their understanding of the work of the Council. (Note - composite result calculated from responses to 3 questions).	30% (2004)	54% (2007)	Up 24% from 2004
% of Employees who agree that "I am proud to tell others that I work for BCC".	62% (2004)	71% (2007)	Up 9% from 2004
% of Residents who agree that Council staff present a positive image of the Council.	----	49% (2007)	New indicator
% of Councillors who agree that "I am proud to tell others that I am a Councillor for BCC".	----	88% (2007)	New indicator
Ratio of positive/negative media reports on BCC. (Source Corporate Communications Team)	----		New indicator
Ratio of positive/ negative news stories generated by Officers Councillors. (Source Corporate Communications Team)	----		New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 6	Status:
Communicate Effectively – Internally and Externally	

Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Residents who agree that BCC consults with & listens to the views of local people.	40% (2004)	31% (2007)	Down 9% from 2004	Internal Communications Plan	●
% satisfaction/ dissatisfaction among Councillors with Officer/Councillor relationships.	91/ 0% (2004)	81/ 7% (2007)	Satisfaction down 10% from 2004	Community Engagement and Consultation Review.	●
% satisfaction/ dissatisfaction among employees with Officer/Councillor relationships.	21/ 31% (2004)	31/ 21% (2007)	Satisfaction up 10% from 2004		
% of Employees who agree that "The corporate information I receive is clear and easy for me to understand".	41% (2004)	63% (2007)	Up 22% from 2004		
% of Employees who know what the overall objectives of the Council are.	55% (2004)	80% (2007)	Up 25% from 2004		
SOCITM Website Ranking.	Standard (2007)	Transactional (2008)	Up 1 ranking level from 2007		

Summary

Key Performance Indicators

Communication, both internal and external, has improved. The increased production and distribution of City Matters has improved the understanding amongst residents of what the Council does and the issues facing the Council - 91% of those who have read City Matters felt it helped improve their understanding of the work of the Council. Likewise the new website of the Council has improved communication with 78% of residents who use it finding the website useful. However it must be noted that only 12% of residents had visited the site, though the number of unique visitors to the Council's web site has increased significantly - from 63,299 in January 2007 to 136, 618 in January 2008. This is reflected in the SOCITM web site ranking, which has risen one category in the past year to 'transactional' - the only Council in Northern Ireland to have a ranking this high.

Internally, the appointment of an Internal Communications Manager, the introduction of One Council Briefings and Core Briefs, improvements to Intercom and e-bulletins covering key Council decisions have made employees more aware of what is happening in the Council outside their own sphere of responsibility - 63% of employees agree that the "corporate information I receive is clear and easy for me to understand" - an increase of 22% from 2004 and 80% of employees knowing the overall objectives of the Council, up 25% from 2004.

Tasks/Projects/Initiatives

Internal Communications Plan – Reviews are currently being undertaken of the communication channels to create a communications framework that contains relevant and appropriate process and systems to share information with employees. Four locations have been identified to run a pilot to give staff more access to information. The project has been subject to delays and will be re-baselined to reflect changes to the schedule.

Community Engagement and Consultation Review – The work of the internal steering group is continuing. The shared data-base of current and planned consultations is now established. There is a need for constant reference to and alignment with other work being undertaken to identify and ensure effective engagement mechanisms.

Way Ahead

Tasks/Projects/Initiatives


Internal Communications Plan – Core brief will be co-ordinated and copies posted on the intranet. A system will be developed to evaluate the impact of the information cascade.

Agreement will be sought from Trade Unions and ISB on the four pilot sites and an IT training package will be developed to support employees in the pilot sites.

Community Engagement and Consultation Review – The specification for consultancy support will be completed and passed to the steering group and COMT for agreement in the coming weeks.

Performance Indicators	Baseline	Latest Result	Trend
% of Residents who agree that BCC consults with & listens to the views of local people.	40% (2004)	31% (2007)	Down 9% from 2004
% satisfaction among Councillors with Officer/Councillor relationships.	90% (2004)	80% (2007)	Down 10% from 2004
% satisfaction among Employees with Officer/Councillor relationships.	21% (2004)	31% (2007)	Up 10% from 2004
% of Employees who agree that <i>"The corporate information I receive is clear and easy for me to understand"</i> .	41% (2004)	63% (2007)	Up 22% from 2004
% of Employees who agree that <i>"When change happens the reasons for it are explained to me."</i>	31% (2004)	40% (2007)	Up 9% from 2004
% of Employees who are satisfied with communication and information in the Council.	----	50% (2007)	New indicator
% of Employees who know what the overall objectives of the Council are.	55% (2004)	80% (2007)	Up 25% from 2004
% of Employees who agree that those above them listen to their views.	----	52% (2007)	New indicator
SOCITM Website Ranking.	Standard (2007)	Transactional (2008)	Up 1 ranking level from 2007
Local Government Website Ranking by Sitemorse. (Source Sitemorse)	17 th place (Jan 2008)	19 th place (Feb 2008)	Down 2 places

Improvement >1%	Minimal change < +/- 1%	Declination > 1%
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Strategic Element 7				Status:	
Ensure continuous improvement & innovation of service delivery					
Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Residents who think life in the City as a whole has got better over the last three years.	58% (2004)	67% (2007)	Up 9% from 2004	Parks and Leisure Improvement Plan	●
% of Residents satisfied with the quality of Council services.	-	53% (2007)	New indicator	Community Services Change Management Programme	●
% of Residents satisfied with access to Council services.	-	56% (2007)	New indicator	Employees Suggestion Scheme	●
% of Employees who understand how they can contribute to improvements in BCC.	-	70% (2007)	New indicator		

Summary

Key Performance Indicators

Currently 67% of residents in the City (up by 9% from 2004) think life in Belfastas a whole has got better, with good levels of satisfaction recorded for a number of our key services. Overall, 53% of residents are satisfied with the quality of Council services and 56% are satisfied with access to Council services.

Tasks/Projects/Initiatives

Parks & Leisure Improvement Plan – The following activities have taken place: Completion of the Value Creation Map. Completion of directorate Structural Review - Policy & Business Dev Manager - Policy & Business Development Officer x 3 (Leisure, Parks, Research)- Lead Communicator. Furthermore, a Leisure Operations Manager is being recruited to add to Leisure's senior mgmt team. Establishment of financial processes for monitoring and reporting on Budgets. Tender drawn up for the supply of consultancy services to help integrate the VCM and Business Planning process within the Department. Communications - Alignment of all meetings throughout the department to assist in flow of information. Creation of a sharepoint information site. A Tender has been drawn up for the supply of consultancy services for management development and the development of staff capacity. A working Group has been formed with representatives from Parks, BIS, HR and the Trade Unions to establish focus groups relating to the Roles and Responsibilities of the managers.

Community Services Change Management Programme – The draft Community Support Plan has been published and is out for consultation. A new business planning template has been produced and is now being cascaded in the department. Revenue estimates have been completed for 2008/09 as has the medium term financial plan and capital programme. A PC Inventory has also been produced.

Employee Suggestion Scheme – The system, whilst not fully functional, is up and running.

Way Ahead

Strategic Review of Parks and Leisure - Over the coming months the following will take place: Completion of performance indicators and mechanisms for collecting improvements and completion of the risk register Structural Reviews. A First draft of the report looking at the operational management strand within Parks will be completed. Work will commence on the review of landscape planning. Work will continue on the Operational Reviews. Focus Group Meetings will be held involving staff various departments and Unions to define roles and responsibilities Training and Dev. Focus group meetings will be held to agree roles and responsibilities and continue to work on Learning and Dev Information System. Action plans to address outcome of the Training Audit within Parks will be devised. Financial Processes - project proposal forms for Capital Programme will be completed. Overtime Protocols will be agreed. Budget reports for management use and forecasts will be tailored. The tender for consultancy on Business planning processes will be awarded.




Community Services Change Management Programme – The next 3 months will see the completion and submission of the BIS Structural Review for Community Services. The inventory process will be reviewed and process improvements implemented. Business plans will be produced for the service, area teams and


community centres. PDPs will be completed for all sites.
Employee Suggestion Scheme – Work will continue with ISB to ensure full functionality of the system is achieved.

This area of work will be reviewed for 2008/09 in the context of the performance management framework, customer focus strategy and the efficiency programme.

Related Performance Indicators

Performance Indicators	Baseline	Latest Result	Trend
% of Residents satisfied with the quality of Council services.	----	53% (2007)	New indicator
% of Residents satisfied with access to Council services.	----	56% (2007)	New indicator
% of Employees who understand how they can contribute to improvements in BCC.	----	70% (2007)	New indicator
% of Employees who agree that they have “ <i>an opportunity to contribute to improvements in BCC.</i> ”	----	22% (2007)	New indicator
% of service standard improvements made	----	To be sourced	New indicator
Brainwave - number of [viable] improvement suggestions made. (Source CIT)	147 (2006/07)	Not available until Y/E	New indicator
Brainwave - % of Employees making improvement suggestions. (Source CIT)	4% (2006/07)	Not available until Y/E	New indicator
Brainwave - number of improvement suggestions taken forward (recommended for implementation or actually implemented) during financial year. (Source CIT)	----	Not available until Y/E	New indicator
Brainwave - agreed efficiency savings achieved through improvements during financial year. (Source CIT)	----	Not available until Y/E	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 8 Provide quality advice and evidence based decision making	Status: 
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Key Performance Indicators	Projects Overview
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Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Councillors satisfied that they receive the quality of advice needed to make decisions	-	66%	New indicator	Corporate values and code of conduct	●
% of Councillors satisfied that appropriate information is available to enable effective decision making.	-	69%	New indicator	Corporate Governance	●
% of Employees satisfied that they receive the quality of advice needed to make decisions	-	62%	New indicator		
% of Employees satisfied that appropriate information is available to enable effective decision making.	-	70%	New indicator		




Summary


<p>Key Performance Indicators Significant work has gone into improving the quality of advice to enable effective evidence based decision making. Initiatives that have been undertaken include the new governance arrangements, the alignment of corporate and service VCMs, Member Development Programme and closer working relationships between Councillors and Officers. The effort put into these initiatives has resulted in 66% of Councillors and 62% of employees being satisfied that the quality of advice given enables them to make decisions. 69% of Councillors and 70% of employees were satisfied or very satisfied with the availability of the right information to enable them to make effective decisions.</p> <p>Tasks/Projects/Initiatives Review of Member Remuneration – work carried out by council staff in developing a new model of Member remuneration was adopted by the DOE and has been implemented. Member Development Programme – has been developed and is being implemented. Modernising Governance minute system – has been implemented. Corporate Values and Code of Conduct – The Corporate Values are being developed as part of the Corporate Planning process. Corporate Governance – Much work was done with Members through CIB and P&R with final agreement on new committee structures reflected in Standing Orders which were approved by Council. The new structures have been operational since the Council AGM in June 2007. Changes were also agreed to the Scheme of Delegation for some issues relating to staff, procurement and Departmental Plans.</p>



Way Ahead

<p>Corporate Values and Code of Conduct – The Code of Conduct will form part of the Improvement Agenda for 2008-09.</p> <p>Corporate Governance – A process is now being put place to fully operationalise the Scheme of Delegation and to ensure sufficient controls and reporting are in place to provide assurance to Members on its operation.</p>

Performance Indicators	Baseline	Latest Result	Trend
% of Councillors satisfied that they receive the quality of advice needed to make decisions	----	66%	New indicator
% of Councillors satisfied that appropriate information is available to enable effective decision making.	----	69%	New indicator
% of Employees satisfied that they receive the quality of advice needed to make decisions	----	62%	New indicator
% of Employees satisfied that appropriate information is available to enable effective decision making.	----	70%	New indicator
% Council and Committee decisions that are linked to a corporate strategy	----	To be sourced	New indicator
% decisions deferred at Council/ Committee meetings	----	To be sourced	New indicator
% Council decisions actioned at the right time.	----	To be sourced	New indicator
% COMT decisions actioned at the right time.	----	To be sourced	New indicator
% of Councillors who believe the Council is efficient in the delivery of its services.	----	56% (2007)	New indicator
% of Employees who agree that different parts of the Council work together to achieve common goals.	----	37% (2007)	New indicator
% of Employees who are satisfied with how well their service works with other services in BCC.	----	44% (2007)	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 9	Status:
Develop an open and performance driven culture	

Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% Councillors satisfied with performance improvement in the Council.	-	61% (2007)	New indicator	Performance Management Framework	
% of Employees who understand how their role contributes to the overall goals of the Council.	-	83% (2007)	New indicator	Corporate Planning Framework	
% of Employees, including senior Officers, who have individual goals and objectives for their roles.	-	78% (2007)	New indicator		
% of Employees who feel safe to admit to mistakes.	-	72% (2007)	New indicator		

Summary

Key Performance Indicators
The fundamentals of an open, performance driven culture appear to be evident in the Council - 83% of employees understand how their role contributes to the overall goals of the Council, 78% have individual goals and objectives and 72% feel safe to admit to mistakes. This was also reflected in the members survey, with 61% of Councillors satisfied with performance improvement in the Council.

Key initiatives over the past year have been the introduction of a performance management framework under the VCM process, the role out of PDPs in a number of services and the collation of baseline performance information.

Tasks/Projects/Initiatives
Performance Management Framework - VCM - All services and a number of key units have VCMs in place.
Performance Management System - Market analysis, user and technical specification have been completed. The tender has gone out and responses have been received and are currently undergoing evaluation.
IPM for COMT/Directors/Heads of Service - Solace Enterprises have been appointed to work with the council to develop this work.
Corporate Planning Framework -city analysis and citizen feedback have allowed Members to define new strategic objectives. Work currently underway across the Council to identify key activities, programmes and projects in line with Member priorities under four headings – vital services, one – council, partnerships and influence. Members have also agreed principles and broad criteria and objectives for the City Investment Strategy. Further Member briefings on the City Investment Strategy will be given in March.

Programme Management

Way Ahead





The next stage of the implementation of the performance management framework will include:

- The implementation of an automated performance management system.
- The development of a new corporate VCM in line with the new corporate plan.
- The agreement of new corporate performance indicators and targets in line with the new corporate plan.
- The further development of service level VCMs, performance indicators and targets.
- The provision of training for Members in support of their role in performance management.
- The reporting of performance to Members and COMT.
- The commencement of performance review meetings for Members and officers.
- The implementation of Individual Performance Management for Chief Officers and senior managers.
- The further development of programme management across the Council.
- Workshop with Members on City Investment Strategy in March.
- Draft corporate plan to be presented to committee in May.
- Begin process of integrated planning for 2009/10 in line with budgeting process.

Related Performance Indicators


Performance Indicators	Baseline	Latest Result	Trend
% Councillors satisfied with performance improvement in the Council.	----	61% (2007)	New indicator
% of Employees who agree that "I feel able to speak up and challenge the way things are done".	----	49% (2007)	New indicator
% of Employees who understand how their role contributes to the overall goals of the Council.	----	83% (2007)	New indicator
% of Employees, including senior Officers, who have individual goals and objectives for their roles.	----	78% (2007)	New indicator
% of Employees who agree that "My contribution is valued in my section/service".	----	49% (2007)	New indicator
% of Employees who feel safe to admit to mistakes.	----	72% (2007)	New indicator
Number of performance meetings taking place (Bernard Marr to oversee).	----	To be sourced	New indicator
% of employees satisfied with how BCC values it's staff	----	41% (2007)	New indicator
MAD Awards - Number nominated for the 'New Kid on the Block' award (2006/07).	7 (2005/06)	11 (2006/07)	Up 4 from 2005/06
MAD Awards - Number nominated for 'Smiley Customer Service' award (2006/07).	9 (2005/06)	27 (2006/07)	Up 18 from 2005/06
MAD Awards - Number nominated for 'Frontliner' award (2006/07).	16 (2005/06)	20 (2006/07)	Up 4 from 2005/06
MAD Awards - Number nominated for 'Top Hat' award (2006/07).	28 (2005/06)	16 (2006/07)	Down 12 from 2005/06
MAD Awards - Number nominated for 'GEM (Going the Extra Mile)' award (2006/07).	40 (2005/06)	44 (2006/07)	Up 4 from 2005/06
MAD Awards - Number nominated for 'Eco Warrior' award (2006/07).	----	14 (2006/07)	New indicator
MAD Awards - Number nominated for 'Bridge Builder' award (2006/07).	14 (2005/06)	20 (2006/07)	Up 6 from 2005/06

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 10				Status:				
Develop our knowledge, skills and expertise								
Key Performance Indicators				Projects Overview				
Performance Indicator	Baseline	Latest Result	Trend	<table border="1"> <thead> <tr> <th>Project Name</th> <th>RAG Status</th> </tr> </thead> <tbody> <tr> <td>Workforce Development Plan</td> <td></td> </tr> </tbody> </table>	Project Name	RAG Status	Workforce Development Plan	
Project Name	RAG Status							
Workforce Development Plan								
% of Councillors who agree that they "receive training and development to effectively carry out my duties as a local representative".	70% (2004)	66% (2007)	Down 4% from 2004					
% of Supervisory Employees who agree that their current team has the knowledge and skills necessary to deliver what is required.	-	81% (2007)	New indicator					
% of Employees who agree that "In general the training and development activities I have undertaken have helped me do my job better".	56% (2004)	73% (2007)	Up 17% from 2004					
% of Employees agreeing that knowledge is shared across all parts of the Council.	-	23% (2007)	New indicator					
Summary								
Key Performance Indicators								
<p>The investment by the Council in its people has improved the ability of both employees and Councillors to do their jobs. 81% of supervisory employees agree that their current team has the knowledge and skills necessary to deliver what is required. The increased use of PDPs and the introduction of the workforce development plan should improve this further. 66% of Councillors and 73% of employees agree that the training and development they have undertaken has enabled them to carry out their roles effectively. Although the Councillor figure is down slightly since 2004 there has been a notable increase in the percentage of employees that agree, up by 17%, to 73% in 2007.</p> <p>The workforce development plan and the various work streams contained within it need implemented if the Council is to make full utilisation of the skills it has - currently only 23% of employees agree that knowledge is shared across all parts of the Council. Similarly, PDPs across the organisation need to be pushed out further.</p>								
Tasks/Projects/Initiatives								
<p>Workforce Development Plan – Chief Officer/Head of Service/Senior managers performance appraisal scheme- procurement exercise of HR/OD consultants to design and develop a bespoke system is completed.</p> <p>Member development Framework- A PDP process is in place and available for all elected members to access. PDPs have been developed for a number of members.</p> <p>Competency Framework- A procurement specification to secure HR OD consultants to design a revised competency framework has been developed.</p> <p>SMG Capacity Building programme- Half of the planned development activities have been delivered.</p> <p>People Panel- A people panel with the responsibility for overseeing the implementation of the HR strategy and the workforce development plan has been established.</p>								
Way Ahead								
<p>Workforce Development Plan - SMG Capacity Building Programme development activities will continue. A People Panel has been established to further align this work with the new Corporate Plan and to ensure implementation is co-ordinated with other improvement dependencies.</p>								

Performance Indicators	Baseline	Latest Result	Trend
% of Councillors who agree that they <i>"receive training and development to effectively carry out my duties as a local representative"</i> .	70% (2004)	66% (2007)	Down 4% from 2004
% of Councillors with Personal Development Plans. (Source HR)	----	To be sourced	New indicator
% of Employees who agree that <i>"In general the training and development activities I have undertaken have helped me do my job better"</i> .	56% (2004)	73% (2007)	Up 17% from 2004
% of Employees agreeing that knowledge is shared across all parts of the Council.	----	23% (2007)	New indicator
% of Employees in BCC with Personal Development Plans during the last year. (Source HR)	----	To be sourced	New indicator
Frequency of skills audits undertaken in BCC during the last year. (Source HR)	----	To be sourced	New indicator
% of Training Budget fully utilised in BCC during the last year. (Source HR)	----	To be sourced	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 11 Create happy and Dedicated employees and Councillors	Status:	
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Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Councillors who agree that "I experience a high level of satisfaction working within BCC."	-	85% (2007)	New indicator		
% of Councillors who agree that "I take pride in doing my job well".	-	93% (2007)	New indicator		
% of Employees who agree that "I experience a high level of satisfaction working within BCC."	39% (2004)	54% (2007)	Up 15% from 2004		
% of Employees who agree that "I take pride in doing my job well".	Not available	96% (2007)	New indicator		
% of Employees who agree that "My morale, in working for BCC, is currently at a high level".	37% (2004)	53% (2007)	Up 16% from 2004		

Summary

Key Performance Indicators

Councillors expressed a high level of satisfaction working within BCC (85%) and 93% stated that they take pride in doing their job well. The Member Development Programme, new governance arrangements, changes to member remuneration and improved Member / Officer relationships have been implemented to help improve satisfaction levels.

There have also been a number of initiatives aimed at increasing the levels of happiness and dedication of employees - for example MAD Awards, Brainwave, Workforce Development Programme, Work Life Balance, etc. While 96% of employees agreed that they took pride in doing their job well, which demonstrates a high level of dedication, only 53% of employees agreed their morale was high and only 54% experienced a high level of satisfaction working within BCC. The previously mentioned workforce development plan and the implementation of the new HR Strategy will contribute to improvements in this area.







Tasks/Projects/Initiatives

Actions contained within other strategic elements such as developing skills and expertise, Image and Reputation and Communication will help to achieve this strategic element.

Way Ahead

Performance Indicators	Baseline	Latest Result	Trend
% response rate to Councillor Survey.	----	80% (2007)	New indicator
% of Councillors who agree that "I experience a high level of satisfaction working within BCC."	----	85% (2007)	New indicator
% of Councillors who agree that "I take pride in doing my job well".	----	93% (2007)	New indicator
% response rate to Employee Survey.	54% (2004)	33% (2007)	Down 21% from 2004
% of Employees who agree that "I experience a high level of satisfaction working within BCC."	39% (2004)	54% (2007)	Up 15% from 2004
% of Employees who agree that "I take pride in doing my job well".	Not available	96% (2007)	New indicator
% of Employees who agree that "My morale, in working for BCC, is currently at a high level".	37% (2004)	53% (2007)	Up 16% from 2004
Average working days per Employee (full time equivalent) per year lost through sickness absence. (Source HR)	----	To be sourced	New indicator
Number of formal grievances made by BCC Employees during the last year. (Source HR)	----	To be sourced	New indicator
Average number of internal applications per advertised post in BCC. (Source HR)	----	To be sourced	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 12				Status:	
Develop Strategic Financial Planning					
Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of BCC's net expenditure compared with agreed revenue budgets	-	To be identified	Not yet sourced	Financial Strategy	
% budgets prepared in accordance with timescales	-	To be identified	Not yet sourced	Better Business	
% key milestones in MTFP achieved	-	To be identified	Not yet sourced	Asset Management	
				Gateway Process	
				Efficiency Programme	
Summary					
Key Performance Indicators					
<p>A number of projects have been ongoing to help improve the strategic financial planning of the Council such as the efficiency agenda (which saved £1.15 million in 2006/07, £1.5 million in 2007/08 and £1.22 million savings in 2008/09), Better Business to improve the financial processes and information, the Gateway Review, the development of an Asset Management Plan, work to maximise rate income and the development of a City Investment Strategy financing plan.</p>					
Tasks/Projects/Initiatives					
<p>Financial Strategy – This year work has concentrated on improving the Council's ability to maximise its rate income. The Institute of Revenue, Rating and Valuation has been working with the Council and Land and Property Services to identify key improvement areas. The results of this work will be reported to Strategic Policy and Resources Committee in April. The Council's Building Control Section is currently carrying out a review of all vacant property in Belfast in order to ensure the loss of rate income in this area is minimised. The Director of Corporate Services is also currently developing an Income Policy for the Council.</p>					
<p>Better Business - Systems and technical environment are now stable with good performance. Procurement issues are being resolved with work ongoing to match product categories with suppliers. This is scheduled to be completed by 1 April 08. Bank reconciliations are now up to date. Reporting priorities for period end have been identified and developed. A review of CTU structure and staffing has been started and recruitment of the CTU manager is in progress with interviews scheduled for 2 April 08. Impact on resourcing in departments remains an issue. Once procurement issues are resolved this should reduce the workload.</p>					
<p>Asset Management – The Asset Management Strategy is with Chief Officers for consideration. Consultations with Party Groups will commence in March before it is brought to the Strategic Policy and Resources Committee.</p>					
<p>Gateway Process – The Gateway process has been introduced to the Capital Programme. Further work has commenced looking at the descriptions of each gate.</p>					
<p>Efficiency Programme – All efficiencies for 2008/09 have been identified and achieved. Work is currently underway to identify an efficiency programme for 2009/10. The Strategic Policy and Resources Committee will be updated on this work in June.</p>					
Way Ahead					
<p>The key areas of work for 2008/09 will include:</p> <ul style="list-style-type: none"> • The further integration of financial planning with the corporate and business planning processes in order to ensure that the identified priorities are properly resourced. • The implementation of recommendations emanating from the rate maximisation work. • The agreement and implementation of a Council Income Policy. • The development and implementation of the efficiency programme for 2009/20. • The continued roll out of Better Business with an increasing emphasis on the provision of financial information. 					
<p>Better Business - BIS are planning a review of the impact of restructuring and Better Business on departmental resource. AP and AR focus groups continue to meet and are identifying and resolving operational issues. The focus in April will be on AR and production of dunning letters.</p>					


Asset Management – The Asset Management Strategy will be presented to Members in March/April. Further development work will take place with a cross-departmental group. This work will be used to inform the City Investment Strategy.

Gateway Process – Work will continue in the development of the gate process including the development of a skills base for operating/implementing the Gateway process.

Related Performance Indicators

Performance Indicators	Baseline	Latest Result	Trend
% of BCC's net expenditure compared with agreed revenue budgets	----	To be sourced	New indicator
% budgets prepared in accordance with timescales	----	To be sourced	New indicator
% key milestones in MTFP achieved	----	To be sourced	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 13 Develop Strategic Human Resource Management	Status 
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Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Employees who agree we have clear and effective HR policies and procedures.	Not available	51% (2007)	New indicator	Development of HR Strategy	●
Average days per full time Employee per year invested in learning and development. (Source HR)	12.91 (Apr 06 - Jan 07)	12.00 (Apr 07 - Jan 08)	Down 0.91 days, but not at target of 10.9 days	Single Status Arrangements	●
% of supervisory employees who agree that their current team has the knowledge and skills necessary to deliver what is required	Not available	81% (2007)	New indicator		


Summary
<p>Key Performance Indicators Significant work has been ongoing into developing strategic human resource management. Most notably, a new HR Strategy has been developed and approved that will enable the Council to ensure that the HR function underpins both the day to day activities of the Council and the achievement of it's medium to longer term objectives. The Workforce Development Plan, Single Status implementation and Absence Management Framework have also been developed to improve human resource management within the Council.</p> <p>The full implementation of the HR Strategy will further improve the management of our people.</p> <p>Tasks/Projects/Initiatives HR Strategy - this is now complete and an implementation project will be set up over the coming months. Single Status Arrangements - Most areas have been completed, some areas are still to be implemented. Absence Management – The new Absence Management Framework is the most advanced of these initiatives and the benefits of it are evidenced - currently, the absence figures for the Council are 12.00 days per employee (FTE) between April 2007 and end of January 2008 - a drop from last year when the figure for the same period was 12.91 days per employee (FTE). While this figure is encouraging, it is still above target; for this period, the absence target for the Council is 10.90 days per employee (FTE).</p>

Way Ahead
<p>Tasks/Projects/Initiatives HR Strategy – A project will be set up over the coming months to implement the HR Strategy. Single Status Arrangements – Implementation will continue over the coming months.</p>

Performance Indicators	Baseline	Latest Result	Trend
% of supervisory employees who agree that their current team has the knowledge and skills necessary to deliver what is required.	----	81% (2007)	New indicator
% of Employees who agree we have clear and effective HR policies and procedures.	----	51% (2007)	New indicator
% posts filled within timeframe agreed (internally and externally) during the last year. (Source HR)	----	To be sourced	New indicator
Ratio of jobs filled internally/externally during the last year. (Source HR)	----	To be sourced	New indicator
The number of leavers in the last year as a percentage of the average total staff. (Source HR)	----	To be sourced	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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Strategic Element 14 Develop Strategic Information Management	Status: 
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Key Performance Indicators				Projects Overview	
Performance Indicator	Baseline	Latest Result	Trend	Project Name	RAG Status
% of Residents satisfied with access to information about the Council.	Not available	61% (2007)	New indicator	Development of Information Management Strategy	
% of Councillors satisfied with access to information about the Council.	Not available	85% (2007)	New indicator		
% of Councillors satisfied with the quality of information about the Council.	Not available	78% (2007)	New indicator		
% of Employees satisfied with access to information about the Council.	Not available	70% (2007)	New indicator		
% of Employees satisfied with the quality of information about the Council.	Not available	66% (2007)	New indicator		

Summary
<p>Key Performance Indicators Information management in the Council has seen a number of improvements, for example the new Council Website, Better Business, new Minutes System and Members' remote connectivity. These have helped improve information management within the Council and are reflected in the results of Member and employee surveys - 85% of Councillors and 70% of employees were satisfied or very satisfied with access to information. Furthermore 78% and 66% of Councillors and employees respectively were satisfied or very satisfied with the quality of information received about the Council. We now also have a baseline for percentage of residents satisfied with access to information about the Council, which currently stands at 61%</p> <p>Tasks/Projects/Initiatives Development of Information Management Strategy - The IS strategy is in draft and will be circulated to departments in the next 2 weeks for comment. The strategy includes a proposed Information Management framework which establishes governance arrangements to assess demand from business and make decisions on priorities and allocation of IT resource in line with corporate priorities.</p>

Way Ahead
<p>Development of Information Management Strategy - Independent assessment of the draft strategy via Gartner is planned for end of March followed by presentation to COMT and committee in April.</p>

Performance Indicators	Baseline	Latest Result	Trend
% of Residents satisfied with access to information about the Council.	----	61% (2007)	New indicator
% of Residents satisfied with the quality of information about the Council.	----	53% (2007)	New indicator
% of Councillors satisfied with access to information about the Council.	----	85% (2007)	New indicator
% of Councillors satisfied with the quality of information about the Council.	----	78% (2007)	New indicator
% of Councillors satisfied that the right information is available to enable effective decision making.	----	69% (2007)	New indicator
% of Councillors satisfied that the right information is available to enable effective performance management.	----	42% (2007)	New indicator
% of Councillors satisfied that the right information is available to enable effective priority setting.	----	56% (2007)	New indicator
% of Employees satisfied with access to information about the Council.	----	70% (2007)	New indicator
% of Employees satisfied with the quality of information about the Council.	----	66% (2007)	New indicator
% of Employees who have access to sufficient relevant information to do their jobs effectively.	----	79% (2007)	New indicator
% of Employees satisfied that the right information is available to enable effective decision making.	----	70% (2007)	New indicator
% of Employees satisfied that the right information is available to enable effective performance management.	----	53% (2007)	New indicator
% of Employees satisfied that the right information is available to enable effective priority setting.	----	62% (2007)	New indicator
% IS priorities reflected in Departmental and Service plans.	----	Not yet Available	New indicator
% of time systems available (uptime).	----	To be sourced	New indicator
Number of interactions that are enabled for electronic delivery as a percentage of the types that are possible for e-delivery.	----	15.5% (Feb 2008)	New indicator

Improvement >1%		Minimal change < +/- 1%		Declination > 1%	
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a councillor's guide to
performance management
second edition

the performance, management, measurement and information project

introduction

'Every month we get a short novel full of tables and charts and smiling faces and traffic lights. We look through it and try to ask a few questions then it goes away and comes back the next month.'

'I know it's important because it's in the Comprehensive Performance Assessment but I've never quite seen how my getting reports on all of these indicators improves life for the folk out there.'

'If a performance indicator has a red light then I'm supposed to ask the officers why and they are supposed to tell me.'

Maybe it's the dull title, maybe it's that councillors like to do the big picture stuff – lead local campaigns, open swimming pools and the like – and they get a bit turned off by things like performance management. Whatever the reason, performance management, or PM, rarely sets political pulses racing.

But performance management is far from just being a technical activity. It represents the **practical steps that are needed to turn the vision we have for our local community into a reality**. Whether or not we are aware of it, we are doing it all the time, though not always in a very systematic way.

There are clear parts to be played by councillors performing various roles – executive, scrutiny, community leaders – as well as by officers. In particular, as councillors, we need to set clear political priorities and ask the right questions of officers, in order to make sure that policy decisions are being carried out and that our citizens are being well served. We also need to be prepared to shift resources towards particular priorities if the evidence shows they aren't yet being achieved.

Malcolm Grimston

Executive member at Wandsworth Borough Council and IDeA Peer Member

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using this guide

This is the second edition of a *Councillor's Guide to Performance Management* produced through the Performance Management, Measurement and Information (PMMI) project run by the Improvement and Development Agency (IDeA) and the Audit Commission. This edition was written by Councillor Malcolm Grimston and includes new information and hints that have emerged from the project's findings.

There is also the more detailed PMMI *A Manager's Guide to Performance Management*, based on wide-ranging research as to what works and what doesn't. If you get bitten by the performance management bug, you may like to give it a glance.

>> The PMMI website, www.idea.gov.uk/performance, follows the structure of these guides and has more detail, tools and guidance as well as links to other websites. Many other useful resources for councillors can be found at www.idea.gov.uk/councillors

acknowledgements

This guide was written by Councillor Malcolm Grimston, Executive member at Wandsworth Borough Council, with Ingrid Koehler and the help of PMMI team members under the direction of Ian Carter (Audit Commission) and Richard Grice (IDeA). It is based on the previous edition of the PMMI Members' Guide to Performance Management and other PMMI products produced by Adrian Barker, Hilary Keogh, Ingrid Koehler, David Pottruff and Amanda Whittaker-Brown.

None of these could have been created without the help and advice of the many officers and councillors who supported the PMMI project and to whom we are very grateful. Through our performance management reference group, the PMMI community of interest, the action research programme and the councils who helped us publish stories of improvement, we have been able to bring together a wealth of knowledge to share among the wider local government community.

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an overview of performance management

1. what is performance management?

There are several definitions of performance management. For this guide, we're using:

performance management is taking action in response to actual performance to make outcomes for users and the public better than they would otherwise be.

Performance management is about both the systems and culture that turn ambition into delivery. As you can see, the definition implies a number of steps:

- what do we want to do?
- how do we intend to do it?
- how well are we doing it?
- what should we do next?

This is sometimes called a **plan-do-review-revise** framework.

PLAN: Based on current performance, prioritise what needs to be done, identify actions that need to be taken and plan for improvement.

DO: make sure that the proper systems and processes are in place to support improvement, take appropriate action, manage risk and help people to achieve better performance.

REVIEW: understand the impact of our actions, review performance, speak to users and stakeholders about their experience of performance.

REVISE: use the lessons learned from review to change what we do so that future action is more efficient and effective.

This framework emphasises both that performance management should be embedded in everything an authority does and that it is a continuous process.

In extreme cases, we may have to decide, based on the information we can gather from the front line, that our whole approach is unrealistic or badly thought-out. For example, we may need to use resources differently or work with new partners.

More routinely, we may find that the way we have planned to do it isn't working and that we need a new plan or that some things that we do are working very well and those successful approaches are shared and adapted.

figure 1: the performance management cycle from IDEA's *A Councillor's Guide 2005–06*.
www.idea.gov.uk/councillors



1.1 why does it matter?

Performance management is at the heart of good management. For the council as a whole, it helps to ensure that we are achieving what we set out to do, giving value for money and making life better for our citizens. It is also intimately linked to good political decision-making, since it involves **using information about how things are to decide how to make things better**. Finally, it helps us to follow through and ensure that our decisions have been carried out.

It's deeply embedded in what central government expects from local authorities. It is also an important part of Comprehensive Performance Assessment (CPA) and one of the Key Lines of Enquiry in the corporate assessment element of this. Best Value gave us a statutory duty to review and improve services and report performance to local people. And as partnership working grows, it will be ever more important that responsibility for performance is shared with members of the Local Strategic Partnership and other colleagues.

>>For more information on the national and local emphasis on performance management, visit www.idea.gov.uk/performance

2. getting performance management right

2.1 why some people find performance management hard

easy or hard?

The principles of performance management are quite straightforward – but research and CPA results show that some authorities do it more effectively than others.

To be effective, it needs to be set within a performance culture, where everyone is determined to improve services and outcomes. There also needs to be a realistic assessment of what can be achieved and how fast. Sometimes it is better to start with the most serious difficulties, moving to other areas when these have been put right rather than taking on everything at once, in other words, to prioritise.

Performance management is a system – all the individual bits need to work. Some authorities, for example produce wonderfully clear presentations on how they are performing against key targets but don't seem quite as good at developing effective plans to improve areas of underperformance.

Performance management does require certain skills. For a councillor, these include the ability to:

- be very clear about what we are – and are not – trying to achieve
- focus on key priorities, sometimes for a considerable while, until delivery comes right
- offer firm and appropriate leadership in pursuing these issues
- identify and ask the right questions.

2.2 getting better at managing performance

Improving performance management can take time – but getting it right can bring significant rewards. Like any big change programme, **getting better requires planning and dogged determination**. Much of the work will be carried out by officers but we can play a big role in leading and supporting change. We should also work with officers to make sure that changes take account of our specific needs, such as easy-to-use performance reporting and clear lines of accountability for delivering political priorities.

what does good performance management look like?

The next two chapters set out the features of good performance management. This relies on both systems and people to make sure the right things happen. The hard systems, such as processes and data, are inseparable from softer aspects, such as culture, leadership and learning.

in practice

Eight local authorities took part in the PMMI action research programme, focusing on improving their performance management. South Tyneside was one of these and deputy leader Iain Malcolm was an active participant. As part of the programme, he spoke at an online conference on councillors' roles in performance management. He said:

'In South Tyneside, we need powerful tools. We face some huge challenges but we also have big ambitions. If performance management can help us to realise those ambitions and improve the lives of the people in our community, then we really need to make the most of it. ... I believe that performance management has to be an integral part of the councillor's role, not an optional extra that stands apart from everything else we do.'

>>For more detail, see the *PMMI Online Conference* report and the *Action Research* case studies at www.idea.gov.uk/performance

>>For help with getting better at performance management, the PMMI team have developed a resource called *The Improvement Journey*, which officers and councillors can use together. Find it at www.idea.gov.uk/performance

3. the performance management system

The trouble with terms such as ‘the performance management system’ is that they suggest something that’s separate from what goes on in the day-to-day planning and management of the council. Far from it – effective performance management arrangements are essential tools in integrating planning, review, financial management and improvement systems to enable councillors and managers to **make informed decisions and improve services**.

3.1 the performance management cycle

Sometimes when people talk about the performance management cycle they are referring to the annual process of setting targets and collecting and reviewing performance information that runs alongside the budget-setting process. But there are other cycles of planning, doing, reviewing and revising over different time scales and at different levels. There is also a longer-term cycle, as we set and review council strategy for a number of years. On a day-to-day basis, for example, a manager might observe performance and offer helpful feedback, or a councillor might pass on suggestions from a constituent to the relevant service.

It’s important to make sure that all these levels are in touch with each other and work together to deliver the council’s aims. This interconnection has been likened to a ‘golden thread’ that should run through the council, from the highest strategic level through to service delivery on the ground. Good and improving councils usually describe their performance framework in a way that gives a clear picture of how different elements such as, community planning, corporate policy, service and financial planning fit together.

3.2 what do we want to do? vision and priorities

From a councillor’s viewpoint, performance management begins with our political priorities. There are vast numbers of worthwhile things we could do, if we had infinite resources. But we live in a world of finite resources that are often stretched. As democratically-elected representatives of local people, we have a duty to be as clear as we can about what we are trying to achieve and what is currently of less importance.

Some priorities are set for us by central government, others are a matter of the vision we have offered at and after elections. Some priorities will be long-term, others may have risen up the agenda because of an emergency or unacceptably low performance and may slip down again once they have been dealt with.

There are several ways of reflecting on our priorities. We can do it through the budgeting process,

directing resources towards our key priorities. We can do it through target setting – we might set a challenging target against our key priorities and easier ones against lower priorities, to emphasise where we want officers to focus their efforts. We can also tell council staff and the people we represent what our priorities are, focusing attention on what's important and enabling the electorate to hold us to account for what is achieved.

In councils that prioritise well:

- evidence from stakeholders and the public has been used to establish aims and priorities
- councillors are involved in setting strategic aims and in ranking them, especially where there are big trade-offs
- aims and priorities, and their relative importance, are clear and underpin the vision and community strategy
- resources are linked to aims and priorities
- aims and priorities have been communicated internally and externally
- aims and priorities are cascaded down to individual actions and there are systems to support monitoring of this activity
- clear milestones and measures underpin the council's vision
- partners' priorities and plans reflect council priorities and vice versa
- priorities are reviewed at appropriate intervals to reflect changing demands and current progress.

in practice

In Derbyshire Dales District Council, a process of engaging stakeholders and citizens identified what mattered most to the local community. This gave councillors the information they needed to rank priorities for the corporate plan.

>> For more detail, see the PMMI case study www.idea.gov.uk/performance

>> For more information: see the PMMI priorities briefing at www.idea.gov.uk/performance and the chapter on *Strategy and Policy* from the IDeA's *A Councillor's Guide 2006/07* at www.idea.gov.uk/councillors

3.3 how are we going to do it? planning for success

We must develop ways of putting our priorities into practice. At the highest level, what we want for our communities and how we propose to do it should be set out in the corporate or community plan. More detailed operational plans, often called service or business plans, should always stem from the corporate or community plan and are largely in the domain of officers. Councillors – especially those involved in scrutiny – may occasionally examine such plans, especially if they have evidence of underperformance, to see if they are **fit for purpose**.

We may also become more involved in overseeing action plans after identifying areas that need to improve.

in practice

In East Riding of Yorkshire, two councillors work with each service as critical friends, and use the service plans as the basis for discussion and review. This has helped them to become more familiar with services and supported better officer-councillor relationships.

>>For more detail, see the PMMI case studies www.idea.gov.uk/performance

>>For an overview of corporate, community and corporate planning see the *Best Value and CPA* section of the IDeA's *A Councillor's Guide* at www.idea.gov.uk/councillors or for more detailed information see the PMMI service planning guidance at www.idea.gov.uk/performance

3.4 targeting improvement

Councillors have a central role in making sure that resources are flowing from low to high priorities, as well as in setting targets.

Setting targets is not as simple as seeing what has been achieved this year and aiming to do a bit more next year, or aiming to do less just because we didn't manage to meet last year's target.

Targets have an important role to play in directing attention towards key priorities, especially when:

- you can positively affect the outcome, within the target timescale
- the area of performance is sufficiently predictable for a target to be meaningful
- a target will help to focus attention on a particular area of importance
- a target will motivate people to look for new and better ways to deliver

-
- a target demonstrates our commitment to delivery – to users, stakeholders and others
 - it is possible to monitor progress without disproportionate cost.

Well-designed targets are sometimes described as **SMART**¹:

Specific

Measurable

Achievable

Realistic

Time-bound

We should not be afraid to ensure that targets are not only focusing attention on specific outcomes but are also sending messages about the authority's priorities. One question we might all ask ourselves is whether targets simply appear with the rations each year, set only incrementally higher, or are we directly involved in setting them.

To follow through on setting key targets, we can choose a small suite of performance indicators (PIs) which reflect our key priorities and publish – or at least review – their results from time to time to make sure we are still on track.

>>For more information: see the PMMI target setting tool for detailed advice and guidance on setting targets for improvement at www.idea.gov.uk/performance.

3.5 the framework of performance measurement

how well are we doing?

This brings us on to measuring and reporting performance. While gathering data and producing comparisons is a job for officers, councillors have a number of roles to play in making sure that this stage delivers real outcomes rather than simply generating vast amounts of paper.

The outcomes we want for our various local communities can't be measured by a single performance indicator, so we often need to identify a group of indicators which together paint a picture of performance.

¹ There are a number of different ways of expressing this mnemonic, but this one captures the main points.

Effective performance measurement systems have the following qualities:²

Focused on the organisation's aims and objectives

Appropriate to, and useful for, the stakeholders who are likely to use it

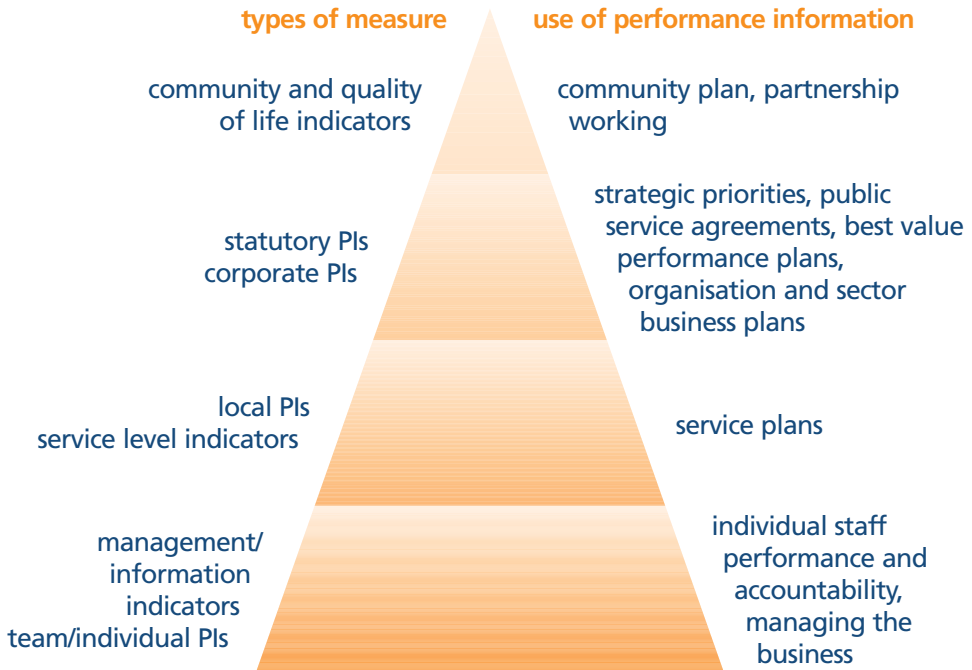
Balanced, giving a picture of what the organisation is doing, covering all areas of significant work

Robust, in order to withstand organisational change or individuals leaving

Integrated into the organisation, being part of the business planning and management processes

Cost-effective, balancing the benefits of the information against the costs

figure 2: the hierarchy of performance indicators.



² From *Choosing the Right FABRIC* – a joint publication by HM Treasury, the National Audit Office, the Audit Commission, Cabinet Office and the Office for National Statistics – available in full at: <http://www.hm-treasury.gov.uk/media/EDE/5E/229.pdf>

Different parts of the organisation will have different information needs, so there should be a hierarchy of performance measures, reflecting the structure of your organisation, reinforcing the golden thread (see figure 2 on previous page).

Each of these measures must be owned by an individual. In other words, a named person must be responsible for collecting the information and ensuring that it is fed back into the performance itself. Many councils use a well-known framework, such as the European Foundation for Quality Management framework or the Balanced Scorecard, to help them bring information together.

>>For more information: see *Choosing the Right Fabric: A framework for Performance Information* at www.hm-treasury.gov.uk and PMMI's *A Review of Performance Improvement Models and Tools* for a handy overview of well-known performance frameworks and improvement tools at www.idea.gov.uk/performance

3.6 performance information

Much of the routine business of choosing and designing performance indicators, collecting and analysing performance information falls within the remit of officers. But there are a few important aspects that are worth covering from a councillor's viewpoint.

Some indicators are handed down from central government, including Best Value Performance Indicators and many others. Many of these are used in Comprehensive Performance Assessment and other inspection regimes. Others are determined by the local authority. Some will be regarded as of high importance when gauging the authority's general performance, others of less importance for strategic decision-making.

Research suggests that the best performance measures are¹:

- relevant to what the organisation is aiming to achieve
- not encouraging unwanted or wasteful behaviour
- attributable – the measured activity should be attributable to the actions of an organisation or an individual and accountability or responsibility for it should be clear
- well-defined – with clear, unambiguous definitions so that data can be collected consistently and the measure is easy to understand and use
- timely – producing information regularly enough to track progress and quickly enough for all the data to retain its usefulness

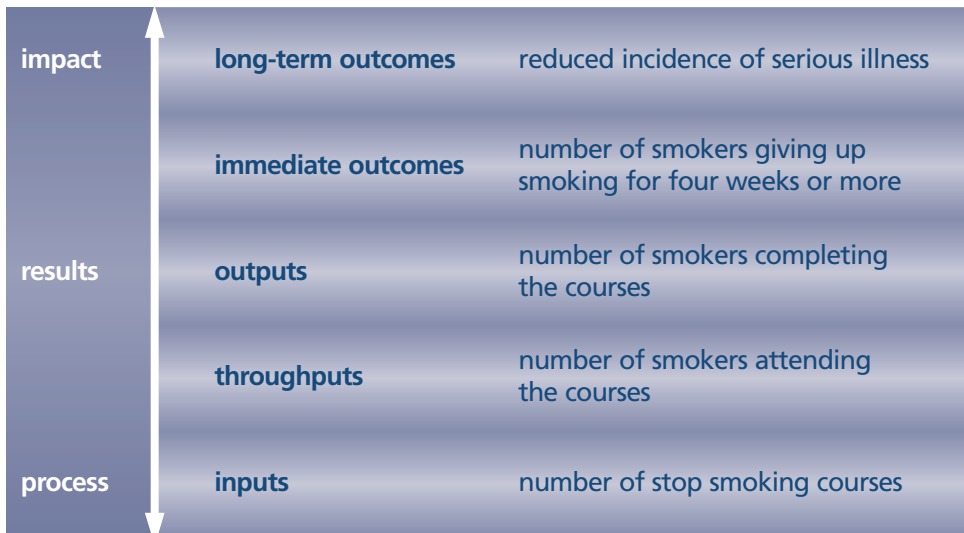
¹ *Choosing the Right FABRIC* www.hm-treasury.gov.uk

- reliable – accurate enough for its intended use and responsive to change, so that, if performance changes, the measure will show it
- comparable – either with previous performance or with other authorities
- verifiable – documented so that the processes of data collection can be validated and others can check that it is an accurate measure of performance.

Most importantly, councillors will want to focus on outcome indicators. It is tempting to mistake setting up a committee (an input measure) or producing a report (an output measure) for actual improvements in the lives of our residents. **Outcome indicators** tell us about the real effects and are based on our strategic priorities and aspirations for the communities we represent.

Visions and aspirations are notoriously difficult to measure, in part because they can take a long time to achieve. In cases where the relationship between certain actions or behaviours and long-term outcomes, such as the link between smoking and health, is well understood we can use a series of easier-to-collect **proxy measures** to review progress. A proxy measure is a substitute for things that are hard to quantify. So instead of having a measure of *healthiness*, we might measure

figure 3: measuring progress toward longer-term outcomes with a series of related indicators



the incidence of certain diseases (number of heart attacks) or how many people are engaged in behaviours that promote healthier living (taking exercise or quitting smoking).

Progress toward longer-term outcomes can be measured with a series of related indicators, for example this year you can measure the number of stop smoking courses on offer (an **input measurement**), how many smokers are attending courses (throughput) and the number of smokers completing courses (an **output measurement**) An early outcome measurement is the number who gave up smoking for four weeks or longer but the longer-term outcome is a healthier population or reduced incidence of serious illness.

in practice

The London Borough of Harrow has developed Vitality Profiles which compare contextual, performance and demographic information ward by ward. This puts performance and priorities into context and helps councillors understand how well council activity is contributing toward community aspirations such as more employment or better health.

>>For further details, see the PMMI case study at www.idea.gov.uk/performance

>>For more information see *Choosing the Right Fabric: A framework for Performance Information* at www.hm-treasury.gov.uk. The Audit Commission's Area Profiles project also has a wealth of outcome information at www.areaprofiles.audit-commission.gov.uk

3.7 performance reporting

It's worth asking the question "What do I need to know, in my role, to make sure things get better?" Councillors need to decide what information they should receive, in what format and at what intervals – and what they should do with it.

For example, a council and its executive can define a suite of performance indicators that summarise overall performance and monitor that performance, including the work of partners, against key targets. High performance should be recognised and praised by the executive or portfolio holder. If there is underperformance, officers are challenged to discover the reasons for weakness and to ensure that an appropriate response is developed. The response should include a timescale for improvement, with milestones, and a movement of resources from other budget headings if necessary.

Scrutiny should ensure that the structure for monitoring and reporting performance is fit for purpose and should focus on any performance indicators directly relevant to their work programme.

It takes time to monitor multiple performance indicators, so you need to prioritise. Many councils choose to report around 20 or 30 key indicators that summarise the achievements of the authority in general. Otherwise performance indicators are reported by exception. This means that officers only report on indicators that are performing particularly well or particularly badly, or require attention for other reasons. This demands a considerable degree of trust between senior councillors and officers. Perhaps a discussion about the criteria under which an indicator is judged exceptional, for example if performance falls below a certain level, would be fruitful.

No matter how performance is reported, it can only tell you where a problem exists. To find out why there's a problem or how to fix it, we must ask questions and dig deeper. When we focus on particular areas, we need to ask ourselves if the information we are getting tells a story about performance. Is there enough background information? If performance isn't good enough, **is there an action plan to improve it?**

Increasingly, authorities are using a common IT system across all departments to present performance data in a consistent but tailored format to councillors and senior officers but different councils still report in different ways. For example, choosing to look at the current and previous year might be easily manageable but it could mask a longer-term trend.

Do you want to benchmark against other authorities – that is compare performance against a specific measure? If so which councils do you compare with? These comparisons are not just of academic interest. An apparent difference in performance between your authority and the one next door might mean they are measuring data differently or have less of a problem – but it might also mean that they have had a great idea which would also work for you. **The best councils are shameless about stealing good practice wherever they find it.**

>>For more information see: the PMMI online conference report *Members' Roles in Performance Management* at www.idea.gov.uk/performance.

in practice

If you are unsure, ask. These are some questions you could use to dig deeper into performance reports and support action plans for improvement. You won't need to ask all the questions for every report, provided you are clear about what lies beneath performance data and confident that plans for action will deliver the desired changes.

Why is performance at the current level?

Are we meeting our target?

- Are you sure?

Is any variance (above or below) within previously agreed limits?

- Is there any other reason?
- What was our target based on?

Why has the variance occurred?

Do we have a complete picture of performance?

- Is this an appropriate measure?
 - What else should we know?
-

What performance do you predict for the next month/ quarter?

- How good was your forecast last time?
- Have you identified all the risks to achievement?

What difference does it make?

What are the implications of not meeting this target?

- What impact does this have on service users and/or the public?

or where performance exceeds expectations...

- Will this affect our corporate priorities?
- Will it affect other services, our partners?

Can we move resources from this area to one of a higher priority?

- Is there an impact on equalities, sustainability or efficiency?

How can we make sure things get better?

How will performance be improved?

- How will the causes of underperformance be addressed?
- Are additional resources/training/support needed?
- If additional funding/resources are needed, where will they come from?
- Does this additional investment line up with service/corporate aims?
- Will that address the problem?
- When will performance be back on track?

Who else should be involved?

- Can other services or teams contribute to improvement?
- Who else needs to be consulted? Staff, partners, users, the public?

What next?

What decision do you need us to take?

- What do we need to know to make a decision?
- What are the risks in the assumptions we might make?
- When do we need to review progress?

What can we learn from this?

- How well are other councils/service providers performing in this area? What are they doing differently?
- How will this change what we do?
- Are there successes to share in the council?

in practice

Hastings Borough Council reports quarterly monitoring to councillors and officers but also *hot-houses* indicators by focusing greater attention through more frequent reporting and improvement planning if performance has slipped.

>>For more information, see the PMMI case studies for each council at www.idea.gov.uk/performance

3.8 performance reviews

All councils are under the Best Value duty to review services and performance although there is a great deal of flexibility about how this takes place.

Councillors play a very important part in performance reviews of specific services or themes. In many councils scrutiny panels regularly carry out reviews, particularly in relation to how well services are meeting policy objectives. We can also take part in other reviews, ensuring that these are rigorous and focusing on the perspectives of residents as well as the council's bigger picture.

There is a constant danger of reviews becoming too bureaucratic. We need to remember that they are about **making sure we achieve what we want to achieve** – overcoming problems, meeting needs better or improving efficiency – and not about charts and tables.

>>For more information see the IDeA's *A Councillor's Guide 2006/07* section on *Overview and Scrutiny* at www.idea.gov.uk/councillors; and PMMI's *Checklist for Challenging Service Reviews* and the *Review of Performance Improvement Models and Tools* for some specific review tools at www.idea.gov.uk/performance

in practice

The Centre for Public Scrutiny maintains a library of service and policy reviews on its website as well as a range of publications with useful case studies on the benefits of scrutiny reviews.

>>For more information, visit www.cfps.org.uk/reviews/index.ph

3.9 taking action for improvement – what are we going to do about it?

So how do we turn all of this strategic and process-focused stuff into real improvements?

Some highly-effective councils have a single senior group who bring performance and improvement together – but all effective councils manage performance and improvement together.

The performance indicators tell a useful story. If one of the council's key indicators suggests the current actions are failing to deliver the desired results then we should be prepared to put time into working with officers to find a way forward – a new plan, switch of resources, new ways of working with partners and so on. Less vital indicators may not need such exertion and may even be allowed to drift if more important ones need attention. Priorities shared with external partners may involve discussion about who is responsible for what.

Research suggests that best practice involves:

- regularly monitoring and acting on key performance indicators that reflect corporate priorities
- setting standards for performance and expectations of when action needs to be taken
- asking challenging questions about performance
- ensuring that there are robust action plans to address underperformance, redirecting resources where necessary
- following up planned actions to ensure they have led to improvement
- sending out a clear signal that performance and improvement are being taken seriously at the highest level.

in practice

At Chichester District Council, executive members and senior management meet together in the Performance Improvement Group. This group reviews performance and ensures that action plans are in place and are followed through.

>> For more detail, see the PMMI case study at www.idea.gov.uk/performance

4. people and performance

4.1 users and citizens

Local people should be at the heart of a local authority's performance management system and culture – and a successful system can help to keep us focused on them.

We start with community planning, so that the council and its partners are clear about what is important for users and citizens. This needs to follow through to what the authority is trying to achieve and the tools used to support achievement, such as performance reporting, business planning, staff appraisals and service reviews.

Councils need to engage with local people in a variety of ways. These can include systematic means like surveying users or using citizens' panels. Councils also need to use customer intelligence – information about who is using each service, how and when. This information should be supplemented with other information like that gained through constituency work. Some councils have made more progress than others in understanding not only how satisfied different groups are with council services but also the relative importance that different groups attach to services – vital information when setting priorities. This data can help officers to design and deliver effective services, to check that services are reaching priority groups of users and to make sure that goals such as diversity and equality are being met.

Local people are increasingly getting involved with planning and assessing services. Some councils have been worked with users and citizens in evaluating service performance and then in tailoring services more closely to local needs. As ward representatives it can be very rewarding to get involved with this work.

Some policy debate³ has suggested that we will need to devolve functions and powers to partnerships, communities and neighbourhoods. Of course, this is nothing new to many councils – but for some it may require a new approach to performance management. Councils will increasingly be working with citizens to define service standards and identify priorities. Users will demand, and should be helped to express, a greater voice in managing council performance.

These working relationships offer great promise for better-targeted services but they also present new challenges to performance management frameworks and approaches. The job for councillors

³ Speeches and policy discussion papers can be found at the ODPM local:vision section of their website <http://www.odpm.gov.uk/index.asp?id=1137789>

and officers will be to develop the necessary skills – negotiating, influencing and even simply listening – that will help them to work better with users and other stakeholders in order to achieve improved performance.

in practice

South Tyneside has engaged ward councillors and a range of user groups to help it set performance standards for its grounds maintenance service and to judge the service against those standards. This has led to some changes in performance specifications for the grounds maintenance contractor – but users of the service are more satisfied and engaged with the services they receive.

>>For more detail, see the PMMI case study at www.idea.gov.uk/performance

>>For more information, see the PMMI public involvement in performance management briefing at www.idea.gov.uk/performance

4.2 leadership

Everyone in a local authority has responsibility for performance management – but the **leaders must drive it**. Those in leadership positions, both managerial and political, need to make clear their commitment to improving performance and ensure that performance management plays its proper role in helping to reach their goals.

political leadership

Performance management flourishes in a culture where all participants prioritise improvement. The councillor's role is vital no matter where you sit within the political arrangements (e.g. executive or overview and scrutiny). Although you must take a strategic role rather than trying to micromanage daily delivery, you should also play a suitably hands-on role in performance management.

Ways in which you can become involved include:

- setting or scrutinising strategic direction, priorities and budget options
- monitoring performance – you should receive performance reports that are concise and create a clear picture of performance trends

-
- challenging performance – asking questions about current performance and improvement plans
 - using your local knowledge to draw out the bigger picture from complaints, casework, constituent surgeries and consultation events
 - creating strategic solutions
 - undertaking or participating in service or policy reviews
 - making sure that adequate systems are in place to manage performance, risk and resources.

All of us have some part to play in setting priorities and encouraging service improvement but executive and non-executive roles in performance management may be different. Executive members have an explicit responsibility to monitor and review performance regularly. In some councils there may be a specific portfolio for performance management or organisational development. In others the responsibility is shared among all executive members. Scrutiny or non-executive councillors may find it less useful to monitor all aspects of the council's performance but may focus instead on improvement or specific service reviews.

The role of overview and scrutiny panels in performance management could include:

- scrutinising the executive's use of performance management
- scrutinising officers' use of it
- very occasionally undertaking reviews of the system as a whole
- looking closely at the contribution of partners in specific areas
- undertaking policy reviews (ensuring actions are meeting policy objectives)
- undertaking less frequent in-depth reviews of service or cross-cutting areas of performance.

Whatever the performance management role, all councillors need to have a good understanding of how the system works and where they fit in. Some authorities have developed specific coaching or training programmes, sometimes bringing in outside trainers. In any case, the differing roles of different groups of councillors should be discussed.

in practice

At the London Borough of Wandsworth, performance management is very much driven by councillors, with a focus on performance measurement, cost and comparison with other authorities.

>>For more detail, see the PMMI case study at www.idea.gov.uk/performance

managerial leadership

Officers and managers are responsible for the day-to-day delivery of performance management. Working with us, they must make sure that an effective framework is in place and that it links to other aspects of corporate governance, such as risk and financial management. They must demonstrate to us that systems are robust and that they are helping staff to develop and perform as well as possible.

They (and we) can champion performance management among staff by:

- modelling the behaviours associated with good performance management
- clearly communicating performance expectations
- sticking with it, following through on improvement priorities
- allowing staff the space and time for learning and development.

in practice

At Derbyshire, councillors and senior managers have created an empowering approach that supports a positive attitude towards performance and improvement throughout the organisation. There is a helpful balance between providing structure and flexibility for learning.

>> For more detail, see the PMMI case study at www.idea.gov.uk/performance

4.3 culture

PMMI research has shown how important a council's culture is to the operation of performance management. Culture can be thought of as the sum total of the beliefs, values and behaviours of individuals within an organisation.

Because it is about what people believe and do, it has a huge effect on:

- what a council sets out to do, its vision ambitions, priorities and targets
- how people are managed, motivated and supported to do their jobs
- how individuals or groups respond to demands for improved performance
- how individuals and the council as a whole view and make use of performance management information and systems.

A performance-oriented culture exists when there is both a real desire to improve the lives of local people and when performance management is seen used as a tool for achieving this goal.

essentials for a performance-oriented culture

- customer focus – the end result for users and residents is the focus of performance management
- can-do attitude – people feel empowered and supported to innovate and they take responsibility without fear of blame
- learning – performance information and feedback from staff, councillors and users is used to bring about improvement
- a positive approach to performance management – it's a tool for improvement, not just a form-filling exercise.

>> Identified by participants of the PMMI online conference on Embedding performance management frameworks and developing a PM culture – proceedings report at www.idea.gov.uk/performance

>> For more information, see the PMMI briefing *Performance Management: A Cultural Revolution* and the proceedings from the PMMI Online Conference: Embedding performance management and developing a PM culture at www.idea.gov.uk/performance

4.4 skills and capacity

Improving performance overall involves improving the performance of individuals within the council. For employees, this may mean improving skills and capacity, motivation and the systems that are available or the organisational structures they work in. It may be about investing in the tools people work with, such as IT or communications systems or moving resources around to address areas of concern. It may also be about helping individuals to focus on performing better or building teams with the right balance of skills.

Many councils offer some kind of councillor development or training, particularly for those who are newly-elected. Training on performance management can be especially useful because there are a few tricks to reading and understanding performance information. It's helpful simply to understand the jargon, so that you can be certain that you and your officers are talking about the same thing. Most importantly, there is a skill to getting underneath performance information and asking challenging questions about it. Much of this is learned on the job but training can help you to get up to speed quickly and relatively painlessly.

in practice

South Tyneside has developed a training workshop on performance monitoring for its scrutiny councillors. They were keen to explore and develop their role in performance improvement but as performance was already monitored by the officers and the executive cabinet members they decided to concentrate on performance improvement instead.

>>For more information, see the PMMI case study at www.idea.gov.uk/performance

4.5 learning

A positive attitude towards learning is crucial to developing a performance-oriented culture that helps to deliver better services. Officers and councillors who share good practice and learn from mistakes are developing both their own and their organisation's capacity to improve. Learning is about gathering and understanding information about what has succeeded or failed and using this information to change what is done.

For learning to be useful there needs to be a willingness to challenge and to be challenged. People need to feel comfortable and confident that what they share will be used in a constructive dialogue and not simply become ammunition for the critics.

In a political environment, it can be particularly difficult to have an open, learning approach – perhaps particularly between parties in control and those in opposition. In some authorities, councillors have regular away-days where they can discuss strategic and performance issues. Others have regular joint events for officers and councillors to formulate strategy and build good working relationships. Some authorities find councillor networking events particularly useful.

in practice

The IDeA has a range of programmes designed to facilitate learning and councillor development. For more information on the Leadership Academy (which includes an optional module on performance management) and the councillor mentoring programme, visit www.idea.gov.uk/councillors

>> For examples of learning in action, see the PMMI research case studies and the *Action Research* case studies at www.idea.gov.uk/performance.

5. performance management in partnerships

Increasingly, public agencies are working together to achieve shared community aspirations and needs. There is pressure from government to work in partnership and a growing realisation that better community outcomes cannot be achieved through the efforts of one organisation alone.

The principles of good performance management apply equally to partnerships although working across organisational boundaries introduces additional complexities.

You need to ask:

- how does the partnership add value?
- does the partnership have clear objectives?
- how is it achieving them?
- how can partners get maximum benefit from working together?
- what are the risks, costs and benefits associated with the partnership?

As councillors, we have a fundamental leadership and representational role in our communities. By working within high profile, multi-agency partnerships such as Local Strategic Partnerships (LSPs) we can ensure that:

- the council's priorities are reflected in partnership strategies
- community priorities identified through partnership working are reflected in the council
- the interests of the local community come first.

>>For more information: see the *Community Leadership* chapter in the *IDeA's A Councillor's Guide 2006/07* at www.idea.gov.uk/councillors

and finally

Performance management is not an end in itself, but many councils successfully use performance management to deliver improvement. There are still authorities that have wonderful systems in place but where councillors and officers do not know how their work has made life better for local residents. Many local authorities are excellent at designing and carrying out consultation but are less successful at integrating this information into decision-making.

Now and then, it's worth reflecting on why we went into this business in the first place – to help people, not just to sit in committee meetings and read reports. Processes are only ever a means to an end. The only real measure of success is whether we are delivering the vision that we put together so carefully with local residents.

appendix

further reading and additional resources

The PMMI team have developed a range of performance management resources as well as signposting existing tools and guidance. These can be found on the PMMI website www.idea.gov.uk/performance in the PMMI resource pack.

PMMI guidance, reports and toolkits

- **A Manager's Guide to Performance Management**, 2nd edition
- **The Improvement Journey** a set of resources to help you improve performance management.
- **Review of performance improvement models and tools** – a handy guide to popular performance management models and other resources
- **Performance management: A cultural revolution** – assessing and changing the performance management culture in your organisation
- **Service planning** – supporting and developing service plans in your council
- **Target setting** – practical advice on using targets to drive improvement
- **Performance management IT systems** – is one appropriate for your council and if so how should you go about choosing one?
- **Public involvement in performance management** – looking at the ways users and citizens can be engaged to improve outcomes
- **Prioritisation guidance** – useful tools and guidance for the prioritisation process
- **PMMI interim findings**
- **PMMI online conference reports**, covering performance management in partnerships, members' roles in performance management and embedding performance management

PMMI research and action research authorities

- Bath and North East Somerset
- Chichester District Council
- Cornwall County Council
- Derbyshire County Council
- Derbyshire Dales District Council
- Doncaster Metropolitan Borough Council
- Dudley Metropolitan Borough Council
- East Riding of Yorkshire Council
- Harrow Council
- Hastings Borough Council
- Lancashire County Council
- Lewes District Council
- London Borough of Merton
- Scarborough Borough Council
- South Tyneside Metropolitan Borough Council
- Stockton-on-Tees Borough Council
- Wandsworth Borough Council
- West Sussex County Council

>> For case studies visit www.idea.gov.uk/performance

other key performance management resources

publications

Councillors new to performance management may find these particularly useful.

- *A Councillor's Guide 2006/07*, IDeA, May 2006 – which covers some aspects of performance management as well as a range of other resources for councillors
- *A glossary of performance terms*, IDeA, 2003
- *Better Services for Local People: a guide for councillors*, IDeA, July 2002

for a more detailed look at performance management

- *Acting on Facts: Using Performance Measurement to Improve Local Authority Services*, Audit Commission, 2002
- *Change Here!: Managing to Improve Local Public Services*, Audit Commission, 2001
- *Choosing the Right Fabric: A framework for Performance Information*, HM Treasury, the Cabinet Office, the National Audit Office, the Audit Commission and the Office of National Statistics, 2001
- *Making Performance Management Work*, IDeA, 2002
- *On Target: The practice of performance indicators*, Audit Commission, 2000
- *Performance Breakthroughs*, Audit Commission, 2002
- *Routes to Improvement*, IDeA, 200

useful websites

- Area profiles: www.areaprofiles.audit-commission.gov.uk
- The Audit Commission: www.audit-commission.gov.uk
- The Centre for Public Scrutiny: www.cfps.org.uk
- HM Treasury: www.hm-treasury.gov.uk
- Library of Local Performance Indicators: www.local-pi-library.gov.uk
- The Improvement and Development Agency: www.idea-knowledge.gov.uk, performance management resources can be found at www.idea.gov.uk/performance and resources for councillors can be found at www.idea.gov.uk/councillors
- The Improvement Network: www.improvementnetwork.gov.uk
- The Office of the Deputy Prime Minister: www.odpm.gov.uk

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**Belfast City Council**

Report to:	Strategic Policy and Resources Committee
Subject:	Advertising Review
Date:	14 March, 2008
Reporting Officer:	Eamon Deeny (6285)
Contact Officer:	As above

Relevant Background Information

At its meeting on 15 June, 2007, the Strategic Policy and Resources Committee gave approval to conduct a review of the council's approach to advertising and this was ratified at full council on 1 July, 2007. Two consultants tendered for the work and Verve Communications were appointed in August, 2007 to conduct the review.

The review of advertising was initially agreed as part of the Review of Communications, approved by the council in February 2006, which highlighted the need for a binding council-wide policy on advertising. The report pointed out that because display and marketing advertisements were left to individual departments, the council's overall buying power and clout was being diminished and there was no overall co-ordinated style. It suggested that we needed a corporate approach to advertising for efficiency and effectiveness reasons.

Advertising is a vital communications tool and contributes to the image and reputation of the council. Moving towards central management of advertising is a significant step towards achieving a one council approach to communications, which is one of the central objectives of the improvement agenda.

The consultants were tasked with identifying current practices and spend across the council in relation to all types of advertising, making recommendations to improve the approach in terms of effectiveness as a communications tool and identifying potential efficiency savings and income streams from advertising.

A similar co-ordinated approach to graphic design was implemented last year and the benefits became clear quickly with savings of £180,000 being captured in the current financial year across all departments and the widely accepted improvement in our publications following the appointment of an in-house graphic designer.

The benefits of a joined up approach to advertising has already been shown by the pilot scheme to cover the cost of producing City Matters at no cost to the ratepayer through advertising. Strategic P&R Committee agreed in December to establish this approach and it will realise savings of £140,000 per year on the current four editions per year and over £200,000 when we move to six editions per year in two years time, which was approved under the overall review of communications. This was partly

possible by working with departments and sections and convincing them that part of their promotional, marketing, publicity budgets should be used to advertise in City Matters in which they were able to reach more of their target audience for less spend.

The approval of this new approach to City Matters means that in the next financial year, the review of communications will have resulted in savings of £320,000 per year on communications spend. The advertising review has the potential of taking that figure through the £500,000 mark and beyond.

However, the new approach should not simply be efficiency driven. We need to continue to develop our methods of communications and embrace new technologies that are becoming part of everyday life, particularly if it provides opportunities to get information to hard to reach audiences. That will not be possible without investment, which could be covered by part of the efficiencies achieved through this review. This issue will be the subject of a report to committee in the near future for consideration.

Central to the advertising review, is the appointment of an advertising manager who will develop an advertising strategy and policy. This post will pay for itself many times over through efficiencies and by establishing revenue streams for the council. The recommendations contained in this report cannot be implemented without this appointment and the efficiencies of £250,000 initially with the prospect of £450,000 in the longer term cannot be achieved.

The committee should also note that the current recruitment and public notice contract expires at the end of May. It is unlikely that we will have new arrangements in place in time, even if the advertising proposals are recommended, and that contract will be extended initially for a three month period.

Key Issues

The report contains a total of 31 recommendations (see attached report for details) but the headlines are:

- Create an advertising manager's post to co-ordinate the council's approach to advertising and maximise advertising revenue opportunities for the council;
- Departments should outline their proposed advertising plans at the beginning of each financial year and these should be considered at a corporate strategic level.
- At the expiry of the existing recruitment and public notice contract, a new set of criteria should be agreed for appointing a successor 'design and place' contract.
- An advertising framework be devised whereby a maximum of three agencies are selected, from which all future non 'design and place' BCC contracts should be delivered, following appropriate procurement processes
- BCC should regard its website as the principal source of information about its job vacancies, and encourage all would-be applicants to do likewise.
- An area to be established at the front of Cecil Ward Building, to provide external and internal candidates with the opportunity to apply for jobs on-line or on hard copy. Following evaluation, consideration to be given in the longer term to this becoming a council information point, with access to our

website.

- Agree the principle of reducing the size of job vacancy newspaper advertisements, focusing on essential information only, and directing would-be applicants to the site.
- Continue advertising in the three local daily newspapers in the short term but long term consideration be given to limiting job vacancy advertising to the Belfast Telegraph only. All the evidence suggests that there will be no detriment to the quality or number of job applications and the council will achieve considerable savings.
- Only notices that are required to be published for legislative reasons, or that take account of government guidance, should be treated as 'public notices.
- The council should signpost on its website and in City Matters, that full tender, legal and public notices are published regularly on the website.
- Consider increasing the number of City Matters per year to 10 as the recent pilot suggests there would be enough advertising revenue to cover the cost. However, consideration would need to be given to employing a new member of staff to meet editorial output requirements if this was approved.
- BCC should undertake a full survey and feasibility study of the council's vehicle fleet and properties, to determine the logistics, costs and position of placing advertising hoardings and developing a revenue stream for the council.

Resource Implications

The report indicates that around £250,000 could be saved initially on advertising spend rising to £450,000 in the years ahead.

Recommendations

The committee is asked to approve:

1. The recommendations of this report towards a centralised approach to advertising to improve effectiveness and efficiency.
2. The appointment of an advertising manager to develop an advertising strategy to implement the recommendations contained in the report and achieve the efficiencies, as outlined.

Further the committee is asked to note:

3. The extension of the current recruitment and public notice contract for an additional three months.

Key to Abbreviations

None

Documents Attached

Appendix One – Summary of recommendations and cost effective way forward.

Appendix One



Belfast City Council

Review of Advertising Policy and Practices

Recommendations

March 2008

Executive summary - recommendations

Depending on what figures are considered, Belfast City Council spends between £1.25m and £2.2m per year on advertising (see under 'Cost effective way forward' below). There is no overall co-ordination of approach, or learning of good practice, shared among those responsible for managing advertising budgets.

Individual departments and sections within them have advertising budgets, which they deploy as they see fit. Up to seven advertising agencies are currently employed by different sections of the authority, for different purposes. The current arrangement within BCC is that advertising is managed and procured by budget holders in individual departments.

Without a clear policy as to when and where the council should advertise, and without central management of the budget, the current system of placing advertisements can be inefficient, both in terms of message delivery and finance.

The current position is:

- There is no overall council policy in relation to advertising;
- Advertising, such as public notices, licence applications, tenders, recruitment, event and campaign advertising and grants/funding applications are all approached separately by departments and sections.;
- There is no corporate guidance or advice available on targeting advertising or on the range of media available such as internal and external publications, billboards, television, radio, newspapers, event sponsorship and buses, as well as our own fleet;
- There is significant variation in costs and rates secured across the council;
- There are different approaches to the management of advertising across the council; and
- There is a clear need for improved co-ordination, planning and development of specialist skills; to be more effective in targeting messages in a changing media market; and to adopt a more cost-effective means of advertising.

The following recommendations are made to address these issues and improve the effectiveness and efficiency of Belfast City Council's approach to advertising

1. In order to deliver many of the recommendations, and make the consequential savings, it is highly recommended that the council creates an Advertising Manager's post to undertake a range of duties and initiatives set out in this report, as summarised below. Without such a post it is unlikely that many of the recommendations could be delivered. We recommend that the post should:
 - a) Identify and co-ordinate the council's advertising budgets, to ensure the authority maximises its buying power with media providers;
 - b) Provide advice on the best form of advertising to meet set objectives of campaigns and projects;
 - c) Manage corporate advertising contracts and frameworks;
 - d) Develop innovative ideas to raise income, through advertising and sponsorship; and

- e) Undertake feasibility studies to assess the potential of income generating projects such as advertising on the vehicle fleet;
 - f) Be self-financing, with the costs recouped from the savings identified elsewhere within this report.
2. Departments should outline their proposed advertising plans at the beginning of each financial year, detailing the campaigns and the amount to be spent. All sectional advertising budgets in excess of £50,000 per year, and all new bids for advertising campaigns in excess of £30,000 should be subject to scrutiny by the Head of Communications or proposed Advertising Manager, to ensure that a corporate view is given on the cost effectiveness of the proposed budget. In the longer term, consideration should be given to the establishment of a set corporate advertising budget for major campaigns and decisions on how this should be spent determined by council priorities and communication needs.
 3. It is recommended that at the expiry of the existing recruitment and public notice contract a new set of criteria is agreed for appointing a successor 'design and place' contract. This should reward innovation and value for money, rather than be based on a crude sharing of media discount formula.
 4. That an advertising framework is devised, whereby a maximum of three agencies are selected, from which all future non 'design and place' BCC contracts should be delivered, following appropriate procurement processes. The selection of the agencies appearing in the framework should be chosen by a small panel consisting the Head of Procurement, Head of Communications and one or two other significant large council advertising spenders.
 5. Once the proposed Advertising Manager is in post s/he should manage the relationship between the agencies, as outlined in 3 and 4 above, and the council.
 6. Each campaign should have clearly set objectives and include all the elements indicated above.
 7. It is important that the recommendations above are implemented in ways that avoid bureaucracy and time wasting.
 8. For the future, BCC should regard its website as the principal source of information about its job vacancies, and encourage all would-be applicants to do likewise.
 9. In the immediate term, continue advertising in the three local daily newspapers but agree the principle of reducing the size of job vacancy newspaper advertisements, focussing on essential information only, and directing would-be applicants to the website.
 10. In the longer term, subject to equality and legislative requirements, strongly consider limiting job vacancy advertising to the Belfast Telegraph only as all the evidence suggests that there will be no detriment to the quality or number of job applications and the council will achieve considerable savings. This clearly requires political consideration.
 11. Strongly consider ruling out, in the longer term, other more costly options that will have little effect on applications including:

- limiting job vacancy advertising to Northern Ireland's three daily newspapers only, as at present; or
- extending job vacancy advertising to the weeklies press, in addition to the three daily newspapers.

12. BCC should complement recommendation 3 by:

- Establishing a 'jobshop' on the ground floor of Cecil Ward Building;
- Continuing to post details of all job vacancies to Training and Employment job centres in the Belfast travel-to-work area;
- Encouraging community centres and libraries to advertise the council's website as the principal source of jobs information, in free-to-use PCs in community centres and libraries;
- Agreeing to the proposal to fit out the foyer of Cecil Ward Building.

13. BCC should measure the effectiveness of this change in recruitment methods by instituting further rigorous rate response data from all applicants, particularly from successful candidates, with a view to continually improving the new initiative.

14. Only notices that are required to be published for legislative reasons, or that take account of government guidance, should be treated as 'public notices'.

15. In future, it should be the council that decides what constitutes a 'legal/public notice', not the newspaper; and it should not advertise in newspapers that attempts to dictate otherwise.

16. Where possible, the council should only advertise 'public notices' in newspapers that have audited circulation figures.

17. The council should publish smaller-sized 'public/ legal' notices in newspapers in future, highlighting the subject matter via a series of headings, and direct readers to its website or to a telephone number for more details.

18. Consider placing public notices only in weekly, not daily, newspapers

19. The council should signpost on its website and in City Matters, that full tender, legal and public notices are published regularly on the website.

20. Key aspects of the above recommendations should be incorporated in the specification for the tender for the new 'design and place' contract, which is due for retendering in April 2008.

21. It should be made clear in the specification for the new 'design and place' contract that only legal/statutory notices should be regarded as public notices and located in the classified section of the newspaper. All other notices should be treated as display advertisements, be located in the run of paper and be priced accordingly. The council should also make clear that it will reserve the right to decide what is and what is not a public notice and will not advertise in a newspaper that dictates where the advertisement is to be located.

22. The council should seek legal advice to ensure any changes proposed above cannot be legally challenged, successfully.

23. When considering promotional publications or campaign advertising, ensure the council's website is actively included in all plans.

24. All public-facing services within BCC are urged to examine the business case for routinely collecting e.mail addresses and mobile phone numbers from service users, in order to construct direct mail e.bulletins or using texting as a method of securing greater effectiveness and efficiencies in future service delivery.
25. Assess the outcome of the recent pilot to produce an edition of *City Matters* at no cost to the budget, from advertising revenue, and proceed to producing six fully funded editions per annum.
26. Consider increasing the number of *City Matters* per year to 10, though consideration would need to be given to employing a new member of staff to meet editorial output requirements.
27. BCC (Advertising Manager) should consider joining the Income Revenue raising Group, established by a number of UK local authorities, with a view to sharing best practice in developing sponsorship and advertising opportunities.
28. BCC should undertake a full survey and feasibility study of the council's vehicle fleet and properties, to determine the logistics, costs and position of advertising hoardings/stickers on its vehicles and properties.
29. BCC should consider joining the Income Revenue Raising Group, established by a number of UK local authorities, with a view to sharing best practice in attracting sponsorship and advertising for its own publications.
30. BCC's Head of Corporate Communications should note the progress of the Government's advertising review and keep abreast of its progress and outcomes.
31. BCC should note the findings of this review of UK and Ireland local authority advertising best practice, and contacts relevant people and authorities, as appropriate, in order to adopt best practice.

A cost effective way forward

It is difficult to be precise about how much BCC spends annually on advertising. Figures supplied by the council from individual 'advertising' cost centres indicate it spent over £2.2million, across all directorates in 2006/07. This sum, however, includes money spent on events, printed materials, design, photography and exhibitions. It has not been possible to breakdown the figures, to indicate exactly how much of it is accounted for by 'advertising', in the more widely accepted definition of the term.

Our research and discussions with staff engaged on advertising projects, also suggests that money is spent on advertising from other than advertising cost heads.

Having identified the seven large advertising/design agencies (see next section, for details) used by the council, what we can say with some certainty is that in 2006/07 the authority spent at least £1,073,205 with them alone. In addition,

council staff spent in the region of £178,000 buying/placing advertising directly with media, bringing the spend to in excess of £1.25million. As this report has made clear, the administration of advertising within Belfast City Council is at present, disjointed and not cost effective.

We believe that by adopting the recommendations within this report, the City Council could achieve gross annual savings of up to £236,000 in the short term, and in the region of £445,000 in the longer-term – as indicated below.

Potential short term savings

- Up to £136,491 on job advertisements (recommendations 9), but if recommendation 10 is accepted a spending reduction on last year of £190,961;
- At least £56,000 from closer control of the placement of 'public notices' (recommendations 14 and 17);
- Up to £44,000 by publishing public notices in weekly and not daily papers (recommendations 18 and 22);

Potential short-term costs

- Between £35-£50,000 Advertising manager post.

We believe that other, far greater – but at this stage unquantifiable – savings can be made by:

- Streamlining the selection and appointment of advertising agencies (recommendation 5);
- Having a professional input into the determination of budgets for advertisement campaigns (recommendation 2); and
- Maximising the use of council-owned and new technology advertisement media (recommendations 23-24).

The appointment of an Advertising Manager, reporting to the Head of Corporate Communications, is critical to implementing the above recommendations. By co-ordinating the council's advertising activity, the council should ensure that better value for money and a more consistent projection of council messages and priorities are achieved.

There are also a number of technical issues that would need to be addressed for the council to, corporately, benefit from the savings we have identified and projected.

Firstly, as we showed, when trying to establish the council's current advertising expenditure, the present use of 'advertising' cost codes and the source of advertising expenditure from other costs codes is not transparent. The council's finance teams will need to refine some of these expenditure patterns, so that there can be greater clarity about precisely how much is actually spent on advertising.

Having identified the sums, the council would then need to realise the savings (around £250,000 gross p.a.), in order to gain corporate benefit from this report's recommendations. The largest single area of savings, on recruitment advertising costs, should be fairly easy to identify and realise.

As far as other areas are concerned; in the shorter term notional target cuts could be made to all other advertising budgets (say 10%), and the sum retained corporately, until a more rigorous regime of corporate review of individual advertising contracts, via the Advertisement Manager is established. The tighter control of the use of agencies and closer supervision of contracts, together with the other, unquantified, savings identified, above, should be capable of achieving savings of at least £200,000 per year (net).

The brief for the current review asked us to identify "a small, separate budget to respond to requests to advertise in prestigious publications aimed at opinion formers (for example parliamentary magazines aimed at government ministers and MPs)".

We believe that such a budget could be easily funded from the savings identified, above. We do not have a view on how big this budget should be – but it should be subject to the same rigorous scrutiny as other council advertising budgets.

Although, most campaigns are known about well in advance, and can be budgeted for, in the main, in BCC they are not. At present, appropriate committees are simply asked on an ad hoc basis to approve campaigns and budgets with little or no thought to the council's wider, strategic issues or priorities.

We believe that in the long term the council should consider introducing more effective forward planning when it comes to advertising campaigns and budgets. Where possible, departments should outline their proposed advertising plans at the beginning of each financial year, detailing the campaigns and the amount to be spent. This should be subject to scrutiny by the Head of Communications or proposed Advertising Manager, to ensure that a corporate view is given on the cost effectiveness of the proposed budget. In the longer term, consideration should be given to the establishment of a set corporate advertising budget for major campaigns and decisions on how this should be spent determined by council priorities and communication needs.



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Strategy 2008 - 2011 – Update on progress
Date:	Friday 14 th March 2008
Reporting Officer:	Gerry Millar, Director of Improvement
Contact Officer:	Sharon McNicholl, Strategic Planning and Policy Manager

Relevant Background Information

This report outlines the stage of development of the corporate plan 2008-2011, building upon the strategic objectives identified by Members and feedback from the party briefing sessions which took place at the end of January. As outlined in standing orders, the corporate plan and the processes that underpin it are the key way in which the Strategic Policy and Resources Committee acts as the Council's main instrument of policy. The development and implementation of the corporate plan therefore embraces a number of processes including:

- The establishment of agreed corporate priorities and strategic plan;
- Strategic financial, human resources, asset management and information management planning to ensure resources are effectively allocated for implementation of the strategic plan ;
- The development and prioritisation of the capital programme and the city investment strategy;
- The integration of strategic planning in the organisation on a functional, thematic and area basis;
- The development and implementation of strategies for effective partnership working with key stakeholders, through an effective external relations strategy, including the development of community planning and;
- The development and implementation of effective performance management to ensure objectives are met.

Development of the corporate plan for 2008 – 2011 is progressing on a number of fronts and a summary is set out below. Please note separate reports have been provided on the issues of strategic financial planning and performance management. It should also be noted that a draft Human Resources Strategy, intended to support the delivery of the Council's strategic objectives, will be brought to the Committee for consideration in the near future.

Development of corporate objectives and priority actions

At the end of January, Members were briefed in their party groups on citizen and member surveys and the emerging strategic objectives, their definitions, initially aligned projects and programmes and performance measures. The five objectives as they

currently sit are:

- Strong leadership;
- Economic growth and wealth creation;
- Community cohesion and well-being;
- Environmental sensitivity and sustainability;
- An organisation fit to lead and serve.

Feed-back from the party briefings suggested the following:

- Members were broadly content with the direction the corporate objectives were taking;
- Members wanted a greater degree of corporate working across the authority;
- Members expressed the need to ensure that the Council has the right structure to deliver these objectives;
- Members wanted to see more explicit linkage between the Council's vision for the city and the Assembly's agenda;
- Members wanted a focus on reducing deprivation;
- Members reinforced the importance of community planning.

The direction set by Members has now been communicated to a number of officer working groups which are developing detailed recommendations in terms of projects and programmes of work, available resources and effective performance measures. It is intended that party briefings on these proposals and recommendations will be carried out during May with a view to the Committee determining the Council's high level strategy in June. This will not be the end of the corporate planning process but the beginning of a continuous cycle over the next three years, where annual business planning and resource planning are informed by the high level strategic direction. In the first instance the strategic direction set by Members will inform the financial planning process for 2009/10, with the intention that business planning and resource planning happen concurrently.

A review of the operation of the new governance arrangements, including scrutiny of performance, is also underway with a view to ensuring that the Strategic Policy & Resources Committee has the necessary information and resource levers to drive the delivery of key priorities.

Capital Programme Prioritisation and City Investment Strategy

As agreed by Committee in February, party briefings on the prioritisation of the capital programme and the further development of the city investment strategy will take place during April. This is an important opportunity for Members to begin to prioritise resources in line with the objectives which they are setting for the Council and the impact the Council wishes to make in the city.

The integration of functional, thematic and area-based strategic planning

The Council is working within an increasingly complex planning environment in which Members are seeking to balance the need for:

- functional business planning, as determined by the Council's structures eg cleansing;
- thematic planning, for example in terms of issues such as community safety, community relations, older people;
- area and neighbourhood based planning eg SNAP.

The new corporate plan needs to be an expression of the Council's strategic intent in each of these processes and it will be necessary to align plans in such a way that the Committee has confidence that the overall strategic direction of the organisation is co-ordinated, integrated and delivered. Options as to ways in which the Committee can be supported in ensuring this alignment will form part of the recommendations for effective implementation of the corporate plan.

Recommendations

Members are asked to note the report.

**Belfast City Council**

Report to:	Strategic Policy and Resources Committee
Subject:	Policy on Representation at National Association of Councillors Conferences/Seminars
Date:	14th March, 2008
Reporting Officer:	Mr. Stephen McCrory, Principal Committee Administrator
Contact Officer:	Mr. Stephen McCrory, Principal Committee Administrator (extension 6314)

Relevant Background Information

Members will be aware that attendance at events organised by the National Association of Councillors had previously been considered by the Members' Sub-Committee. Following the change to the Governance arrangements, attendance at these types of events is now normally considered by the Strategic Policy and Resources Committee.

The usual recommendation is to request the Committee to approve the attendance of the Chairman and Deputy Chairman, the Council's representatives on the National Association of Councillors (or their nominees) and a Member of each of the other Party Groupings not represented by the aforementioned Members.

However, on occasions, the National Association has held events, such as conferences on anti-social behaviour or community safety, where it has been felt that it was more appropriate for other Committees to consider the representation and the recommendations on attendance at these have not always been in line with the recommendations to the Strategic Policy and Resources Committee.

Key Issues

Following a recent decision of a Committee to appoint only the Chairman and the Deputy Chairman to attend a National Association of Councillors event, a Member has requested if the Strategic Policy and Resources Committee might wish to formulate an overall policy in this regard.

Key Issues (continued)

There are a number of options which the Committee might wish to consider:

- (i) that the recommendation for attendance at all National Association of Councillors events be the Chairman and the Deputy Chairman of the appropriate Committee, the Council's representatives on the National Association of Councillors, together with a Member of the other Party Groupings not represented by the aforementioned Members;
- (ii) that only the Council's four representatives on the National Association of Councillors be authorised to attend, regardless of which Committee is considering the individual conference/seminar; or
- (iii) that it be a matter for the appropriate Committee to decide who should attend the conference/seminar.

Resource Implications

There are no Human Resources or financial implications associated with this report.

Whichever option the Committee decides to adopt will have future financial implications.

Recommendations

The Committee is asked to consider and adopt one of the three options as outlined.

**Belfast City Council**

Report to:	Strategic Policy and Resources Committee
Date:	Friday, 14th March, 2008
Subject:	Members' Development Framework - Personal Development Plans
Reporting Officer:	Stephen McCrory, Principal Committee Administrator (extension 6314)
Contact Officer:	Julie Lilley, Members' Liaison Officer (extension 6321)

Relevant Background Information

In May, 2007 a Member Development Working Group was established made up of officers from the Members' Support Unit, Core Improvement Team and Human Resources Section together with a representative from each of the Party Groups. The Working Group designed a Member Development Framework, an integral element of which was Personal Development Plans for Members. Discussions were undertaken with the IDeA who submitted a proposal for undertaking PDPs for Members based on the 'Political Skills Framework' widely used in Local Authorities in other parts of the UK. The Political Skills Framework details the following competencies indicating the positive and negative aspects of each:

- community leadership
- regulating and monitoring
- scrutiny and challenge
- communication skills
- working in partnership
- political understanding.

The IDeA proposal was considered and accepted by the Working Group and the Member Development Framework was formally launched by the Lord Mayor at Clarendon Buildings on 23rd November.

Current Position

Marcus Coulson and Jon Huish of the IDeA undertook Personal Development Plan interviews with Members on 10th and 11th December and 10th and 24th January. Eighteen Members in total have been interviewed with each interview lasting approximately one hour. In preparation for the interview Members were asked to complete a Self Assessment Skills Questionnaire which was used to inform the discussion.

A further date of 14th March has been arranged when an additional four Members will undertake a Personal Development Plan Interview.

Informal feedback from those Members who have gone through the process would suggest that they have found it useful and worthwhile. However, the value will of course be tangible when Members actually begin to access developmental opportunities.

Next Steps

Following on from the completion of all the scheduled PDP interviews the IDeA will produce an individual Training Plan for each Member who has undergone the process as well as a comprehensive, overarching Training Analysis.

The Training Analysis will, among other things, identify areas of generic training which have emerged as the result of discussion with Members. The Members' Support Unit will address these cross-cutting training needs and develop a Training Plan for the next twelve months. The Training Plan will consist of modules of training which, depending on the subject, may be facilitated either in-house or by an external provider. The developmental modules which will make up the Training Plan will be offered to all Members. Members will be able to access this training without having to expend any of their personal development budgets.

Over the next four to eight weeks those Members who have had a Personal Development Plan drawn up will be invited to have an informal interview with an officer from the Members' Support Unit to agree the specific training needs emerging from their PDP and, in particular, how best to meet those training needs. It is not intended that development activity will in anyway be prescriptive and individual Members circumstances and preferred methods for addressing development needs will be the primary consideration.

When an individual Member's development activities have been agreed the Members' Support Unit will take responsibility for co-ordinating all the necessary arrangements to allow the Member to undertake the activity. The costs of undertaking the activity will be met from the Member's individual training budget.

To enable the usefulness and effectiveness of development activities to be judged Members who have undertaken development opportunities will be asked to complete an evaluation form. This will allow the Members' Support Unit to build a portfolio of activities from which Members will be able to choose in accordance with their individual priorities.

Recommendation

Members are asked to:

The Committee is requested to note the progress made to date in respect of Personal Development Plans for Members.

Those Members who have not as yet engaged in the process are encouraged to do so as soon as possible in order that they will be able to access a full range of training opportunities in the next financial year.

Resource Implications

The Members' Training Budget for 2007/ 2008 is £70,000.

Key to Abbreviations

PdP Personal Development Plan
IDeA Improvement and Development Agency

Documents Attached

N/A



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Requests for the provision of Hospitality
Date:	Friday, 21 st March, 2008
Reporting Officer:	Mr. Stephen McCrory, Principal Committee Administrator (ext. 6314)
Contact Officer:	Ms. Sandra Robinson, Lord Mayor's Principal Officer (ext. 6244)

Relevant Background Information

A schedule of applications, together with an indication as to whether they fall within the criteria approved by the Committee, is attached as Appendix 1.

Key Issues

To advise the Committee of applications which have been received for the Use of Accommodation in the City Hall and/or the Provision of Civic Hospitality.

Resource Implications

Provision has been made in the Revenue Estimates for hospitality.

Recommendations

The Committee is asked to approve the recommendations as set out in the Appendix.

Key to Abbreviations

Not applicable

Documents Attached

None

Appendix 1

**SCHEDULE OF APPLICATIONS FOR THE USE OF ACCOMMODATION AND
THE PROVISION OF CIVIC HOSPITALITY**

Organisation/ Body	Event/Date – Number of Delegates/Guests	Request	Comments	Recommendation
University of Ulster	15 th Annual Conference on Engineering of Computer Based Systems 2 nd April, 2008 (evening) Approximately 200 attending	Provision of hospitality in the form of a drinks reception	It is estimated that 130 delegates will be staying in accommodation in Belfast and the conference will take place within the city.	Provision of a drinks reception Approximate cost £600 Approximate budget remaining £117,366
Townsend Street Presbyterian Church	175 th Anniversary Service and Reception Sunday, 30 th March 2008 (evening) Approximately 500 attending	Provision of hospitality in the form of a drinks reception and canapés	This event seeks to celebrate the 175 th Anniversary of Townsend Presbyterian Church and to acknowledge the contribution of the church to the general life and well-being of the city.	Provision of a soft drinks reception and canapes Approximate cost £1,500 Approximate budget remaining £115,866
Belfast City Council Parks and Cemeteries Services Section	City of Belfast International Rose Trials 16 th July, 2008 (evening) Approximately 200 Attending	Use of Belfast Castle and the provision of Civic Hospitality in the form of a Civic Dinner	The City of Belfast International Rose Trials will be held during Rose Week from the 17 th till 24 th July. The Trials are renowned worldwide for attracting international rose growers in addition to a significant number of visitors. This request meets the Council's Corporate Strategic Objective of Providing Civic Leadership.	Use of Belfast Castle and the provision of a Civic Dinner Approximate cost £7,000 Approximate budget remaining £108,866



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Strategic Financial Management Framework
Date:	14 March 2008
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Trevor Salmon, Director of Corporate Services

Relevant Background Information

Strategic financial management is at the heart of the Council's improvement agenda because it:

- is an essential element of good corporate governance;
- forms part of the foundations of the organisation, underpinning the delivery of agreed priorities; and
- provides the basis of accountability to Members and the citizens of Belfast for the stewardship and use of resources.

The improvement agenda update report which is being discussed by committee today includes the key improvement actions undertaken during 2007/08 in relation to strategic financial management. The purposes of this report are:

- To outline for Members the strategic financial management framework of the organisation
- To agree the key improvement actions for each part of the framework for 2008/09
- To agree a forward finance work plan for the committee for the first quarter of 2008/09.
- To agree to seek external assistance in the delivery of the improvements within agreed budgets.

Key Issues

Figure one overleaf shows the key elements of the Council's strategic management framework. Members are asked to note the "Risk and Control" element of the framework will be discussed with committee in the context of a report updating Members on the revised terms of reference for the Audit Panel.

Financial Reporting

The Council reports its financial performance to stakeholders on an annual basis in the form of its audited published accounts. In terms of internal reporting, the Jack and Helm Reports on the Belfast Education and Library Board highlighted the need for accurate and timely financial information to be presented to Members so that they could fulfil their scrutiny role in relation to financial management. The Council has now implemented a best in class financial information management system which will enable regular financial reports to be presented to committee. This reporting will start in June 2008 with an analysis of the 2007/08 year end position.

Financial planning

The key outputs of the financial planning processes in Council are the Medium Term Financial Plan and the Annual Budget which concludes with the setting of the rate. These financial plans are simply a monetary expression of what the Council wants to deliver and therefore they need to reflect our key priorities and objectives. The most successful organisations ensure that their business planning and financial planning are very closely aligned. A key action for next year is therefore to better integrate our financial and business planning and a report on how this might be achieved will be brought to committee in April 2008.

Party Groups have firmly indicated their desire for prudent financial planning with the need to keep rate increases to a minimum, whilst at the same time avoiding cuts to front line services.

One of the key factors which has obstructed the Council in its financial planning has been the inability of the Rates Collection Agency to provide a finalisation figure for rates income until very late in the financial year – normally November/December. This meant that the Council did not know what income it would get from the rate set for the previous year and therefore made it much more difficult to plan for the coming year.

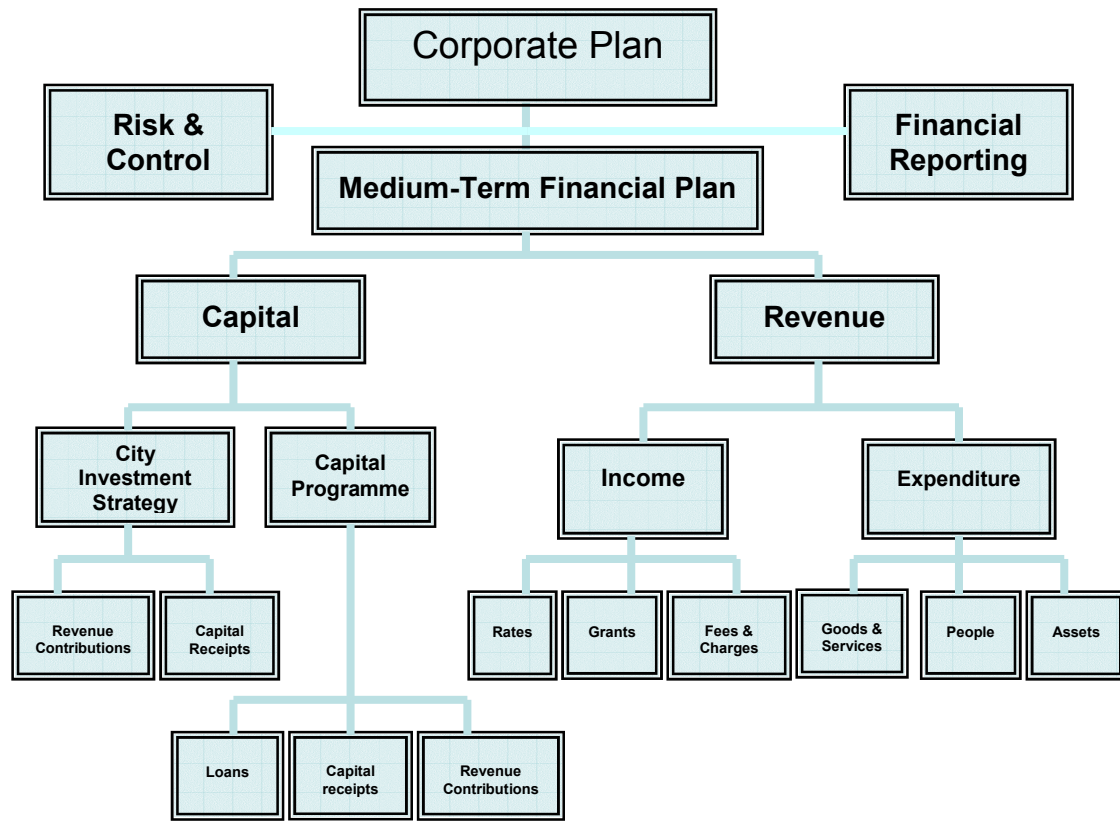
Council officers have been working closely with the new Chief Executive of the Land and Property Agency to improve this situation and as a result it is very likely that the Council will get a finalisation figure at the end of May / start of June 2008.

This means that the Council will be able to commence its new financial planning cycle for 2008/09 with much greater confidence. It is therefore proposed that the first financial planning meeting for 2008/09 should be held in June 2008. At this meeting Members will be advised of the finalisation figure, the priorities established by the new Corporate Plan and will be asked to set an early indicative rate level for 2009/10.

Given that 2009 may very well be an election year, it is likely that Members will wish to exercise a high level of prudence.

The financial framework of the Council is set out below.

Figure 1 Strategic Financial Management Framework



*For purposes of reporting a number of the technical elements of the Strategic Financial Management Framework, such as working capital and treasury management have been excluded. These will be reported to committee at a later date in the year.

City Investment Strategy

Members have already agreed that the City Investment Strategy will be financed mainly from capital receipts so as to minimise the burden on the ratepayer. The Director of Improvement is currently developing an asset management strategy part of which is an asset rationalisation plan. The Director will be briefing the party groups in April before this is brought to the Strategic Policy and Resources Committee.

Capital Programme

It is intended to bring the capital programme to the Strategic Policy and Resources Committee for agreement in May. It needs to be considered with the City Investment Strategy and the corporate plan so that all three are aligned. At the May meeting it will also be necessary to agree the cash limits for the capital programme for the next three years and its financing arrangements.

Income

The Council has three main sources of income – rates, fees and charges and grants. It is essential as part of good financial management that the organisation does all in its power to maximise all three sources. Rates and fees and charges are the two streams of income which the Council can influence the most and these are discussed below.

Rates

Rates are our main income channel and although the level of district rate is set by the Council, the actual money is collected by Land and Property Services (LPS). The Council is currently undertaking major pieces of work with the common objectives of maximising our rate income and minimising the amount of rate income lost at the collection stage. This work includes the following:

- The Council's Building Control Unit is currently verifying whether the 9000 properties which are defined as being vacant on the Valuation List are actually vacant or not. Every property which is identified as being occupied represents an increase in rate income to the Council. We have agreed with LPS that the information on these properties will be passed to them and input to the system as fast as possible so that rates bills can be issued for 2008/09. Based on the first batch of properties inspected, this work could yield a significant source of additional rate income for the Council. It is also an example where different areas of the Council like Building Control, Cleansing, ISB, CIT and Financial Services can work together to generate more income for the Council.
- The Council has employed the Institute of Revenue, Rating and Valuation to conduct an in-depth review of the key rating processes and policies. They have produced a report with a number of recommendations for improvement which, if implemented, should result in a better working relationship with LPS, greater transparency, enhanced accountability, better rate information, increased rate income and reductions in the losses and costs of collection.

It is recommended that the Strategic Policy and Resources Committee hold a special meeting in May to discuss all the rates issues at one time. The new Chief Executive of LPS, John Wilkinson, has indicated that he would welcome the opportunity to discuss his plans for improvement with Members. This special meeting in May would be a good forum for him to do so.

Fees & Charges

Fees and charges are an important element of the finance framework as a source of income and as a policy instrument to help the Council achieve its objectives. During 2008/09 it is recommended that the Council reviews its current fees and charges in the context of the level of income they generate, the level of subsidy provided and how effective they are in helping to meet the Council's objectives.

Expenditure

The Council spends its money on three main things – people, assets and goods and services. The key issue for the Council is to be able to demonstrate to its ratepayers that value for money is being provided. In simple terms economy means how much we pay for people, assets and goods and services; efficiency is about how much we get out of the combination of people, assets and goods and services and effectiveness is a measure of what difference it makes.

Members have already agreed another three year efficiency target of £1.0million per year, with £500k going to the ratepayer and the other half going to the City Investment Strategy. It is likely, however, that if Members are of the mind to keep the rates around the level of inflation that savings over and above the £1.0million will have to be found. As the Council has already taken out over £3.0million of the base budget over the past three years, efficiency savings will become harder to come by and take longer to

identify and realise. It is therefore recommended that greater focus is given to the programme of efficiencies and treasury management and that a scoping report is now externally commissioned to identify areas in which savings can be realised in time for the 2009/10 budget. Such a report can be commissioned at a cost within existing budgets.

In addition to the efficiency programme, there is also the need for the Council to better test its delivery of value for money and provide better performance information on unit costs and related outputs and outcomes. Audit, Governance and Risk Services have increased the number of available audit days devoted to value for money studies and a programme of work for 2008/09 will be agreed with the newly formed Audit Panel. Phase 2 of the Better Business project will concentrate on the provision of improved financial information and this will be used as part of the Council's performance management framework in terms of benchmarking costs and outputs and tracking improvement trends. This will enable Members to better scrutinise costs and outputs together.

Summary of Strategic Policy and Resources Committee Forward Work Plan April – June 2008 for Finance

April

- Report on financial planning cycle

May

- Agree capital programme
- Special meeting on rates

June

- Report on year financial position 2007/08
- Report on efficiency programme
- Agree first indicative rate level for 2009/10

Recommendations

Members are requested to:

1. Note the contents of the report.
2. Agree to the financial forward work plan for April – June 2008 as outlined above.
3. If it is agreed to hold a special meeting on the rates in May, to advise whether they wish the Chief Executive of LPS, John Wilkinson to present to committee.
4. Agree to commission an external report on the programme of efficiencies and treasury management to report no later than June 2008.



Belfast City Council

Report to:	Policy & Resources Committee
Subject:	Review of Travel Policy
Date:	14 March 2008
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Heather Loudon, Head of Financial Services, Ext 6090

Relevant Background Information

- 1.1 At its meeting on 22 February, the Committee considered a Freedom of Information request that had been made by a BBC radio programme in relation to details on the extent and cost of travel outside Northern Ireland by members of staff and City Councillors over the past 3 years.
- 1.2 The Committee had agreed that the issues arising out of the Freedom of Information query should be referred to the Audit Panel to scrutinise the cost and reasons for journeys being undertaken by Council employees and to ensure that existing controls and systems continued to be reviewed and tightened. The Audit Panel is to report to the Committee on this matter in the near future.
- 1.3 Furthermore, it was agreed that the Council would move towards publishing all details of staff travel, as currently is the case with Councillor travel, under the Council's Publication Scheme as a matter of course, in order to ensure that all expenditure incurred in relation to these matters was transparent and open to the public.

Current Position

- 2.1 The Council's Audit Panel met on the 11 March and considered a report from the Head of Financial Services on the project to review the approval of control processes relating to the Travel Policy. A copy of this report is attached at Appendix 1.

- 2.2 Members will note the objectives and outputs of this project which are to review current approval and control processes, identify improvements and ensure that the new processes enable improved access to information which enables on-going scrutiny, value for money reports being prepared and greater accountability both internally and externally.
- 2.3 Steps are being taken to ensure that all travel incurred in the new financial year will be published as of right in the Council's publication scheme.

Key Issues

- 3.1 The conversation around the Council's current travel policy raises the issue of the need for the Strategic Policy and Resources Committee to exercise overall corporate scrutiny to ensure value for money of Council policies.
- 3.2 The Audit Commission report on corporate governance defines the concept as **the framework of accountability to users, stakeholders in the wider community within which organisations take decisions, and lead and control their functions to achieve their objectives.** The purpose of the Policy & Resources Committee as defined in the Standing Orders is to act as the Council's main instrument of policy and the setting of strategic direction and corporate priorities through the development of the Corporate Plan. It is also responsible for the allocation of resources to ensure that corporate priorities as agreed in the plan are implemented and for monitoring the performance of the Council and delivering its agreed objectives and outcomes. In essence therefore, the Committee is the main instrument of corporate governance in the organisation.
- 3.3 Good corporate governance combines the hard factors such as robust systems and processes with the softer characteristics of effective leadership and high standards of behaviour. A copy of the Audit Commission definition of corporate governance is included as Appendix 2.
- 3.4 High performance organisations balance different responsibilities and use information to decide where to allocate effort and resources to meet competing demands. Decision making always involves risk, but risk is reduced when an open, constructive culture exists in which challenge is accepted and supported. This challenge and openness must be underpinned by robust performance, financial and information management systems, the effective use of risk management and an accountability framework.
- 3.5 The Audit Commission who are responsible for the review of performance of local authorities in England are categorical in their view that organisations with good corporate governance have the capacity to maintain high quality services and to develop improvement, and that poor corporate governance has contributed to serious services and financial failures.
- 3.6 To be a high performing organisation we need to be more honest and open about performance and value for money. However the conversation about performance and value for money must be done in a fair and balanced way to ensure that there is enough trust between members and officers to engage with the system in a way that allows people to be treated fairly and the organisation to learn from its mistakes.

- 3.7 At its meeting on Friday 14 March, the Strategic Policy & Resources Committee will receive reports on the Corporate Plan which sets out the Council's policy framework on the Council's strategic financial management framework, and on the revised terms of reference of the Audit Panel.
- 3.8 All of these reports stress the need for enhanced transparency of information, accountability for performance, enhanced challenge, and greater focus in aligning policy, resource allocation and performance review. These are the general principles which underpin the improvement of performance and demonstration of value for money.
- 3.9 It is important that these principles form the bedrock of the review of the Travel Policy and that the Audit Panel bring back recommendations which ensure that all these elements are present in the reviewed policy.

Recommendation

To note the terms of reference with the review of the Travel Policy approved by the Audit Panel.

Documents Attached

- 1 Appendix 1 - Report of the Head of Financial Services on the review of the approval of control processes relating to the Travel Policy
- 2 Appendix 2 - Executive summary of corporate governance



Belfast City Council

Report to:	The Audit Panel.
Subject:	PROJECT TO REVIEW APPROVAL AND CONTROL PROCESSES AND TRAVEL POLICY
Date:	11 March 2008.
Reporting Officer:	Trevor Salmon, Director of Corporate Services
Contact Officer:	Heather Loudon, Head of Financial Services

Relevant Background Information

The Council received a Freedom of Information (FOI) enquiry on 18 January 2008 from Kevin Magee of the BBC. He requested the following:-

1. Details of the extent and cost of travel outside Northern Ireland taken by members of staff and City Councillors over the past three years.
2. Details of the reason for the trips, who embarked on the travel, the date, destination, duration and overall costs involved.
3. A breakdown of the planned costs and people, staff and Councillors, likely to participate in the forthcoming trip to Nashville.

The statutory Regulations require the Council to make available, on request, the information on allowances and travel payments made to Members. Several years ago the Policy and Resources Committee took the decision to meet this requirement by publishing this information annually as a matter of course under the Publication Scheme for FOI. This information requested by Mr Magee was therefore readily accessible and already in the public domain.

The current database of payments to staff only holds the information for the last two years requested (2005/06 and 2006/07) and does not hold details of duration. Under the Freedom of Information Act (FOIA) an applicant has the option of either paying any fee or charge which a public authority assesses as the cost of carrying out additional work to meet a request or to amend the request to match the information which can be provided without charge. When contacted Mr Magee opted to amend his request to staff information for the two years and not to seek the information relating to duration.

The Nashville information was substantially already in the public domain through Committee report.

All of the information requested and amended was sent to Mr Magee within the 20 day time limited defined in the FOIA.

Dealing with this enquiry revealed that the current data held for staff was difficult to handle and, more importantly, cumbersome to validate quickly. There was no connection between the raw data and the business case for the expenditure as the data was not being captured to assist management interrogation. The information on Members was more accessible and intelligible because of its routine production for the FOI Publication Scheme.

To deal with these shortcomings a cross-departmental review team, including Audit Governance and Risk Services, has commenced work under the chairmanship of the Head of Financial Services and reporting to me. The first meeting of the group will be on 4 March.

The review will have the following objectives and outputs:-

Objectives

1. To review current approval and control processes and the travel policy
2. To identify improvements to both processes and policy which matches the new financial systems, takes account of the human resources strategy and workforce development plan's needs and which provides for continuous improvement
3. To ensure that the new processes enable improved access to information which enables improved on-going scrutiny of value for money and greater accountability, both internally and externally

Outputs

1. A travel policy which it is agreed is fit for the purpose for the organisation
2. Reviewed and where necessary improved control mechanisms and processes
3. A framework for compliance monitoring, value for money audit and continuous review
4. An action plan for implementation including communication and training

It is anticipated that the project will be completed by the end of June 2008 with the exception on any technological changes which cannot be accomplished within this timeframe. The initial focus will be on ensuring that any improvements which can be made to improve control and accountability through accessibility are put in place as quickly as possible. Ideally these should be put in place for the new financial year.

Key issues

The Strategic Policy and Resources Committee at its meeting on 22 February referred the matter to this Panel "to scrutinise the costs and reasons for all journeys being undertaken by Council employees and to ensure that existing controls and systems continued to be reviewed and tightened." It was indicated that the Panel should report to the Committee in the near future.

The Committee also agreed that the Council would move towards publishing all details

of staff trips under the Publication Scheme, as is currently the case for Members, in order to become more transparent and open to the public. The mechanism for doing this will be identified by the group which has been established and consultation with the trade unions will commence.

Resource Implications

Financial

None

Human Resources

None

Asset and Other Implications

None

Recommendations

The Audit Panel are requested to approve the Terms of Reference for the Review and Approval and Control Processes and Travel Policy.

Key to Abbreviations

FOI – Freedom of Information

FOIA – Freedom of Information Act 2000

Documents Attached

None

1

Understanding corporate governance

- 1 Corporate governance is understood differently across the public sector. This chapter sets out the Audit Commission's definition of corporate governance and introduces some of the associated key themes that we explore further throughout the report.
- 2 The development of a common understanding of corporate governance is generally agreed to have started with the Cadbury report (**Ref. 2**), which identified the principles of good governance as integrity, openness and accountability. The report was the first of several on corporate governance in the private sector, the most recent contributions being the Higgs report on non-executive directors (**Ref. 3**) and the Smith report on audit committees (**Ref. 4**). In the public sector, the Nolan Report (**Ref. 5**) was particularly important in setting out the principles of public life.¹ Appendix 2 contains a list of relevant reports on corporate governance.
- 3 The Audit Commission has developed its understanding and in this report defines corporate governance as:

The framework of accountability to users, stakeholders and the wider community, within which organisations take decisions, and lead and control their functions, to achieve their objectives.
- 4 Good corporate governance combines the 'hard' factors – robust systems and processes – with the 'softer' characteristics of effective leadership and high standards of behaviour. It incorporates both strong internal characteristics and the ability to scan and work effectively in the external environment. The internal combination of 'hard' and 'soft' characteristics involves:
 - **leadership** that establishes a vision for organisations, generates clarity about strategy and objectives, roles and responsibilities, and fosters professional relationships;
 - **culture** based on openness and honesty, in which decisions and behaviours can be challenged and accountability is clear;
 - supporting accountability through **systems and processes**, such as risk management, financial management, performance management and internal controls. They must be robust and produce reliable information to enable better decisions to be reached about what needs to be done in order to achieve objectives; and
 - **external focus** on the needs of service users and the public, reflecting diverse views in decision making, producing greater ownership among stakeholders and maintaining clarity of purpose.

¹ Selflessness, integrity, objectivity, accountability, openness, honesty, leadership.

- 5 Externally, an effective and **strategic regulatory regime** can promote better corporate governance, with appropriate targets and freedoms and flexibilities for organisations based on comprehensive information about their performance and capacity.
- 6 How well the internal characteristics are *balanced* is important: public sector organisations operate in complex legislative, political and local contexts, in which they have to make difficult decisions. Well-governed organisations balance their different responsibilities and use information to decide where to allocate effort and resources to meet competing demands. Good governance supports **effective decision making**; poor governance is often seen (in hindsight) as creating the climate, structures and processes that lead to poor decisions.
- 7 Decision making always involves risk, but this risk is reduced when an open culture exists in which challenge is accepted and supported. This challenge and openness must be underpinned by robust performance, financial and information management systems, the effective use of risk management and an accountability framework that is based on a clear communication and understanding across the organisation of roles and responsibilities.
- 8 The importance of effective leadership in ensuring good governance is clear from inspection reports and from other reports generated across the public sector. Ultimately, leaders are responsible for achieving the right balance of hard and soft factors and are accountable for the decisions they take, or fail to take. They set the strategy for organisations and give it a sense of direction and purpose. The relationships between those carrying out executive and non-executive roles are fundamental to setting the tone for the cultural aspects of organisations that can never be codified or set out in detailed guidance, but which are immediately recognisable to those who work in or deal with them (**Exhibit 1, overleaf**).
- 9 The Audit Commission, in conjunction with the Improvement and Development Agency (IDeA) is currently investigating the topic of leadership and will report later in 2003.



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	University Rating Policy
Date:	14 March 2008
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Trevor Salmon, Director of Corporate Services Ronan Cregan, Improvement Manager

BACKGROUND

The Rating Policy Division of the Department of Finance and Personnel has requested the view of the Council on changing Schedule 13 of the Rates Order 1977 which excludes universities from claiming exemption from rates. Members should note that the request from Rating Policy Division is only a preliminary enquiry at this stage.

KEY ISSUES

Currently universities are excluded from claiming exemption from rates. The universities see themselves as being disadvantaged because universities in Great Britain are entitled to at least 80% exemption from rates. There is therefore a strong argument for allowing universities in Northern Ireland a level of relief similar to that enjoyed by universities in Great Britain. From the Council's perspective the key issue is how the Council will recoup the lost rate income from university rates. Currently, the two universities in Northern Ireland have accommodation placed in Belfast with an NAV totalling £7,627,416. In Great Britain, local authorities are fully recompensed for the loss of the 80% university rate income. It is therefore recommended that the Council would receive a payment in lieu of university rates that year on year keeps pace with increases in the rate poundage. This can be achieved by keeping the full NAV of universities on the valuation list and the Land and Property Services provide relief as an allowance against the annual rate bill. This would be fair position as the two universities serve all of Northern Ireland and therefore any relief against the rate should be shared by Northern Ireland as a whole and funded from the block grant.

A proposed full response to the preliminary enquiry is provided at appendix one.

DECISIONS REQUIRED

1. Members are requested to agree the Council's position on universities exemption as outlined above and detailed in appendix one.



BELFAST CITY COUNCIL

Response
to
Review of Exemption
for
University Premises

February 2008

Appendix One

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Appendix One

1.0 Introduction

Belfast City Council is pleased to respond to the Mr. McLure's letter of 29th November 2007 seeking the Council's view on the exemption of universities from rating.

2.0 Universities in the Belfast City Council area

The City Council has two universities, Queens University and Ulster University (Belfast campus) and Belfast Metropolitan College within its boundaries all of which are prevented from claiming exemption under Schedule 13 of the Rates (Northern Ireland) Order 1977. It is estimated that the Council will receive approximately £1.5m in rates income from the two universities in 2008-09.

The purpose of the preventing educational establishments from claiming an exemption was to help maintain the income from the District Rate and if the position were to change in relation to full or partial exemption then the City Council would wish to see its income maintained either through the grant system or through payments in lieu of rates.

3.0 The Position in GB

The position in England, Scotland and Wales is that university premises are rateable and appear in the local valuation lists, however, they are entitled to make application to the billing authority in whose area the university is situated for rate relief under the provisions of sections 43 and 45 of the Local Government Finance Act 1988, which provides for 80% relief to be allowed. Universities can also apply for a further 20% rate relief but this is awarded at the discretion of individual billing authorities and, as it is a discretion, practice varies from authority to authority.

In terms of funding, as the award of rate relief under sections 43 and 45 of the Act is mandatory, and the billing authority has no choice but to make the appropriate allowance, if the relevant conditions are satisfied, the cost of the income foregone is met by a full allowance against the authority's contributions into the non-domestic rating pool. (The central pool in to which all non-domestic rate income is paid and subsequently redistributed to local authorities as a grant on a per capita basis.)

The position in relation to discretionary rate relief is slightly different in that billing authorities must bear in mind the financial effects of decisions to grant discretionary relief, since 75% of any relief allowed is borne by the authority.

The effect of the financing arrangements is that the billing authority's income is preserved.

4.0 The Cost of Students to the City Council

There are some 38,500 undergraduate and 11,500 post graduate students in Northern Ireland and a very high proportion of these reside / study within the boundaries of the City Council area. Queens University alone has some 25,200 students. In addition to the above, the Belfast Metropolitan College has some 53,000 enrolled students.

It is extremely difficult to identify all costs that the City Council incurs as a result of having a large student population but the following table is indicative of the direct costs incurred:

Appendix One

Service	Additional Cost		Explanation
	2007/08	2008/09	
	£	£	
Building Control	5,985	6,165	Entertainment licensing, Queen's Festival and noise and anti-social behaviour relating to licensed premises and Cleansing Services
Cleansing Services	208,494	214,748	Additional cleansing operations, enforcement, community awareness and management input
Environmental Health	156,400	161,092	Community Safety (including the Holyland Wardens Scheme and Get Home Safe), Food Safety, Regulatory Services, Environmental Protection (Including night time noise) and Public Health
Botanic Gardens	12,000	12,600	Anti-social behaviour
May-June - to deal with end of term activity	4,000	4,200	Anti-social behaviour
Additional skips	1,200	1,260	Removal of additional litter generated as a result of end of term activity
Staff overtime	1,000	1,050	Additional staff time to deal with end of term activity / cleansing
Total	389,079	401,115	

We would emphasise that this is not a definitive list of the costs incurred directly as a result of having a student population within the City Council boundaries nor does it reflect any contribution to overheads incurred by the City Council. Undoubtedly, there are other costs but it is impossible to isolate these from the total costs within the budget of providing a particular service, for example in the following areas:

- Community awareness / safety
- Chewing gum removal
- Senior Management time
- Refuse collection
- Night time noise
- Public toilets

These figures, of course, exclude expenditure, which is funded (at least partially) through the regional rate and which is incurred by Government agencies.

5.0 Student Exemption

Although not strictly related to the issue of exemption for universities the question of student exemption is one that is still of concern the Council. We note that as part of the 2004 consultation exercise a representative survey of 1300

Appendix One

households showed that there was virtually no support for the targeting of assistance towards students. Rather, the key concerns related to pensioners and other vulnerable groups such as people with a disability and those on low incomes.

The only consultation response related to students was from the Landlords Association. They requested that the mandatory requirement for landlords to be liable for rates be removed - which is less than surprising.

In spite of the lack of general support a relief scheme was introduced for all student households.

A report by the Institute of Revenues Rating and Valuation for the RPD estimated that there are 11,500 HMO's in Northern Ireland and that around one third were occupied by students (some of whom may be part time). It also estimated that there are 25,000 full time students living in accommodation across Northern Ireland not provided by the educational body.

There is in the view of the Council an issue over who receives the benefit of the relief. Prior to the introduction of the relief for a substantial number of student properties the landlord paid the rates bill and included this in the rent that was charged; there was no visible rates liability for the tenant. The Council has not seen any evidence to suggest that landlords have reduced the rents payable by students as a result of the introduction of this relief and, therefore, the main beneficiaries of this relief would appear to be landlords.

The City Council believes that it is impossible to police this relief and that when a household ceases to be an all student household there is no incentive for the landlord to report the change in circumstances as the rates bill then becomes payable.

It is the opinion of the City Council that this relief is depriving local authorities of a substantial amount of income and that the intended recipients of the relief are not, in fact, receiving the benefit of the relief and it should, therefore, be rescinded.

In the event that student relief is rescinded the Executive should consider introducing some form of rent control in respect of properties occupied by students.

6.0 The Council's Position in relation exemption for Universities

Domestic and Non-Domestic rates are the City Council's principal sources of income so any diminution in that income has a potentially serious impact on the revenue budget and on the provision of services. However, the City Council recognises that there is a strong argument for allowing Universities in Northern Ireland a level of relief similar to that enjoyed by Universities in GB **providing, as in GB, the City Council is recompensed in full for the rate income that is foregone.**

As there is no similar mechanism to that which exists in GB in relation to the non-domestic rating pool then the most straightforward way is for the affected councils to receive a payment in lieu of rates. This would ensure that the City Council receives recompense that, on a year on year basis, keeps pace with increases in the rate poundage.

This can be achieved by not allowing an exemption for universities that will be reflected in the valuation list, in other words, the full NAV remains in the list and the Land and Property Services Agency provide the relief as an allowance against the annual rate bill. This will help to maintain the integrity of the valuation list.

Appendix One

We would not support the introduction of a discretionary rate relief scheme as this would add unnecessary complications and since Northern Ireland has a central collection agency local authorities would have no say in whether relief should be allowed. In any event, the granting of discretionary rate relief in GB is not consistent as between one billing authority and another.

To ensure strict parity with GB we would propose that the level of relief be limited to 80% of the annual non-domestic rate charges.

The alternative to parity with GB is to bring universities in line with charitable exemptions in Northern Ireland as set out in Article 41 of the Rates (Northern Ireland) Order 1977, which allows for 100% relief in respect of hereditaments occupied for the purpose of:

- the advancement of religion;
- the advancement of education;
- the relief of poverty; and
- other purposes beneficial to the community.

Again the City Council would have the same proviso in relation to reimbursement of the rates income foregone and would refer to the consultation paper issued by the DFP in February 2005 on charitable relief that recognised the potential impact of removing the exemption: -

“This in itself raises complex issues in that if these bodies were exempted from rate liability there could be consequences for public finances and possible implications for the way the bodies themselves are funded.”

Mr Peter McNaney
Chief Executive
Belfast City Council
City Hall
Belfast
BT1 5GS



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	City Hall: Virement of Revenue Expenditure to Finance Development of Emergency Co-ordination Room
Date:	14 March 2008
Reporting Officer:	Gerry Millar, Director of Improvement, ext. 6217
Contact Officer:	Suzanne Wylie, Head of Environmental Health, ext. 3281 Michael Stanley, CIT Project Management Unit, ext. 3483

Relevant Background Information

Members will recall that at its meeting on 26 February the Committee agreed to defer consideration of the relocation of the emergency room to enable a report providing details on how the Health and Environmental Services Department proposed to finance the proposal to be submitted.

The matter was discussed by the Health & Environmental Services Committee at its meeting on 5 March when it was decided to refer the matter to this meeting of the Strategic Policy & Resources Committee, to which the members of the Health & Environmental Services Committee have been invited, to enable further information to be provided.

Members of the Health and Environmental Services Committee asked for the following information to be considered further:

- rationale for the emergency room proposal;
- cost estimate analysis;
- history of funding applications;
- examination of potential financial support from other emergency services.

Key Issues

A fully functional multi-agency emergency control centre is needed to enable the Council to fulfil the co-ordination role expected of it in the Civil Contingencies Framework. The need for such a facility was highlighted during the response to the flooding in June 2007.

Rationale

There is a strong case to be made for the provision of a much more functional emergency management centre in the City Hall which will enable the Council to more effectively perform its responsibilities in co-ordinating both planning for emergencies and the response of a range of agencies in actual emergency situations, such as happened during the flooding in Belfast in June 2007.

The current emergency management arrangements in the City Hall consist of a very small room in the basement which can accommodate a maximum of around 8 people at any one time. This means that once the Emergency Management Team (Chief Officers and Emergency Planning staff) are in the room along with some support staff to log all decisions and to receive and make telephone calls, email and faxes, the room is extremely crowded and noisy. There is also no

room for any other agencies to attend and provide a link back to their organisations. The City Hall basement itself is also susceptible to flooding.

The current facilities are far below the standard of those provided in some much smaller local authorities in Great Britain and, as demonstrated in the recent flooding response, would not be able to be used for a prolonged period should the Council face a much more protracted emergency with a more widespread recovery operation to support local residents and communities.

In addition, best practice would show that emergency responses are most effectively co-ordinated when there is co-location of a liaison person from some of the other key responding agencies, most notably, the Police. This then would enable linkages with the control rooms and response teams of other agencies. The PSNI has been asked to provide £100,000 funding as a contribution to ensure that this room can provide facilities for their organisation and the necessary secure communication linkages which would allow this to happen (agreement is subject to confirmation from the NIO).

There is now an opportunity to include the development of a new multi-agency control centre in the redevelopment of the City Hall. A business case is attached at Appendix A which gives a full rationale for providing the centre and details the facilities needed, the proposed layout and estimated costs. It should be noted that the advantage of such a facility being located in the City Hall was borne out during the flooding in that the Chief Officers, Heads of Service and other responding staff could access this quickly at various crucial times, leaving a core to direct, make decisions and communicate both internally and externally. It will also be possible to use some of these spaces for meeting rooms, conference and training facilities at times when they are not being used for emergency response or exercises.

Cost estimate analysis

The estimated cost for the provision of the emergency room, based on the outline proposals included in the Business Case, is:

Building works	£215,000
Mechanical Services installation	£95,000
Electrical Services installation	£70,000
Audio/visual and communications equipment / furniture	<u>£70,000</u>
Total estimate	<u>£450,000</u>

History of Funding Applications

Earlier in 2007, a group of agencies came together to identify ways of accessing potential NIO capital funding which was thought to be available from the sale of government property, to fund some much needed public safety projects such as this. However this money was later earmarked by the Treasury for other larger capital schemes.

An application for £100,000 towards the cost of the project has now been made to the NIO via the PSNI. This money would cover additional works needed for police secure communications, equipment, etc. The PSNI has been working in partnership with the Council on this proposal and final agreement is expected during this month.

The DOE Local Government Division has, since 2006, provided limited funding to district councils to carry out emergency planning activities. This funding amounted to £60,000 last year and was used to support salaries, training and provision of some equipment for the back up facility at Duncrue. Indications are that similar levels of funding will be available in the incoming financial year for these ongoing costs, but that no additional money will be available for capital work.

Examination of Potential Financial Support from other Emergency Services

Discussion with other Emergency Services is ongoing and a verbal update on this aspect will be provided at the meeting.

Resource Implications

Financial

The Health and Environmental Services Department is currently forecasting a revenue under-spend of £350,000 in two main areas of expenditure.

As the opening of Park Road Recycling Centre had been planned for April 2007, a full year's running costs for the centre had been included in the 2007/08 revenue estimates. However, as the opening of the centre did not occur until August 2007, only 8 months running costs will have actually been incurred during 2007/08 and there is therefore a forecast under-spend of £100,000 in the revenue budget for the centre for the 2007/08 financial year. The full annual running costs of the centre were included in the 2008/09 revenue estimates.

The review and utilisation of the Vehicle Fleet by Cleansing Services and Fleet Management resulted in planned savings being included in the 2007/08 efficiency programme. This review work continued after the 2007/08 revenue estimates were prepared and has resulted in further unplanned savings resulting in an under-spend of £250,000 in transport costs being forecast for the end of 2007/08. The impact of these savings has been taken into account when preparing the 2008/09 revenue estimates.

It is proposed that the £350,000 under-spend be vired to partly finance the proposed Emergency Co-ordination Room works in the City Hall which will provide a direct benefit for Council in its emergency co-ordination role. The balance of £100,000 of funding for the Emergency Co-ordination Room is to be secured from the PSNI.

The proposal to vire the revenue expenditure is subject to the Strategic Policy and Resources Committee agreeing the variation to the City Hall contract.

Recommendations

It is recommended that the Committee considers the information provided within this report with a view to granting permission:

1. to vire £350,000 of revenue expenditure from the 2007/08 Health and Environmental Services revenue estimates to fund the additional Emergency Co-ordination Room works in the City Hall;
- and
2. to incorporate the additional Emergency Co-ordination Room works as a variation to the City Hall Major Works contract.

Documents Attached

Appendix A – Business Case

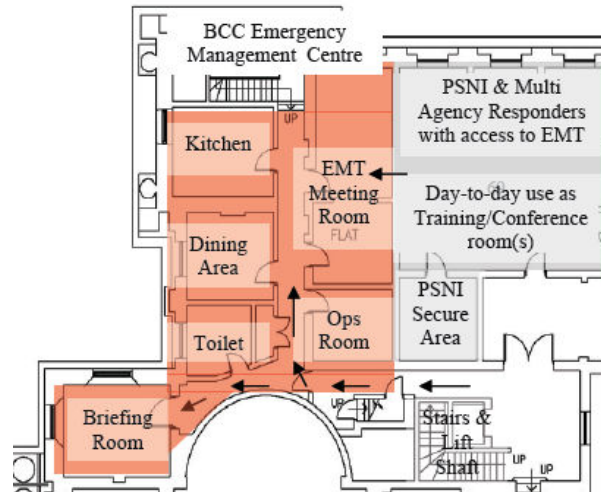
**Appendix A
Business Case**

Project Title:	Belfast City Emergency Management Centre
Lead Agency:	Belfast City Council
Contact Officers:	Suzanne Wylie (90320202 ext. 3281) Davy Neill (90320202 ext. 3519)
Partners Agencies	PSNI, Belfast Resilience
Total Costs	£450,000
Brief description:	<p>It is proposed that funding be made available to support the development of a multi-agency Emergency Management Centre in the City Hall.</p> <p>Belfast City Hall is currently under renovation and it is proposed that this opportunity is taken to include the development of this centre in these plans.</p> <p>The total costs of the project are estimated at £450,000. The Council is being asked to contribute £350,000 of these costs and the PSNI is to contribute a further £100,000 to upgrade the centre to the specification required for secure communications, linkages to other PSNI control centres, etc.</p>
Background:	<p>District Councils in Northern Ireland, particularly Belfast City Council have developed their emergency management role significantly over the past few years. One of the main responsibilities for the Council is the co-ordination of the responding agencies in an emergency such as during the flooding in Belfast on 12th June 2007.</p> <p>There is a growing expectation from Government Departments, Emergency Services and other responding agencies that District Councils will co-ordinate the response to emergencies, particularly in the recovery phase. This responsibility is clearly indicated in the NI Civil Contingencies Framework and in the DOE LGD circular 07/06. It will soon become a statutory requirement for Councils in new legislation which is currently being signed off at a Ministerial level.</p> <p>The Belfast Resilience Forum which Belfast City Council is heavily involved in has recently published a Community Risk Register. This document demonstrates that the citizens of Belfast are no less exposed to major risks than citizens of e.g. Liverpool, Cardiff, Edinburgh. Therefore it is only right that responders in Belfast have equivalent emergency management facilities as in other GB cities and towns.</p> <p>Emergency management arrangements in Belfast City Council are currently provided in the form of a small Emergency Management Room in the basement of Belfast City Hall and a backup room in a Portacabin at the Council's Waste Management Complex, Duncrue. These are small facilities that are barely adequate for Council emergency management and have no provisions to facilitate partner agencies, particularly the PSNI, in a multi-agency emergency response.</p> <p>The recent flooding emergency in June 2007 demonstrated that the current facilities whilst very useful would not cope with a large scale prolonged</p>

	<p>emergency. Benchmarking for emergency management provisions is demonstrated by Local Authorities in other parts of the UK where the large majority of Councils have multi-agency provisions within Council buildings.</p> <p>Council approval will be required for the proposed facilities in the City Hall. These will involve a fairly sizeable footprint on the second floor south-east corner of the building, see below.</p>
<p>Project Objectives:</p>	<p>The aim of this scheme is to provide an improved emergency management centre which will support key stakeholders in providing a coordinated and effective response to emergency situations. This will enable the Council to much more effectively perform its role in co-ordinating emergency planning and response and to oversee the provision of adequate support to the communities affected.</p>
<p>Benefits:</p>	<p>An Emergency Management Centre located within Belfast City Hall would help to realise a number of recommendations that have been discussed at various multi-agency emergency exercises and debrief meetings, i.e:</p> <ul style="list-style-type: none"> • By providing this facility it would bring Belfast into line with emergency management arrangements in towns and cities in other parts of the UK; • The current facilities are barely adequate for BCC response alone. These would not be adequate for a sustained emergency such as the level of flooding which occurred in GB or for a 'Buncefield' type incident in the Harbour Estate. • A new multi-agency facility would help to satisfy the requirements of the Northern Ireland Civil Contingencies Framework from a Council, PSNI and other partner agency's perspective. • A multi-agency facility such as this would continue to develop relationships between partner organisations at all levels. • The community would perceive the proposed facilities as something that would be to their benefit in an emergency. • The handover from PSNI to Council would be much more efficient, where PSNI co-ordinate during the response phase and handover to Council for the recovery phase. • Government would have a single point of contact for information and situational awareness during emergencies in the Belfast area. • Agencies would be able to send liaison officers to a single control room facility to work as a single multi-agency emergency management team. • The facilities could potentially be used to generate some revenue from training events and emergency exercises run by Council or hired out to other organisations. <p>Notably, this type of facility would be a first for any Council building in Northern Ireland and will benefit the citizens of Belfast in terms of community safety and humanitarian welfare in times of crisis. Moreover, the emergency management centre could also be used to host multi-agency training and emergency exercises to further strengthen the work of the local Belfast Resilience Forum.</p>
<p>Required Specification</p>	<p>The facilities required for a Multiagency Emergency Management Centre in the City Hall are included in the specification below.</p> <p>The draft proposal outlined below is for the 'flat' area in the 2nd floor south east corner of the City Hall and also incorporates Room 69 in the 2nd floor south corridor.</p> <p>The large office room (Room 69) would be converted into a multi-agency control room. When the centre is not in use most of the rooms can be used</p>

as meeting rooms and training and conference facilities.

This would be similar to arrangements set up by George Best Belfast City Airport for major emergencies involving aircraft. PSNI hope to provide network connectivity to this area of the City Hall for their computer systems and CCTV feeds as they have done at City Airport, subject to a successful survey and recommendations by PSNI Security staff.



Proposed Works

Structural and Decorative

1. General structural alterations associated with creation of the proposed emergency co-ordination centre (various interconnecting rooms)
2. Create a doorway from Room 69 (PSNI & Multi-Agency) into existing office labelled EMT Meeting Room
3. Remove wall between Flat Office and store labelled EMT Meeting Room
4. Create a doorway from store labelled Ops Room into EMT Meeting Room
5. Create a doorway between existing kitchen and room labelled Dining area (currently used for pass photos)
6. Modify the doorway from Room 69 into the Secure room
7. Paint and decorate all areas including corridor
8. Install new floor vinyl in the kitchen area and toilet
9. Install new carpet tiles in Room 69, EMT Meeting room, Ops room, dining area, briefing room and PSNI Secure Area

Electrical Services

1. Standby Power – All areas will need to be covered by standby power from the City Hall generator.
2. UPS – An Uninterruptible Power Supply will be required to support IT equipment until the generator takes over.
3. Sockets – Multiple sockets will be required in all areas. See plan
4. Lighting – Modern diffused lighting compliant with Display Screen regulations (DSE) will be required.
5. TV Sockets cabled to digital antenna required in all rooms except toilet

Mechanical Services

1. Installation of toilet facilities
2. Refurbishment of existing kitchen area
3. Plumbing and wastes installation
4. Air Conditioning units will be required in Room 69 and the adjoining

	<p>briefing and Operations Rooms</p> <ol style="list-style-type: none"> 5. Water coolers 6. LPHW heating installation. <p>Audio / Video</p> <ol style="list-style-type: none"> 1. Install existing data projector and Smartboard in EMT Briefing room 2. Install existing Plasma screen in EMT briefing room 3. Install new Smartboard and associated data projector in Room 69 4. Install new ceiling mounted data projector in Room 69 5. Install new large plasma screen(s) in Room 69 with computer VGA audio/video hookups 6. Potential for Police CCTV links and additional plasma screen(s) TBA <p>Communications</p> <ol style="list-style-type: none"> 1. <u>Video Conferencing</u> - Install video conferencing facilities in the EMT Briefing Room. 2. <u>Telephone Lines</u> - Transfer all existing Emergency Room telephone lines and extensions to the new Ops Room and EMT Briefing Room 3. <u>Fax Lines</u> - Transfer all existing Fax lines to the new Ops Room 4. <u>Satellite Phone</u> - Re-route Satellite phone antenna cable from existing Emergency Room in the basement to the new Ops Room 5. <u>RAYNET Radio</u> - Install antenna and co-axial cable for RAYNET radio 6. <u>Additional lines for multi-agency partners</u> - Install up to 20 additional new direct exchange lines (voice) and BCC data network connections for multi-agency partners in Room 69 7. <u>Secure Cabling and Network sockets</u> – For PSNI IT requirements, assuming network connections for 2-4 computers and telephones <p>Furniture</p> <ol style="list-style-type: none"> 1. <u>EMT Briefing Room</u> - Install new (narrow) conference table and chairs. 2. <u>Room 69</u> – Install desk arrays and chairs that can be moved to perimeter of the room during emergencies to line up with data and telephone sockets. 3. <u>Dining Room</u> – Table and chairs for dining area <p>IT</p> <ol style="list-style-type: none"> 1. <u>New Accounts</u> - Provide up to 20 new functional accounts Emergencyroom10 to Emergencyroom30 2. <u>New PCs</u> - Provide 6 new tower PCs for BCC use and a further 20 laptops for multi-agency use 3. <u>Server</u> - Provide dedicated server space for emergency management use
Evaluation:	<p>The new facilities will be assessed following training events, tests, exercises and real incidents. Participants will be asked to provide feedback using evaluation forms or to take part in exercise and incident debriefs.</p> <p>Reports on the facilities and recommendations for improvements will be provided to PSNI, Government and participating agencies following these events.</p>
Governance Arrangements:	<p>A multi-agency approach is required for emergency response in line with the principles set out in the NI Civil Contingencies Framework. There is a shared understanding that emergencies cannot be addressed by a single agency</p> <p>Emergency planning in other parts of the UK is based on the work of Local Resilience Forums and this is mirrored by the Belfast Resilience Forum. Belfast City Council along with the PSNI are lead organisations in Belfast Resilience and have recruited some 40+ organisations to work in</p>

	<p>partnership with them. Belfast Resilience will provide the framework to enable this facility to work in practice.</p> <p>The Belfast Resilience Forum is overseen by a steering group that provides strategic direction and is chaired by ACC Duncan McCausland, PSNI. Belfast City Council is represented at steering group level by Director Willie Francey. Key organisations will require Belfast City Council to act as the lead agency for the project in consultation with PSNI.</p> <p>As lead agency Belfast City Council will take responsibility for management and operational readiness of the facilities including capitalisation and depreciation charges. An operational steering group with PSNI representation will be established to oversee the design and implementation of the works.</p> <p>Agreements and guidance will be produced in the form of an Emergency Management Centre multi-agency plan to identify working relationships, roles and responsibilities of all key stakeholders.</p>																											
<p>Timescale & Costs:</p>	<p>The Belfast City Council emergency planning team has provided consultants with an outline proposal for the new Emergency Management Centre and has received estimated costs. The following table shows an estimated break down of costs and timescales.</p> <p>The contract for the City Hall refurbishment is for two years and it is anticipated that the new Emergency Management Centre would not be available for use until the end of 2009. There would be no additional tendering costs involved in adding the work to the existing contract. Consultancy fees would however be charged by the design team for this additional aspect of the work. The Council considers this as a capital charge.</p> <p>Subject to Council approval, any revenue costs will be met by the Council, apart from those associated with additional security measures required by the PSNI.</p>																											
	<table border="1"> <thead> <tr> <th data-bbox="437 1314 863 1379">Emergency Management Centre</th> <th data-bbox="868 1314 1048 1379">Budget</th> <th data-bbox="1048 1314 1235 1379">Capital</th> <th data-bbox="1235 1314 1420 1379">Timescale</th> </tr> </thead> <tbody> <tr> <td data-bbox="437 1379 863 1514">Building works, décor and services (includes air conditioning and UPS, IT etc).</td> <td data-bbox="868 1379 1048 1514">£304,500</td> <td data-bbox="1048 1379 1235 1514">BCC</td> <td data-bbox="1235 1379 1420 1514">2008/10</td> </tr> <tr> <td data-bbox="437 1514 863 1682">Equipment - includes plasma screens, TVs, smartboards, computers, furniture, telephony, radios and the PSNI network link up</td> <td data-bbox="868 1514 1048 1682">£70,000</td> <td data-bbox="1048 1514 1235 1682">PSNI</td> <td data-bbox="1235 1514 1420 1682">2008/10</td> </tr> <tr> <td data-bbox="437 1682 863 1890">PSNI Secure Room in City Hall - Building works, décor and services (includes intruder alarm, air conditioning and UPS, IT etc).</td> <td data-bbox="868 1682 1048 1890">£30,000</td> <td data-bbox="1048 1682 1235 1890">PSNI</td> <td data-bbox="1235 1682 1420 1890">2008/09</td> </tr> <tr> <td data-bbox="437 1890 863 1955">Professional fees</td> <td data-bbox="868 1890 1048 1955">£48,657</td> <td data-bbox="1048 1890 1235 1955">BCC</td> <td data-bbox="1235 1890 1420 1955">2008/2009</td> </tr> <tr> <td data-bbox="437 1955 863 2022">Estimated capital budget</td> <td data-bbox="868 1955 1048 2022">£453,157</td> <td data-bbox="1048 1955 1235 2022"></td> <td data-bbox="1235 1955 1420 2022"></td> </tr> </tbody> </table>	Emergency Management Centre	Budget	Capital	Timescale	Building works, décor and services (includes air conditioning and UPS, IT etc).	£304,500	BCC	2008/10	Equipment - includes plasma screens, TVs, smartboards, computers, furniture, telephony, radios and the PSNI network link up	£70,000	PSNI	2008/10	PSNI Secure Room in City Hall - Building works, décor and services (includes intruder alarm, air conditioning and UPS, IT etc).	£30,000	PSNI	2008/09	Professional fees	£48,657	BCC	2008/2009	Estimated capital budget	£453,157					
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<p>Approval</p>	<p>Council approval is now needed to enable a variation in the contract and for expenditure of any costs which fall outside the scope of the capital bid.</p>																											



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Standing Order 55 – Employment of Relatives
Date:	14 March 2008
Reporting Officer:	Trevor Salmon, Director of Corporate Services, ext 6083
Contact Officer:	Jill Minne, Principal HR Advisor (Acting Head of Human Resources), ext 3220

Relevant Background Information

To inform the Committee of delegated authority exercised by the Director of Corporate Services to the employment of individuals who are related to existing officers of the Council.

The Director of Corporate Services has authorised the appointment of the following individual who is related to an existing officer of the Council in accordance with the authority delegated to him by the Policy and Resources (Personnel) Sub-Committee on 27 June, 2005. The Committee is asked to note the appointment authorised by the Director under Standing Order 55.

NAME OF NEW EMPLOYEE	POST APPOINTED TO	RELATIONSHIP TO EXISTING OFFICER	NAME OF EXISTING OFFICER	DEPARTMENT
Michael Robert Burns	Community Safety Roaming Warden (FTC)	Son	Michael Burns	Health & Environmental Services

Resource Implications

Financial

Provision for this post exist within the revenue budgets of the relevant departments.

Human Resources

There are no Human Resource considerations. All appointments have been made on the basis of merit in accordance with the Council's Recruitment Policies.

Asset and Other Implications

There are no other implications.

Recommendations

Committee is asked to note the appointment authorised by the Director of Corporate Services in accordance with Standing Order 55.

**Belfast City Council**

Report to:	Policy & Resources Committee
Subject:	Council Office Accommodation
Date:	14 March 2008
Reporting Officer:	Trevor Salmon, Director of Corporate Services, Ext: 6083
Contact Officer:	Gerry Millar, Director of Improvement, Ext: 6217

Relevant Background Information

This Report highlights an imminent requirement for Council to find alternative City centre office space and offers the opportunity for Members to consider the broader accommodation issues facing the Council not only for the short term but also in the medium to long term as well.

The basic plan was that Members and most staff currently located in Adelaide Exchange would return to the City Hall following completion of the current refurbishment works. The void left in Adelaide Exchange would be taken up by relocating staff presently housed in temporary accommodation in Clarendon House, Linenhall Exchange and Scottish Amicable (**Appendix 1**)

Members were advised at its meeting of 14th December 2007 that in addition to the health and safety issues that have arisen with the existing temporary Clarendon House accommodation, ownership of the building had changed hands. The new owners (Jermon Developments) have advised Council of its plans to demolish and redevelop new hotel and office premises. Having recently submitted his planning application the developer is now seeking vacant possession of this building.

In order to commence immediate redevelopment of Clarendon House Jermon Developments have offered similar office accommodation in Fanum House on Great Victoria Street on a short term basis that would match completion of the City Hall refurbishment programme. It should be noted that Fanum House is also scheduled for redevelopment.

There is a current shortage of City Centre office accommodation of sufficient size, suitability and available on a short term basis that could accommodate all the staff currently located in Clarendon House. Attached to this Report (**Appendix 2**) is a schedule of currently available office accommodation of these there are only two that would meet the particular short term requirements of the Council.

Key Issues

The key issue is the immediate need to provide an additional office space created by the need to vacate Clarendon House in 6 to 8 months time. Action to secure this additional accommodation needs to commence now in order to give enough time to secure a new lease and to plan, tender and complete the fit-out of any new accommodation.

Other factors which will have an impact on availability of office accommodation are:

- a. the surrender of other temporary leases in Linenhall Exchange and Scottish Amicable
- b. proposed surrender of Callender Street Lease
- c. the volume of spaces in the (restored) City Hall which Members may decide to allocate for public access purposes
- d. continued overcrowding in Cecil Ward Building and rationalisation of office space requirements resulting from restructuring of the organisation
- e. relocation of staff resulting from rationalisation and disposal of Council owned premises to raise capital income to support projects such as the City Investment Fund (**Appendix 3**) Income raised could also fund additional office space requirements.

Members also need to consider the impact on the morale and motivation of staff based in Clarendon House. Staff were at first asked to move for an 18 month period but are now coming up to being 5 years in an unfit building. The Cleansing and Building Control teams are good dedicated Officers but are increasingly disillusioned with the Council's approach to resolving these issues. However even with this increasing cynicism Building Control Officers at short notice volunteered to undertake a major task to survey thousands of buildings at nights and weekends as part of an agreement the Improvement Manager brokered with the Land and Property Services. The net result of this exercise which the Land and Property Services are paying for is a potentially significant increase in rates income to the Council this year alone. It will become more and more difficult to get staff to go the extra mile as staff in both Cleansing and Building Control did during the floods emergency.

Options for Members to consider fall broadly into three categories as follows:

Short-Term Option

Seek alternative short term lease(s) of Grade B standard office accommodation to tide the Council over until the City Hall is reopened.

- It may prove difficult to secure a short term letting(s) that will match the City Hall refurbishment schedule and be of sufficient size – Members can see from Appendix 2 that only Fanum House and Harvester House can accommodate Council's requirement in a single occupation. Any short-term solution would

offer inferior quality space requiring substantial upgrading to accommodate Council staff. Based on figures for the refurbishment of Clarendon House (excluding data cabling and air cooling requirements) the approximate cost to bring say Fanum House up to a suitable standard would be in the region of £15/sq foot this could rise to £20/sq foot where a greater degree of upgrading is required ie between £250,000 and £330,000. Fanum House in particular is in a poor state no better than Clarendon and is due for demolition in 2010/11. Harvester House is a more modern building and would not require as much work. Given the short period of occupancy anticipated the value obtained from the fit-out would not represent value for money. Having to fit-out more than one office requirement would add greatly to the cost of Council seeking a short-term solution.

- A move precipitated by the redevelopment of Clarendon House to similar alternative short term accommodation will also result in the doubling up of relocation costs and duplicating disruption to both staff and the services provided.
- Whilst rental costs vary for short term lettings (Appendix 2) ranging between £10/sq foot plus a service charge of £3.00/sq foot (Fanum House) to £12.50/sq foot plus a service charge of £4.29/sq foot (Harvester House) they do not compare well in value terms with new build Grade A accommodation at £14/sq foot plus a service charge of £3.27/sq foot as in Adelaide Exchange.
- The above figures refer to replacement of approximately 16,000 sq feet in Clarendon House only and do not take account of the other factors that impact on Council's City centre office accommodation requirement.

Medium-Term Option (1)

Take a further Lease of Grade A standard office accommodation in Adelaide Exchange or other suitable location.

- To secure further Grade A standard office space that offers a medium to long term accommodation solution in Adelaide Exchange would bring the benefit of centralising City centre staff in the one building thereby minimising facility management overheads.
- There is a general shortage of Grade A office accommodation immediately available in the City centre. Provision of suitable Grade A office space for Workspace 2010 has a particular impact on available remaining space in Adelaide Exchange. Therefore the option to take any additional space in Adelaide Exchange may not be available for long.
- Maximum value would be obtained from the fit-out.
- Should Council find itself in the position of having surplus office accommodation in Adelaide Exchange this can be sub-let or assigned (on a floor by floor basis) prior to the operation of the existing break clause in 2017.
- The Landlord is now seeking a rent of £14/sq foot for additional accommodation in Adelaide Exchange. The existing service charge equates to approximately £3.27/sq foot.

Medium-Term Option (2)

To secure Grade A standard office accommodation in the redeveloped Clarendon House (Appendix 4)

The recently submitted planning application by Jermon Developments is to demolish the existing building and redevelop the existing Clarendon house site with a 145 bedroom hotel and 4 floors of office space (3rd, 4th, 5th, 6th floors) equating to approximately 40,000 sq feet.

- Jermon Developments are willing to make equivalent replacement office space available in Fanum House now on a short term basis and until redevelopment of Clarendon House is completed. Rent and service charge would be pegged to levels currently paid by Council in Clarendon House at £8.50/sq foot and £2.85/sq foot respectively.
- The Developer is willing to make available all of the office space in a redeveloped Clarendon House for Council occupation.
- Initially seeking to hold the property as an investment the Developer is prepared to offer Council a purchase option of the office space at a future date and time to be agreed.
- Should it be required the Developer will underwrite the Council's current lease obligations in Adelaide Exchange.
- Office space freed-up in Adelaide Exchange could afford the opportunity for Council to realise the development potential in other City centre owned properties by the long term relocation of staff and potentially pay for the cost of any required moves.
- The opportunity exists at this stage to design and build over the void that currently exists between Cecil Ward Building and Clarendon House and physically link the two buildings thereby creating additional office space at cost that would be owned by Council.

Long-Term Option

The above Options would provide the necessary time for delivery on a more permanent solution to Council's longer term office accommodation requirements.

- Rationalisation of currently owned Council City centre assets could release the opportunity for Council to develop the required accommodation on one of the vacated sites
- Disposal income resulting from asset rationalisation would assist in funding construction of office accommodation by Council
- Relocation of staff accommodation to a site away from the traditional City centre setting – either on a currently owned Council site or specifically purchased

Resource Implications

Financial

Grade A Offices

The estimates for rent in a high quality, Grade A office building, for example, Adelaide Exchange, is in the region of £13 - £15 per annum plus a fit out cost of about £45 per sq foot ie around £750,000 for 16000 square foot plus fees plus furniture costs.

Grade B Offices

Generally rent and rates for a short term lease of Grade B offices, that is older, non-fully statutory compliant stock of lesser quality and without air conditioning, will be between 30% and 40% less than Grade A offices. Given the current scarcity of suitably sized accommodation Landlords are seeking between 10% to 15% less than Grade A offices for more modern second-hand space. The fit out cost will depend upon the existing state of the premises identified and the standard of fit-out decided upon. Based on updated costs for Clarendon House refurbishment of second-hand accommodation could range between £15 to £20 per sq foot (excluding data cabling and air cooling)

NB. In both the above options, the additional rent payable will be set off by the cancellation of rent in Clarendon House (£134,759 per annum) and ultimately, by the rents payable by the other short term leases to be surrendered. Planned expenditure on upgrading the Clarendon House accommodation will, of course, be saved.

Asset and Other Implications

- Relocation to alternative accommodation may have an impact on service delivery from those Units affected.
- Negative effect on Council staff remaining in sub-standard temporary office accommodation.

Recommendations

To authorise the director of Corporate Services:

- a. to enter into negotiations for additional Grade A office accommodation in the City centre that will address the loss of space currently faced in Clarendon House
- b. to report to Committee the provisional Heads of Terms of any agreement and detail estimated costs

Documents Attached
<p>Appendix 1 – BCC Temporary Office Accommodation</p> <p>Appendix 2 – Available short term City centre office accommodation</p> <p>Appendix 3 – Possible Council owned assets suitable for rationalisation</p> <p>Appendix 4 – Visual of a redeveloped Clarendon House</p>

Appendix 1

BCC Temporary Office Accommodation

Building/Occupier	Staff	Area(sq ft)	Comments
Clarendon (Gd) Building Control Parks & Leisure	11 1	2,100	Leases expired Requires upgrading Overcrowded
Clarendon (1 st) Building Control	60	6,854	As above
Clarendon (2 nd) Cleansing	58	6,900	As above
Linenhall Ex (1 st) BIS WINS/SS	16 8	2,450	Leases expire February 2009 and will need extended to cover City Hall refurbishment schedule
Linenhall Ex (2 nd) BIS	7	2,500	As above
Scottish Amc Landscape Planning	10	1,830	Lease expires Jan 2011 Overcrowded
Callender St (Gd&1 st) LSPB	6	675	
Callender St (1 st) LSPB CAB	1 15	2,148	
Total	193	25,457	

Office Accommodation in City Centre						
Appendix 2						
	Location	Agent	Available area	Rent per sq ft	Rent per annum	Terms
1	Fanum House, Great Victoria Street	DTZ McCombe Pierce	23,800 sq ft	Negotiable	£231,970	Term 6months – 4 years, service charge payable (No VAT payable on rent)
2	Harvester House, Adelaide Street	BTW Shiells	24,258 sq ft (Ground, 3rd,4th,5th & 6th floors)	£12.50	£303,225	Term flexible, Tenants full repairing & insuring incorporating service charge.
3	Harvester House	Lisney	13,985 sq ft (4th, 5th & 6th floors)	£12.50	£174,812	Term flexible, Tenants full repairing & insuring incorporating service charge. 10 car parking spaces under licence and separate fee.
4	Lesley Tower, Fountain Street	McKibbin	14,000 sq ft	£12.00	£168,000	15 year lease incorporating 5 yearly reviews. Tenants full repairing & insuring incorporating service charge.
5	Donegall House, Donegall Square North	Colliers CRE	12,542 sq ft	£11.00	£137,962	Assignment of the residue of a 25 year lease - 7 years remaining. Term flexible, Tenants full repairing & insuring incorporating service charge. Estimated at £2.95 / sq ft
6	Scottish Amicable Building, Donegall Square South	Colliers CRE	7,166 sq ft	£10.00	£71,660	Term flexible, Tenants full repairing & insuring incorporating service charge. Estimated at £4.00 / sq ft
7	Norwich Union House, Fountain Street	Colliers CRE	3,169 sq ft	£8.50	£26,936	Term flexible, Tenants full repairing & insuring incorporating service charge. Car parking spaces available under licence at £1,200 per space per annum.
8	Floral Buildings, East Bridge Street	BTW/RHM	12,430 sq ft	£14	£174,020	Flexible term, Full repairing an insuring lease incorporating service charge.
9	Centre House, Chichester Street, Belfast	Colliers CRE	5,584 sq ft	£12	£67,008	Flexible term, Full repairing an insuring lease. Service charge shall be levied at £2.50-£3.00 p/sq ft.
10	Sinclair House, 89/101 Royal Avenue, Belfast	McConnell Martin	8,274 sq ft	£9.25	£76,534	Term negotiable, Tenant responsible for internal repairs and fair proportion of insurance. Service charge of £3.85p/sq ft (includes insurance and heating).
11	Oyster House, Wellington Place, Belfast	CBRE	10,118 sq ft	£12.50	£12,725	Term negotiable, Service charge of £2.49p/sq ft

Appendix 3

Possible Council owned assets suitable for rationalisation

Seymour House	6,000 sq feet
Maysfield Boathouse	3,500 sq feet
ISB Building (Gloucester St)	15,000 sq feet
Total	24,500 sq feet

CLARENDON HOUSE
HOTEL & OFFICE
DEVELOPMENT



3D Modelling

Clarendon House
9-21 Adelaide Street
Belfast
for
Jermon Developments

ROBINSON ■ McILWAIN
ARCHITECTS
84-84 GREATWIND STREET, BELFAST BT1 2LU

Drawing No. 1168 PJ/SK31

JANUARY 2008



**Belfast City Council**

Report to:	Strategic Policy and Resources Committee
Subject:	6 Callender Street: Former Consumer Advice Centre
Date:	14 th March 2008
Reporting Officer:	Gerry Millar, Director of Improvement (ext. 6217)
Contact Officer:	Cathy Reynolds, Estates Surveyor, Core Improvement Team (ext: 3493)

Relevant Background Information

The Council hold premises at 6 Callender Street by way of a 21 year lease which is due to expire on the 31st July 2012. The premises were previously used by the Council's Consumer Advice Centre, who relocated to alternative premises in 2006. Following agreement by the Council, Belfast Local Strategic Partnership (BLSP) currently occupies some of the accommodation previously occupied by the Consumer Advice Centre. There is only a small number of BLSP staff remaining and it is understood that the contracts for any remaining staff are due to expire by December 2008.

The Citizens Advice Centre also occupies a portion of the premises by way of an agreement with the Council (inc. payment of an apportioned rent). They are however proposing to relocate in the next few weeks to alternative premises.

The annual rent for the premises is currently £32,000 per annum (the rent has not been reviewed since 1994 and officers have resisted any attempts from this date to have the rent increased). The total annual rent, service charge, insurance, rates and maintenance costs are approximately £73,000 p.a (based on current figures and on the basis that the Citizens Advice Centre has moved out).

The premises suffer from a poor layout, are in poor repair and there are onerous repairing liabilities on the part of the Council. Under the terms of the lease the Council is required, on expiration of the lease, to leave the premises in good and substantial repair and condition. This could therefore result in a substantial dilapidations claim cost against the Council at the end of the lease term. The premises are not DDA compliant (there are no WCs on ground or first floor, no lift and there are difficulties in providing a ramped entrance due to footpath width etc). The Consumer Advice Centre relocated to alternative premises due to the problems associated with the building, and the Citizens Advice Centre is also relocating for the same reasons.

Given the inherent problems with the building, officers have been attempting for some time to negotiate an early surrender of the lease with the owners of the premises, but until recently

they had refused. However the owners have now indicated that they will accept an early surrender subject to the Council paying a premium of £110,000 to compensate them for lost rental income. Initially the owners had requested a higher premium and had also made the surrender conditional upon a dilapidations survey being carried out and any issues raised being addressed by the Council at their expense. However, following negotiations they have now dropped the dilapidations condition and reduced the premium.

As the annual cost of occupation is £73,000 p.a. (as above), the total cost of occupation to the end of the lease, based on current figures, is estimated at £330,000. However, as the service charge, rates and insurance costs will be subject to annual increases the real cost is likely to be in excess of this.

Key Issues

Whilst it is acknowledged that surrendering the lease will allow the owners to proceed with redevelopment of the premises, it is recommended that the Council surrender the lease at the premium requested. This recommendation is based on the following:

- The cost of continuing with the lease until the lease end is estimated at approximately £330,000, i.e £220,000 in excess of the premium to get out of the lease.
- If a dilapidations claim is made by the owners at the end of the lease (which they are entitled to do under the terms of the lease) this could potentially significantly increase the Council's financial liability further.
- The premises are in poor repair, the layout is inefficient and they are not DDA compliant. They are not suitable for relocating Council staff without substantial upgrading works, but given that the lease is due to terminate in 4.5 years it is not cost effective to upgrade the premises. A DDA audit carried out a few years ago concluded that substantial expense would be incurred in making the premises DDA compliant.
- Following the Citizens Advice Bureau relocating there will only be a small number of BSLP staff (approx 5 no) located on the premises, and it would be significantly more cost effective to relocate these staff to alternative Council accommodation. Relocation to alternative Council premises is being considered as part of the wider Council Accommodation report which is also being brought to this Committee. However, if alternative accommodation cannot be found, officers are in discussions with the owners of the Callender Street premises about the possibility of a short term Licence Agreement being entered into to allow the remaining BSLP staff to occupy a small portion of the premises (ground floor office) only up until the end of December 2008

Resource Implications

Financial: the premium requested by the owners for surrender of the lease is £110,000. The cost of continuing with the lease until the lease end is estimated at approx £330,000. A sum of approximately £220,000 would therefore be saved as a result of surrendering the lease.

Asset and other Implications: As the premises are in poor repair and are unsuitable for alternative Council use without substantial upgrading works, and given the total cost that will be incurred to the lease end date, an early surrender of the lease, albeit at a premium, accords with effective management of the Council's assets.

Recommendations

It is recommended that the Committee grants approval to :

- (i) an early surrender of the lease at a premium of £110,000 (subject to the owner making no claim against the Council for dilapidations) and relocation of the remaining BLSP staff to alternative Council accommodation (up to the end of December 2008), or alternatively;
- (ii) to enter into a short term Licence Agreement with the owners of the building to permit the remaining BLSP staff to occupy the ground floor office up until December 2008 (if required) subject to the terms of the Licence being agreed by the Estates Management Unit and the Director of Legal Services.



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Acquisition of Land at Blythefield Open Space, Belfast.
Date:	14 March 2008
Reporting Officer:	Gerry Millar, Director of Improvement, Ext. 6217.
Contact Officer:	Ken Anderson, Estates Surveyor, Core Improvement Team, Ext 3496

Relevant Background Information

At its meeting on 14 February 2007 the Parks and Leisure Committee (copy attached as Appendix 2 to this report) agreed to the terms of acquisition of a portion of land (approximately 0.32 acres as shown shaded blue on the attached map - Appendix 1) adjoining Blythefield Open Space. The acquisition is essentially a surrender of part of lands leased by the Council to BELB on a 99 year lease dated 29 September 2000. The current acquisition is for the sum of £16,000 which is based on an apportionment of the price of £32,500 paid by BELB to the Council on grant of the 2000 lease.

The main purpose of the acquisition is to provide an access route and car parking in connection with the development of a Multi-Use Games Area (MUGA) and changing accommodation on the Council's Blythefield site. The MUGA and changing accommodation are being 100% funded by DSD. Funding in respect of the access and car parking is to be privately funded. A further use for the lands being acquired could be to provide a site for the development of a privately funded community facility by the Sandy Row Community Trust. If this community facility is to proceed it would be subject to terms to be agreed by the Estates Manager and a suitable agreement to be drafted by the Director of Legal Services. Such terms would be reported to Committee for approval in due course.

If the Council do not acquire the land from BELB the DSD funded scheme could possibly continue, but with reduced pitch size in order to accommodate parking and access on-site. Failure to acquire the land would inevitably delay delivery of the scheme and such delay could jeopardise the provision of DSD funding.

Key Issues

- The acquisition of the 0.32 acres of land from BELB will be at a cost of £16,000 to the Council.
- The lands proposed for acquisition are adjoining existing Council lands and will help facilitate the development of a (DSD funded) multi-use games area and changing accommodation on the Council's existing site.
- If this land is not acquired then the size of the proposed MUGA will require adjustment to accommodate car parking and access within Councils existing site, this would delay the project and delay could jeopardise the DSD funding.
- A portion of the 0.32 acres proposed for acquisition could subsequently be leased to Sandy Row Community Trust to allow construction of a privately funded community facility. Any agreement to proceed with this element would be subject to a suitable rent and lease terms being agreed and approved by Committee.

Resource Implications

Financial

- The acquisition of the subject lands will cost £16,000. This is essentially an apportionment of the amount BELB paid to the Council for the land in 2000.
- The construction of the access road and car parking on the land being acquired remains subject to receipt of private funding.
- In the short term the maintenance of the access and car parking to be developed on the acquired land could fall to the Council. However maintenance responsibility for part or all of the acquired land could subsequently be passed to Sandy Row Community Trust under the terms of a lease and a small amount of rent (possibly in the region of £850 per annum) could be generated from any lease arrangement between the Council and the Trust.

Human Resources

- No additional human resources required.

Asset and Other Implications

- Recovery of 0.32 acres from BELB and its development at nil cost to Council to facilitate purposes which fall within the Councils statutory functions would be advantageous to both the Council and the local community. The MUGA and changing accommodation remain subject to the availability of private funding for the provision of an access road and car parking, without which the current scheme would be unable to proceed. Should the scheme not proceed the Council will in any case have acquired 0.32 acres of open space on favorable terms in this inner city location.

Recommendations

The Committee is recommended to approve the acquisition of 0.32 acres of land (shaded blue on Appendix 1 to this report) from BELB for the sum of £16,000 as previously approved by the Parks and Leisure Committee at its meeting on 14 February 2008.

Key to Abbreviations

- BELB: Belfast Education & Library Board
- DSD: Department for Social Development
- MUGA: Multi-Use Game Area

Documents Attached

Appendix 1:



- | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">- Area shaded blue identifies the 0.32 acres proposed for acquisition from BELB.- Area shaded green identifies Council owned adjoining land and location for the MUGA and changing accommodation. |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

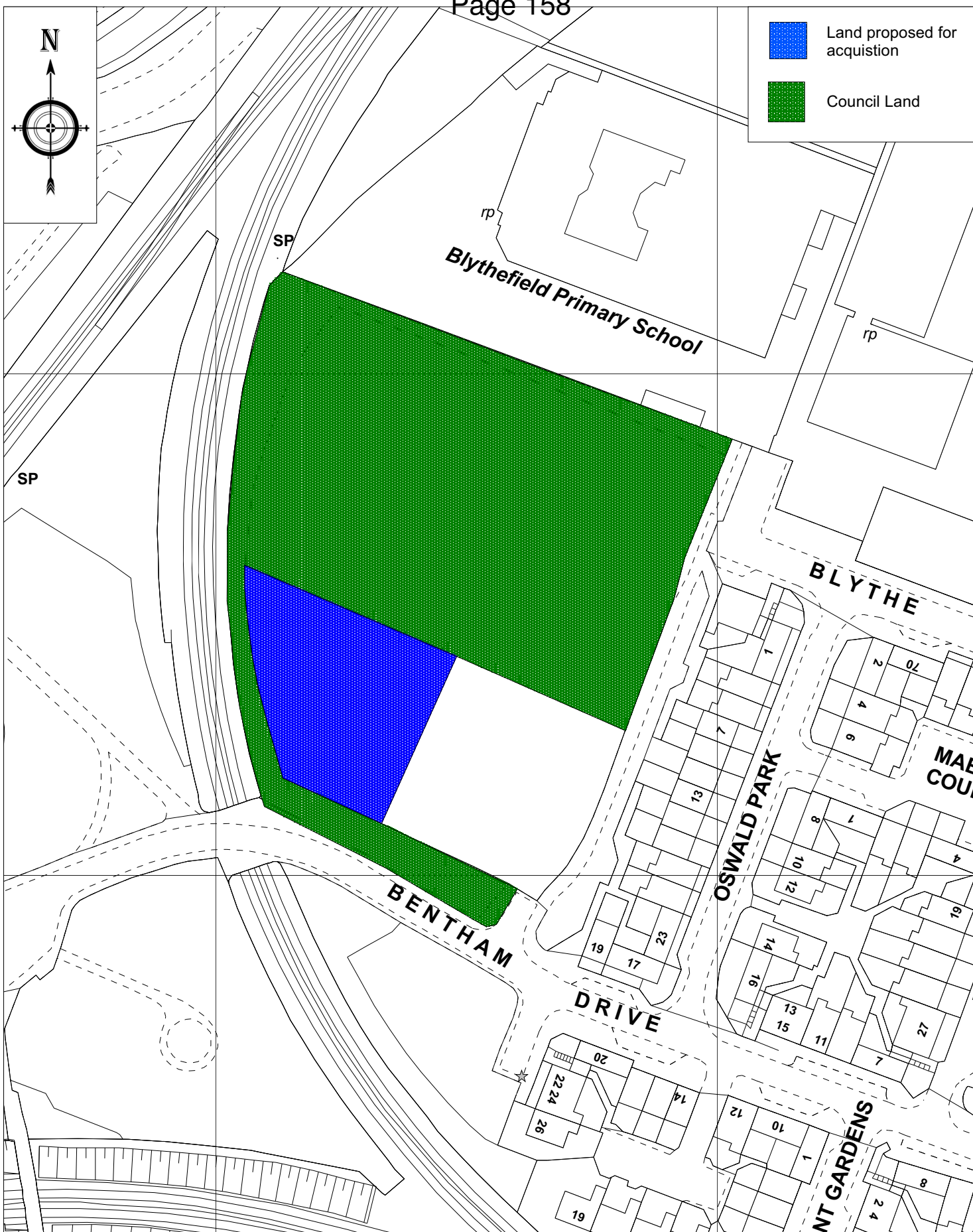
Appendix 2:

- | |
|-----------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">- Extract from the Minute of the Parks and Leisure Committee of 14 February 2008. |
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APPENDIX 2



 Land proposed for acquisition
 Council Land



Based on the Ordnance Survey of Northern Ireland map with the permission of the Director & Chief Executive. © Crown Copyright.

APPENDIX 1

BLYTHEFIELD OPEN SPACE, BELFAST

Produced by:-

MH

Estates Management Unit,
Belfast City Council,
Development Department,
Cecil Ward Building,
4-10 Linenhall Street,
Belfast BT2 8BP.

Date:-

13/12/2007

1:1000

Area: 0.32 acres

Lands Acquisition at Blythefield Open Space

The Committee considered the undernoted report:

“Relevant Background Information

The Committee is reminded that on 9 May 2006 the former Community and Recreation (Parks and Cemeteries Services) Sub-Committee adopted the recommendation to take back approximately 0.32 acres of lands from the Belfast Education and Library Board (BELB) by way of part surrender of a lease at nil cost to Council. The purpose of the acquisition was to facilitate the development of a multi use games area (MUGA) and changing accommodation on adjoining Council lands. The land being surrendered to the Council would provide access to the changing accommodation and necessary car parking space for users. The land being surrendered would also provide a site for potential construction of a community facility by the Sandy Row Community Trust.

The Committee is asked to note that this project, should it proceed, will be funded externally and that it will be self sustaining with no financial contribution from the Council in terms of either capital or revenue. The Committee is further asked to note that any future request regarding a community facility will be considered through the Development Committee.

Parks and Leisure Committee,
Thursday, 14th February, 2008

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The BELB has agreed to surrender the lands to provide vehicular access. However BELB is bound by legislation as is Council to obtain best price and best terms for all disposals. Due to this the Estates Management Unit has agreed a figure of £16,000 for the land.

If the acquisition proceeds it is proposed to lease a portion of the lands to the Sandy Row Community Trust. A further report will be brought to Committee on the detail of this proposal at a later date. However the primary purpose for acquisition of this land is to provide access and car parking for the changing accommodation and multi use games area. BRO has agreed to fund the development of the changing accommodation, MUGA, access and car parking.

Members are asked to note that should the Council not acquire the land from BELB the scheme could possibly continue, but with a reduced pitch size to accommodate parking and access on-site. In addition, it would result in a delay in the delivery of the scheme.

Key Issues

The Committee is asked to note that:

- The acquisition of 0.32 acres of land will incur a cost of £16,000;
- The lands proposed for acquisition are required to support the development of the multi use games area and changing accommodation on adjoining Council land;
- Failure to acquire the land will result in a reduction in the size of the proposed pitch to accommodate the necessary car parking and access within the Council's existing site;
- A portion of the 0.32 acre proposed for acquisition could be leased to Sandy Row Community Trust to allow construction of a community facility for the benefit of the local community subject to a suitable rent and lease terms being agreed and approved by Committee.

Resource Implications

Financial

The acquisition of the subject lands will cost £16,000. As land owner Council would have to fund future maintenance costs of the development. However responsibility for part of the land could be passed to Sandy Row Community Trust under the terms of a lease. The level of rent under the proposed lease would likely be in the region of £850 per annum.

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Parks and Leisure Committee,
Thursday, 14th February, 2008

Human Resources

No additional human resources required.

Asset and Other Implications

Recovery of 0.32 acres from BELB and its development at nil cost to the Council for purposes which fall within the Councils statutory functions would be advantageous to both the Council and the local community.

Recommendations

Committee is recommended to approve the acquisition of the 0.32 acres of land from BELB subject to the conditions set out in this report and suitable legal agreement being entered into.”

The Committee adopted the recommendation, subject to notification, in accordance with Standing Order 60, to the Strategic Policy and Resources Committee.



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Capital Programme 'Urgent' Projects
Date:	14 March 2008
Reporting Officer:	Gerry Millar, Director of Improvement
Contact Officer:	Michael Stanley, Project Manager

Relevant Background Information

As reported last month, the Council's Capital Programme has yet to be politically prioritised to ensure that the Programme and the City Investment Strategy meet Members' political priorities and are delivered in the context of affordable financial limits set by Members' decisions on the level of the rate.

Party Groups are to consider a draft Capital Programme along with City Investment fund proposals at a series of briefings which have been arranged for April.

Key Issues

At the moment there are a large number of schemes in the draft programme which have been put forward by various Committees over a number of years on an ongoing basis.

Furthermore in the context of setting the rate the Council has agreed to a £15m borrowing limit per annum for capital expenditure and a number of schemes are being moved forward within this limit e.g. Grove, Ulster Hall etc. However there are a number of urgent projects which Departments wish to move forward for various reasons and Committee direction is sought on a way forward. The full details of each project are set out in the attached appendices to this report. The main arguments however are summarised below.

North Foreshore: NIE Substation/Electricity Generation Compound Site Works

This proposal is a subset of the landfill powered electricity generation (joint venture) project and the grid connection project, which has been included in the capital programme since 2002/03.

The Council has previously taken a decision to commit expenditure to NIE for the installation of an electricity cable and construction of a substation to supply the North Foreshore site for future development purposes and permit the export of generated electricity.

The site for the substation is within the landfill site and NIE are reluctant to assume responsibility for the specialist engineering substructure works required and therefore the Council will need to undertake this work itself, necessitating a further committee approval to tender for the work.

The electricity generation facility is to be constructed, operated and funded by a private sector company; the tender process has been completed and a contract has been awarded (Renewable Power Systems), which includes the construction of the compound for the generators; however, it may prove to be more economic for the Council undertake the construction of the compound itself and therefore this work is being included in the tender documentation as an option.

The expenditure in respect of both elements of this proposal has been factored into the £15m capital expenditure limits.

Waterfront Hall Fire Alarm System

This project has been in the capital programme since 2007/2008 and was deemed critical after inspection showed that the smoke and heat detection devices are at the end of their operational life.

Rather than opt for a straight replacement it is argued that better value for money would be achieved by replacing the entire system as key components of the current system will not have manufacturer support post 2010 and will then need replacement anyway. The cost of replacing devices now which will become incompatible with any future system is £60,000 as opposed to £135,000 cost for a new system. As this is a recent proposal the costs are not among those factored into the £15m limit.

Shankill Leisure Centre Replacement Floor

This project was first introduced to the capital programme in 1997/98 and an unsuccessful procurement exercise was undertaken in 1999. The floor was then to be replaced along with building upgrade programme works but was further deferred as investigations took place into refitting Shankill LC to provide shared services with the North & West Belfast Trust. The shared service proposal has now been abandoned. The floor is well past its useful life and further repairs, resealing and resealing are no longer practicable.

Given the history of this scheme it was not factored into the underway schemes covered by the £15m borrowing limit, and the current estimated cost is £120,000.

Olympia Leisure Centre – Mini Soccer Pitch

The original proposal was for a pitch in Nubia street to which the Council, along with the IFA, would contribute funding. The site in Nubia street proved too small and the Community and Recreation Committee took a decision in February 2007 to include the scheme on the Capital Programme and create the pitch at Olympia LC. Current estimates for the scheme are £105,000 to which the IFA will contribute £25,000 subject to the use of their proprietary pitch provider Playdale Playgrounds Ltd undertaking the work. Again as a relatively new scheme (2007/08), the estimated expenditure is not currently factored into the £15m borrowing limit.

Apart from the NIE substation and electricity generation project none of these schemes are substantially underway. The total cost of these three schemes of approximately £360,000 is relatively small in terms of the capital programme and in the past could easily have been covered by slippage in the programme. However, the opportunity for slippage has substantially reduced due to the use of framework agreements and delegation of some procurement matters which allow us to progress contracts to site more expeditiously than before. Any overspend on the capital programme will need to be covered by reserves and there will eventually be a knock-on effect to other projects competing for funding.

Resource Implications

Detailed in Appendices 1- 4

Recommendations

Members are recommended to:

- i. agree to invite tenders for the NIE substation works and electricity generation compound site works as detailed in appendix 1;
 - ii. agree to invite tenders for the Waterfront Hall Fire Alarm system on the grounds of best value for work that will need to be done in any case in 2010 as detailed in appendix 2;
 - iii. agree to replace the Shankill LC floor on the basis of necessary work that should have been completed several years ago and will need to be undertaken relatively soon as detailed in appendix 3;
- and
- iv. to consider moving forward with the mini soccer pitch at Olympia to take advantage of IFA funding as detailed in appendix 4.

Documents Attached

Appendix 1: Details of North Foreshore: NIE Substation/Electricity Generation Compound Site Works proposal;
 Appendix 2: Details of Waterfront Hall Fire Alarm System proposal;
 Appendix 3: Details of Shankill Leisure Centre Replacement Floor proposal;
 Appendix 4: Details of Olympia Leisure Centre – Mini Soccer Pitch proposal.

By virtue of paragraph(s) 2 of the Council's Policy on the
Publication of Committee Reports in the Internet.

Document is Restricted