

GWYNEDD COUNCIL CABINET

Report to a meeting of Gwynedd Council Cabinet

Date:	7 March 2017
Title of Item:	Performance Report of the Cabinet Member for Resources
Purpose:	To accept and note the information in the report
Cabinet Member:	Councillor Peredur Jenkins
Contact Officer:	Dilwyn Williams, Chief Executive

1. INTRODUCTION

- 1.1 The purpose of this report is to update my fellow members on what has been happening in the fields within my remit as Cabinet Member for Resources. This includes outlining the latest developments against pledges within the Strategic Plan; where we have reached with the performance measures; and the latest in terms of savings and cuts schemes.
- 1.2 I will remind you that all matters have already been the subject of discussions and have been scrutinised at meetings of the relevant Management Teams, which also included a representation from the Scrutiny Committee.
- 1.3 On the whole, I am comfortable with the performance of the Strategic Plan and the performance measures for which I am responsible, or that relevant steps have been taken to improve performance.

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2. THE DECISION SOUGHT

- 2.1 To accept and note the information in the report.
- 2.2 The Cabinet is requested to approve re-profiling the **Stop Paying the Fee to pay Council Tax in post offices** scheme to 2018/19 rather than 2017/18 as originally intended.

3. THE REASON FOR THE NEED FOR A DECISION

- 3.1. In order to ensure effective performance management.

4. STRATEGIC PLAN PROJECTS

Effective and Efficient Council

- 4.1. **C1 Implementing Ffordd Gwynedd - The purpose of this project is to lead service teams to reflect on their current working arrangements, to challenge whether they are putting the people of Gwynedd at the centre, and whether there is room for improvement.**

By the end of March 2017, 12 service reviews will have been completed and the Ffordd Gwynedd principles will have been promoted amongst the Council's managers.

- 4.1.1 Over the past weeks, work has been ongoing to consider how to reduce the period for 'check' at future reviews. In order to reduce this period in future, we will look at ensuring better understanding within the team regarding what level of detail is required and have better control of the team's meeting arrangements and administration.
- 4.1.2 The Project Group also considered if more could be achieved in less time as a result of a question raised by the Cabinet regarding the need for more resources in order to realise Ffordd Gwynedd. The opinion was that financial resources would not solve the fundamental problem at present. Rather, sufficient time is needed for the culture to embed across the Council. The Group was also of the opinion that extended internal training planned for the Council's Managers would be more valuable to hasten the process.
- 4.1.3 The Highways Review Team reported to the Head of Department, Cabinet Member and Chief Executive on the findings of the work within the Service to date on 23 November. It is suggested that it would be useful for the Leadership Team to receive a report on the findings of the work from the Cabinet Member for Environment and the Team Leader shortly so that you have a flavour of what has happened and the next steps.
- 4.1.4 Training to ensure understanding of the principles behind Ffordd Gwynedd for Heads has now been completed by Vanguard Company and the training for Senior Managers will have been completed during February. The feedback has been very positive.
- 4.1.5 The internal training sessions for Managers will be conducted from April onwards and it is suggested that it would be beneficial for Members of the new Cabinet to attend sessions individually in order to have a flavour of what is presented.

4.2 C2 Leaders development programme - The purpose of this project is to ensure that leaders within Gwynedd Council understand the principles of Ffordd Gwynedd, that they are aware of what they need to do in order to reinforce the Ffordd Gwynedd principles through all tiers of the establishment, and that there is a system in place to ensure that this is done consistently.

By the end of March 2017, we will have held a programme of personal development for every member of the Council's Management Group and the Cabinet to equip them to lead and reinforce the working culture within the Council.

4.2.1 The work of developing leadership among the senior officers is ongoing. Ongoing appraisal meetings are held between the Head of Department and the member of the Management Team throughout the year (Corporate Director with the Chief Executive) whilst the two relevant Cabinet Members will attend one of the annual appraisal meetings only.

4.2.2 We are providing coaching sessions with an external Coach for four members of the Management Group currently, in specific response to needs which have been identified as a result of the appraisal discussion.

4.2.3 Work is progressing also in order to emphasise how crucial maintaining and displaying the leadership behaviours is for Leaders and Managers in their everyday work.

4.2.4 Following a discussion at the last performance challenging meeting I have asked the Project Leader to look at defining what we mean as a Council in relation to leadership. In addition, I have asked him to hold a session with the Leadership Team in order to provide an opportunity for us to give an opinion regarding whether leadership has improved and, if so, to identify why so that more of it can be done.

4.3 C6 Information Technology (IT) Strategy - The purpose of this project is to produce an Information Technology Strategy that will set out the direction for the next phase in order to maximise the benefit to be gained from using this tool along with a work programme to deliver that strategy.

By the end of March 2016, we will have produced an IT Strategy.

4.3.1 Since I last reported, there has been further progress in the work of the Strategy.

4.3.2 **Working in the field:** An "app" has been released for staff to record waste collections, with the details about the collection recorded against the details of the dwelling. This information will be available to staff in the Contact Centre when responding to residents' enquiries.

4.3.3 **Innovation:** Opportunities have arisen to collaborate with a small number of dementia sufferers in a dementia-friendly area which is being established in the Bontnewydd, Dinas Dinlle, Rhosgadfan and Waunfawr area. A small team has been testing a number of tracking devices recently and collaborating with sufferers will allow us to adapt the provision around the sufferers' needs.

4.3.4 **Providing technology to deliver and as an enabler to transform:** The Council's phone system was upgraded during 2015/2016 and a system which made

substantial financial savings was introduced which uses the Council's data network rather than paying for telephone lines to make calls and also to upgrade a system which had been in use for 25 years. The second phase of this project, namely introducing "Skype for Business", included technology which gives the ability to manage where you receive your phone calls (at home, on a mobile phone, on the computer), making video calls from your desk, and holding voice and video conferences. This system will be trialled with a group of users over the course of the coming weeks.

4.4 C7 Electronic document and records management system (EDRMS) - The purpose of this project is to establish the EDRMS system which will ensure that the Council's information sharing arrangements are much easier and more effective.

By the end of 2017, at least five of the Council's departments will use the EDRMS system.

4.4.1 The entire Education Department has now transferred to using the system and a central schools hub has been developed which means that there is cross-departmental access to documentation and information.

4.4.2 In addition, by now 75% of the Finance Department has transferred to using the system and preparatory work has begun with the Regulatory Department with the aim of introducing the system between March and May.

4.4.3 It is anticipated that all Departments will have transferred to using the system by the end of October 2017.

Financial Planning

4.5 CA4 Further efficiencies and service provision models - The purpose of this project is to find further efficiency schemes in order to reduce the amount of cuts required in addition to researching fields where it is possible to change the current model of provision and, thus, make savings.

By the end of March 2017, we will have found further efficiency schemes to be achieved.

4.5.1 For 2016/17, the Financial Strategy required further savings of £1.24m. In response, schemes to the value of £1.04m have been developed and approved to be implemented by the Cabinet. One other scheme, worth £200k, will be referred to the Cabinet's attention in the coming months and if approved, it will bring the total for the year to £1.24m.

4.5.2 The savings requirements for 2017/18 are currently being addressed and the latest projection anticipates that £1.082m further savings will be required. The Cabinet has already approved schemes worth £1.082m for 2017/18.

4.5.3 The Leadership Team has also received various scenarios regarding how many savings will need to be secured in 2018/19 and 2019/20. The best scenario projects a deficit of £6.352m, a middle scenario of £11.6m and the worst of £17.5m. Savings of £1.25m have already been planned for this period and schemes worth £3.5m are being finalised currently before being referred for the Cabinet's attention. If those schemes are approved, further schemes worth £4.75m will be available between 2018 and 2020.

- 4.5.4 Over the coming months, we will be planning and developing options to respond to the financial deficit that remains.
- 4.5.5 With the work of developing an **Alternative Adult Care Model** the Leadership Team has already received details regarding the Department's alternative savings schemes and is supportive of them. Consequently, no further work will be undertaken on this subject at present.
- 4.5.6 Work of appraising the options for the **Alternative Leisure Model** and seeking legal and financial advice on matters has started and the intention is to submit a draft business case to the Leadership Team in March.

5 PERFORMANCE

5.1 **Appendix 1** provides a full report on the performance measures related to my portfolio.

5.2 FINANCE DEPARTMENT

5.2.1 There are 11 Services in the Finance Department. I have challenged the measures of the **Internal Audit Service, Risk and Insurance, Benefits, Investment and Treasury Management and Payroll** and performance is currently acceptable.

5.2.2 The **Tax Service** is responsible for collecting taxes promptly and efficiently, whilst trying to be flexible and sympathetic to individuals' circumstances. It can be seen that the **Number of council taxpayers who contacted the recovery team and who were referred to the CAB organisation for further debt advice (CD11.04)** has increased to 92 for quarter 3 compared with 68 in quarter 2 and 22 in quarter 1. We discussed whether those who are referred to CAB pay the debt or not and it was agreed that consideration should be given to keeping information about the numbers who have reached a payment agreement following being referred and are continuing to pay.

5.2.3 The **Income Service** is responsible for processing the various incomes and collects the Council's debts promptly and efficiently to maximise income. It is noted that there is a small slippage in the **Total value of various debts over six months old (CD7.02)** compared with the same period in previous years 1,055,863 in 16/17 compared with 1,022,023 for the same period in 15/16 and 1,023,768 for 14/15 but better than 1,408,046 in 13/14.

5.2.4 I am satisfied that the performance is within the expected range but in order to get a better understanding of the trends over time I have asked the Unit to collect the data for this measure on a monthly basis in future and for it to be presented in graph form.

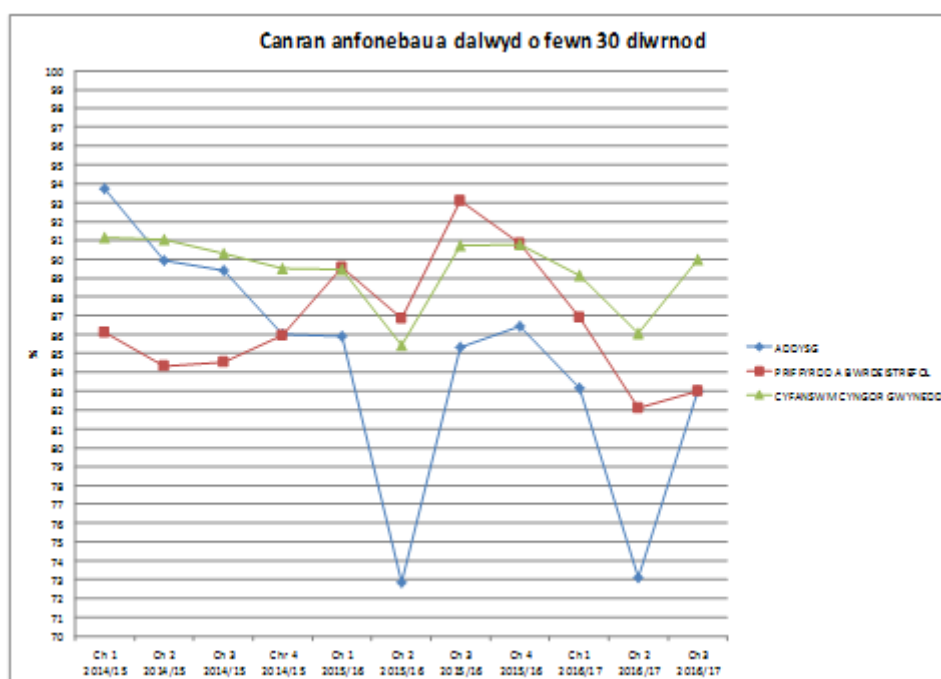
5.2.5 The **Finance and Accounting Service** provides a service and aids and supports services to be effective and efficient. I mentioned at the last meeting that I had asked them to measure **CD5.01 Success in keeping within the budget** every quarter rather than annually and at the end of the second quarter the performance was 0.0012 which suggests that we currently anticipate a very small overspend. However, from the experience of previous years, the situation tends to improve during the final quarter.

5.2.6 As a Council, we have a role to ensure that we pay our creditors correctly and on time and it is the **Creditors' Payments Service** that is responsible for this. It can

be seen that the performance for measure **Percentage of invoices paid within 30 days (across the Council) (CD6.01)** has improved a little in Quarter 3 (90%) compared with the performance of Quarter 2 (86%) and Quarter 1 (89%).

5.2.7 However, the performance is a little lower compared with the same period in previous years (91% in 15/16 and 94% in 14/15 and 13/14). You will be aware that work has already been undertaken with the Education Department and the Highways and Municipal Department in order to try to improve performance and it can be seen that there has been some improvement.

5.2.8 These Departments are continuing to bring the rate for the entire Council down and, consequently, I have written to the relevant Cabinet Members highlighting that fact and asking them to address the matter at future performance challenging meetings.



5.2.9 The purpose of the **Pensions Service** is to administrate the Local Government Pension Scheme on behalf of employers in order to account and pay pensions promptly and accurately. It is noted that the **Average number of work days taken to send a letter notifying the value of retirement benefits - estimate (CD9.03)** has reduced at the end of quarter 3 to 4.00 compared with 9.70 at the end of quarter 2 and 7.40 at the end of quarter 1. It is also an improvement on the performance for the same period in previous years (10.40 in 15/16, 6.50 in 14/15 and 5.70 in 13/14).

5.2.10 The main reason for this is that an effort has been made to improve the verification process and changing internal arrangements and increasing the number of individuals who are a part of the process. Time will tell whether it will be possible to maintain the same level in the future but I will be keeping an eye on the situation.

5.2.11 The **Information Technology Service** supports and enables all the Council's services to serve the residents of Gwynedd in an effective, flexible and secure way. As I mentioned in my previous report, I was not of the opinion that the set of measures that the Service had addressed all the work fields. In the meantime,

work has been carried out to develop additional measures and we will be able to report on them from the end of quarter 4 onwards.

5.3 CORPORATE SUPPORT DEPARTMENT

5.3.1 I am responsible for the remit of five Units within the **Corporate Support Department** and having challenged the performance measures for the **Organisation Development, Learning and Development, and Support** departments, I am content with the performance of the relevant measures.

5.3.2 It is important that we manage absences at the Council in order to ensure that we provide the best service for the people of Gwynedd. The **Human Resources Advisory Service** is responsible for collecting this information and I am a little concerned that the figure for the measure **Number of days of sickness absence (CHR/002)** has increased to 6.23 days for the first 3 quarters of 2016/17 compared with 5.99 for the same period in 15/16, 6.07 in 14/15 and 5.82 in 13/14.

5.3.3 As reported last time, I have asked the Service to look at the split of short-term and long-term illness. It is noted that over 70% of the total days in 15/16 were long-term illness but further work needs to be done in order to analyse the information and identify the reasons for the illness. For the future I have also asked them to present the information in graph form in order to be able to compare and identify trends more easily.

5.3.4 The **Health, Safety and Well-being Service** is responsible for advising how to protect the health and safety and well-being of staff and the people of Gwynedd and monitoring quality.

5.3.5 From looking at the measure **Number of H&S inspections (and the resulting number of non-compliance cases)** it is noted that there are 11 low-risk sites, 8 medium-risk sites and 2 high-risk sites. While discussing examples of shortcomings noted on the sites in question, lack of training was highlighted often and that the situation tended to be worse in schools.

5.3.6 In order to try to improve the situation, I have asked the Service to identify which School Heads have not received Health and Safety training and asked the Head of Education to put steps in place in order to ensure that they receive the training. As a further step, I have also asked them to circulate a message to all Managers reminding them of their responsibility in relation to Health and Safety and offering them support if required.

5.3.7 I challenged the progress of the work streams within the **People Plan** at the last performance challenging meeting. As there is a list of work streams within the Plan I have asked the Department to place it on the Departmental risk register by the next meeting. This will allow us to decide on the streams that we will need to report on and report on the high risk ones only in future.

6 FINANCIAL POSITION / SAVINGS

6.1 It is anticipated that 76% of the total savings schemes of 2016/17 of the **Finance Department** will have been realised by the end of this financial year. Slippages only are seen with three schemes, and for specific reasons, but it is anticipated that the savings will be harvested in due course. It has been reported for some time that a solution regarding the C27 scheme (Re-acquire the PSBA network) has been the subject of national discourse. This is continuing and the recent

outlooks suggest a likelihood that the savings will be delivered but that slippage will occur until 2018/19.

6.2 On the whole no problems are anticipated in realising the 2017/18 schemes. However, there is a challenge with realising cut scheme number 13 (Stop paying the fee to pay Council Tax in post offices) and further research is needed in order to seek a solution. As the Council's financial situation for the year is better than anticipated, I ask the Cabinet to approve the re-profiling of the scheme to 2018/19.

6.3 The **Corporate Support Department** has delivered all of the 2016/17 efficiency and cuts schemes, and is making very decent progress towards delivering the schemes of the subsequent two years. Only one of these plans is not on track and it is anticipated that an alternative means of delivering the saving will need to be found but the Department is dealing with this.

7 **NEXT STEPS AND TIMETABLE**

7.1 None to note.

8 **ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION**

8.1 **Views of the Statutory Officers:**

i. Chief Executive:

The submitted report draws attention to several important matters. I would echo the suggestion of reporting on the findings of the Ffordd Gwynedd work in the Highways Department; it is a good example of the type of shift in culture that we want to see. In addition, the financial planning work, though a field in which we are ahead of the game in reality, remains one which requires regular attention to ensure that we continue in that position.

While looking at these major and strategic issues, we must also keep an eye on our daily performance and it is good to see the Cabinet Member drawing attention to two things which he wishes to investigate further:-

- The need to address the small deterioration in our performance on the important measure of paying creditors
- The small deterioration in performance in terms of staff sickness

ii. Monitoring Officer:

No observations from a propriety perspective

iii. Head of Finance Department:

I confirm the accuracy of the budgetary elements of the report, and I will support the Cabinet Member to achieve the relevant objectives.

8.2 **Views of the Local Member:**

8.2.1 Not a local matter.

8.3 **Results of Any Consultation:**

8.3.1 None to note.

Appendices

Appendix 1 - Performance Measures