

GWYNEDD COUNCIL CABINET

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| Date: | 18 September 2018 |
| Title of Item: | Performance Report of the Cabinet Member for Finance |
| Purpose: | To accept and note the information in the report. |
| Cabinet Member: | Councillor Peredur Jenkins |
| Contact Officer: | Dilwyn Williams, Chief Executive |

Report for a meeting of Gwynedd Council Cabinet

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 Finance. This includes outlining progress against the pledges within the Council's Plan; the progress of the performance measures; and the latest in relation to the savings and cuts schemes.
- 1.2 The matters noted in this report have already been the subject of discussions and have been scrutinised at a meeting of the Finance Department management team, which also included representation from the Audit and Governance Committee, who is undertaking the scrutiny role in this field.
- 1.3 On the whole, I am comfortable with the performance of the project and 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.

3. CONTINUATION OF WORK ON 2017/18 GWYNEDD COUNCIL PROJECT PLANS

- 3.1 Both projects below were a priority within the abovementioned Plan that ended in March 2018. The work of implementing the Information Technology Strategy is continuous and. I will therefore continue to report on this work until the new Strategy is adopted. The Electronic Document and Records Management System (EDRMS) project implementation timetable has slipped since publishing the 2017/18 Gwynedd Council Plan; therefore, I will also continue to report on the work until it is complete.

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FfG5 - Information Technology Strategy (IT)

- 3.2 As the current Information Technology Strategy is ending, we have commenced internal discussions in order to devise a new Strategy. When ready, I will bring it to the attention of the Cabinet for discussion.
- 3.3 **Digital Channel and Facilitating Contact with the Council:** The work of developing the 'Gwynedd app' is nearing completion, but as we were trialling it, we discovered that it was incompatible with some of the Apple iPhones. We preferred to delay launching the app in order to ensure that it would work fully on all devices.
- 3.4 Many valuable lessons have been learned in working with an external provider to develop the app, but we are confident that we can do much development work internally ourselves in future.
- 3.5 Innovation: A new 'VR Dementia app' was launched at a public event in Galeri, Caernarfon on 5 July, with a real buzz and enthusiasm about its potential. The intention of the technology is to teach the people of Gwynedd how to identify and be patient with people with dementia, and it will be shared among the county's societies (e.g. Young Farmers Clubs, Merched y Wawr) and Dementia Friendly Communities.
- 3.6 **Education Information Technology Strategy:** The Department officers are working with officers from the Education Department to develop a new Strategy that will focus on providing the best IT support system for Gwynedd schools.

C7 Electronic document and records management system (EDRMS)

- 3.7 The work of disseminating the use of the system to some Council departments in order to meet their needs has been more complex than anticipated. This means that the timetable has slipped and the work of transferring the remaining department's files will be completed by the end of March 2019.
- 3.8 I have agreed with the team that we must wait until all departments have finished transferring to this new system, and all work is complete, before we take a step back and assess whether the new system in its entirety has met our requirements.

4. PERFORMANCE

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

- 4.1 There are 11 Services within the Finance Department. I have challenged the measures of the **Finance and Accounting Service and the Benefits Service** and I am satisfied with the performance. The performance data for the **Investment and Treasury Management Service** against their measures in the first quarter of 2018/19 was unavailable from external suppliers in time for the meeting of the Finance Department's management team meeting in July, therefore I will report on those in my next report.
- 4.2 I am satisfied with the performance of the **Tax Service** but I would like to draw your attention to one matter that we are monitoring it in light of information gathered on the non-domestic tax collection rate. We are aware that some second home owners manage to avoid paying Council Tax by transferring the property to a self-catering 'businesses', but then receive small business rate relief. This means that there is considerable loss to the public purse in Wales, at a time when public funding is scarce. We have been discussing the matter on a national level with public bodies and other local authorities, and we will continue to keep an eye on the situation in future. Other methods of addressing the matter and equipping our Assembly representatives to pursue the matter should be considered.
- 4.3 The purpose of the **Income Service** is to process income and collect the Council's debts promptly and efficiently to maximise income, whilst being sympathetic to the departments' needs and operating sensitively to debtors' financial circumstances
- 4.4 It is noted that the performance of the measure **Total value of various debts over six months old (with the exception of deferred payments and debt referred to other services for further action). CD7.02** has slightly decreased, with a higher total value of debts over six months old on 30 June 2018 compared to 30 June 2017. As contentious historic invoices within the field of care for adults constitutes a high percentage of the total, officers of the Service are in discussions with the Health Board, and others, to attempt to resolve the situation.
- 4.5 The purpose of the **Payroll Service** is to pay Council staff correctly and on time, whilst maintaining relevant accounts for paying external bodies such as HMRC.
- 4.6 There was a case in April where some ancillary school staff received the incorrect salary (overpayments and underpayments). The problem was identified immediately, and I am satisfied that the Service's response had been appropriate. More importantly than this, steps have been taken to ensure that the same situation does not happen again. This case has caused a decrease in the performance of the **Number of cases which lead to further adaptations in salary (CD8.07)** measure, but I expect the performance to return to the expected level by the time of my next report.
- 4.7 The purpose of the **Internal Audit Service** is to give citizens and the Council confidence in the Council's management environment and governance arrangements by reporting independently and objectively to the Head of Finance and the Audit and Governance Committee.

- 4.8 By the end of the first quarter (end of June), the **Percentage of audits in the Audit Plan that have either been closed or have a published final report (CD2.03)** remained at 0%, but there is a sensible solution to this. The Service had been awaiting the decision of the Audit and Governance Committee to move to use a new scoring system for measuring risks. The new scoring system was approved at the meeting of the Audit and Governance Committee on 19 July. As usual, the Service has been carrying out many internal audits since April, but has delayed publishing the final reports so that all reports published in 2018/19 are consistent. Therefore, I expect the performance against this measure to return to the normal level by the next quarter.
- 4.9 The **Risk and Insurance Service** supports the Council's departments as they assess the threats and opportunities they could face when providing their services and prioritises their activities based on the assessment. It also protects the taxpayers' interests by ensuring appropriate insurance arrangements and dealing with claims.
- 4.10 It is noted that the performance of the measure **Protecting the taxpayer's financial interests: Percentage of public accountability claims refused (settled for £0) by the Insurance Unit (CD4.01)** is higher than it was in the first quarter of 2017/18 - 85% compared to 66.6%. 17 out of 20 claims were protected successfully. I am satisfied that two of the other three claims were ones that were challenged on the principle of compensating for accidental damage caused by the Council to the property of Gwynedd residents. The final one is a case where accidental damage was caused to clothing, but as it would be possible to avoid the situation in future, I have asked for assurance that direction has been shared with staff.
- 4.11 The **Pensions Service** administrates the Local Government Pension Scheme on behalf of over 40 employers in order to calculate and pay pensions promptly and accurately. The performance of the measure **Average number of work days taken to send a letter notifying the value of retirement benefits - estimate (CD9.03)** remains at a very satisfactory level. There was a small growth in the average time since the final quarter of 2017/18 (3.5 working days compared to 3.3 working days). Nevertheless, 3.5 working days is an improvement on the performance of quarter 1 in 2017/18 when it took 7.4 days, and is a leap forward from the 11.5 days taken in the first quarter of 2014/15.
- 4.12 The Service also continues to work to ensure that the Welsh language provision on the Pension Service's self-service website is complete. I hope to be able to report on the progress in this field by my next report in January.
- 4.13 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.
- 4.14 On the whole, the performance measures demonstrate consistent performance and a high satisfaction level across all units.
- 4.15 However, whilst system availability is generally high, thus far this year, there have been three occasions where Council staff's ability to work was significantly impaired due to the loss of IT support. This has led to a discussion about the suitability of our IT structure. Although there is nothing to suggest that our structure is inadequate, the unit will commission an independent assessment, and I will report back on the conclusions in due course.
- 4.16 One other matter that became clear was the need for additional IT support when Units conduct Ffordd Gwynedd reviews. We know that some of the feedback the Development and Maintenance Unit received emphasised that a failure to create

the appropriate resource to support changes in light of the Ffordd Gwynedd reviews created frustration. Therefore, I have asked the Unit to consider drawing up a case for providing more resources for the consideration of the Cabinet.

5. FINANCIAL POSITION / SAVINGS

5.1 None to note.

6. NEXT STEPS AND TIMETABLE

6.1 None to note.

7. ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION

7.1 Views of the Statutory Officers:

i. Monitoring Officer:

No Comments in terms of propriety

ii. Head of Finance Department:

I confirm the accuracy of the report's contents, and I will support the Cabinet Member to achieve the relevant objectives.

7.2 Views of the Local Member:

Not a local matter.

7.3 Results of Any Consultation:

None to note.

Appendices

Appendix 1 - Performance Measures