

<b>REPORT TO:</b>	<b>FINANCE AND MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM: 7</b>
<b>DATE OF MEETING:</b>	<b>16th JUNE 2016</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF FINANCE &amp; CORPORATE SERVICES</b>	<b>OPEN</b>
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<b>SUBJECT:</b>	<b>CORPORATE SERVICES PERFORMANCE MONITORING: QUARTER 4 FINAL OUT-TURN 2015/16</b>	
<b>WARD (S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE: FM 13</b>

## **1.0 Recommendation**

- 1.1 That the performance of Corporate Services for 2015/16 is approved.

## **2.0 Purpose of Report**

- 2.1 In accordance with the performance development framework, the report details final performance figures for 2015/16 against approved targets. Following completion of work in the previous Corporate Plan (2009 to 2014) the report assesses progress against on-going indicators and targets contained in the Service Plan for Corporate Services.

## **3.0 Detail**

- 3.1 During the period in which the Corporate Plan has been reviewed, the Committee has continued to oversee performance in benefits processing and customer services contact, together with collection rates and updates on key developments in Corporate Services that have previously been approved.
- 3.2 These indicators are designed to help measure value for money and the way in which the Council delivers services to its residents. In addition, the Committee is also responsible for reviewing health and safety, together with absence management performance and the Council's strategic risk register.

- 3.3 The targets set are generally based on benchmark standards and are regularly compared with other councils.

### **Collection Rates for Council Tax and Business Rates**

- 3.4 The collection rates for Council Tax, Business Rates and Sundry Debtors are shown in the following table.

<b>Collection Rates</b>	<b>Annual Volumes</b>	<b>Actual 2013/14</b>	<b>Actual 2014/15</b>	<b>Target</b>	<b>Actual 2015/16</b>	
Council Tax in-year Collection	£47.2m	97.80%	98.10%	97.40%	98.20%	GREEN
Council Tax Arrears Collection	£4.4m	22.10%	18.50%	26.70%	17.60%	RED
Business Rates Collection	£24.1m	98.10%	98.40%	96.10%	98.70%	GREEN
Recovery of Housing Benefit Overpayments	£1.4m	37.50%	40.10%	34.20%	34.20%	GREEN
Sundry Debtor Collection (incl. Arrears)	£4.6m	84.20%	90.10%	82.60%	85.60%	GREEN

- 3.5 The table shows that all collection rates (except Council Tax arrears collection) exceeded their respective targets.
- 3.6 The service provider (Northgate Public Services - NPS) is incentivised to maximise collection as much as possible, as they can gain a share of additional income. If overall collection falls below target, then they are required to make up any shortfall in cash collected.
- 3.7 However, the above collection rates are aggregated for the purpose of measuring performance against an overall contractual target. NPS exceeded this target for the financial years 2010/11 to 2014/15. The assessment for 2015/16 is currently subject to Audit.

### **Council Tax Arrears**

- 3.8 The performance on Council Tax arrears collection was reviewed by the Overview and Scrutiny Committee as part of their budget scrutiny work for 2016/17. Outcomes of the review included initiatives around encouraging a greater take-up of direct debit and spreading payments over 12 months. This is to ensure that in-year collection is maximised to avoid future arrears.
- 3.9 A further 200 households have now switched to direct debit for 2016/17, bringing the total direct debit percentage to 68% for all households in the District. Approximately 1,000 households have switched to 12 monthly instalments from the traditional 10 months, in order to spread payments over the year.

## Benefits Processing

3.10 This is summarised in the following table.

Benefits Processing (Average Time)	Annual Volumes	Actual 2013/14	Actual 2014/15	Target	Actual 2015/16	
Processing New Claims	1,000	17 Days	40 Days	18 Days	16 Days	GREEN
Processing Change of Circumstances	14,000	14 Days	28 Days	8 Days	8 Days	GREEN

3.11 Performance reverted back to normal levels in 2015/16 following the problems which led to deterioration in performance during 2014/15. In accordance with the NPS contract, performance is measured quarterly during the year and this is summarised in the following table.

Benefits Processing Times by Quarter	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Overall
Processing New Claims	17 Days	18 Days	13 Days	15 Days	16 Days
Processing Change of Circumstances	7 Days	12 Days	7 Days	6 Days	8 Days

3.12 The table shows that there was a temporary decline in turnaround times during quarter 2. This was due to the final stage of implementing electronic processing. Whilst this was completed, it did cause a temporary backlog. Thereafter, from September 2015, performance has been steady and consistent within normal processing times.

## Customer Services

3.13 Performance is summarised in the following table.

Customer Services	Annual Volumes	Actual 2013/14	Actual 2014/15	Target	Actual 2015/16	
Telephone calls answered within 20 seconds	135,000	81%	77%	80%	79%	RED
Customer Satisfaction (face to face enquiries)	34,000	95%	94%	90%	95%	GREEN

## Speed in Answering Telephone Calls

3.14 Performance on answering telephone calls just failed to meet the overall target for the year. As previously reported, this was due to the substantial increase in volumes which has steadily increased over the last 2 to 3 years.

3.15 Various service improvements have been made and the effect of this is shown in the following table, which details monthly performance for 2015/16.

Apr-15	85%
May-15	74%
Jun-15	77%
Jul-15	70%
Aug-15	75%
Sep-15	76%
Oct-15	80%
Nov-15	85%
Dec-15	86%
Jan-16	82%
Feb-16	84%
Mar-16	70%

3.16 Following development and in particular the introduction of the cash payment machines, performance returned to normal levels from October 2015.

3.17 Performance in March 2016 dipped due to a spike in calls relating to the Severn Trent water supply issue in the District. March is traditionally a busy month in any case due to annual council tax bills and rent statements being sent out to residents.

3.18 Good practice suggests that call abandonment rates should not exceed 10%. This is measured and reported monthly. During the year, this was not exceeded with the monthly average being 5%.

### **Payment of Invoices**

3.19 This is summarised in the following table.

<b>Financial Efficiency</b>	<b>Annual Volumes</b>	<b>Actual 2013/14</b>	<b>Actual 2014/15</b>	<b>Target</b>	<b>Actual 2015/16</b>	
Percentage of Invoices paid within 30-days	6,600	96.40%	97.24%	97.50%	98.67%	GREEN
Percentage of Invoices paid within 10-days	6,600	69.10%	74.64%	65.00%	84.25%	GREEN
Number of Payments made Electronically	32,500	98.30%	99.40%	90.00%	99.28%	GREEN

### **Health and Safety Overview**

3.20 The accident statistics for April to March 2016 are detailed in **Appendix 1**. There were no reportable accidents during the quarter January to March 2016. A detailed analysis of all accidents and near misses, including lessons learnt, is considered by the Health and Safety Committee.

3.21 In addition, the Annual Health and Safety Report is a separate agenda item elsewhere on this Committee Agenda.

## **Sickness Absence Data**

- 3.22 Following deteriorating performance on sickness absence in 2013/14, the Council's absence rate during 2014/15 steadily improved. For 2014/15, there was an average of **9.9 days** lost per employee for the year, which compared with **12.4** days in 2013/14.
- 3.23 In quarterly monitoring reports during 2015/16, it has been reported that the absence rate had been declining further. The final figure for 2015/16 was **7.9** days. This is just below the Council's target for the year of 8 days.

## **Risk Register**

- 3.24 An updated corporate risk register is detailed in **Appendix 2**.
- 3.25 The register summarises what are considered to be the key corporate risks to the Council, together with the mitigating action that is currently in place to address these risks. The key risks are:
- The potential effects on services of reductions in core spending power
  - The potential effects of the national economic position at a local level
  - Keeping pace with technology and security of data
  - Business continuity and in particular the loss of the Civic Offices and IT
  - Capacity and resilience in service provision
  - A reduction in resources for the community and voluntary sector
- 3.26 Operational and service risks are detailed in Departmental Service Plans and reported to other Policy Committees. A separate financial risk register is contained in the Medium Term Financial Plan.

## **4.0 Financial Implications**

- 4.1 None directly

## **5.0 Corporate Implications**

- 5.1 None directly

## **6.0 Community Implications**

- 6.1 None directly

## **7.0 Background Papers**

None

**ACCIDENT STATISTICS****Purpose of the Report**

This report provides an overview of the number of accidents that have occurred during the period 1 January to 31 March 2016 within the Council.

**Background**

The Health & Safety Officer provides advice and training on health and safety matters across the Council. This Officer is also responsible for producing management information on the number of accidents. These are collated on a regular basis and are reported to the joint Health & Safety Committee. This Committee reviews the accidents and makes recommendations or learning that needs to be implemented.

**Accident Statistics**

The Council's accident statistics are broken down into reportable and non-reportable accidents.

Reportable accidents are those covered by RIDDOR (Reporting of Injuries, Diseases & Dangerous Occurrences Regulations, 1995). These accidents have to be reported to the Health and Safety Executive and include:

- Where a member of staff has been required to stay in hospital for 24 hours after an accident;
- Where a member of the public was taken to hospital for treatment after the accident;
- If the accident results in the member of staff being off work for 7 days after the date of the accident,

The table overleaf shows the number of accidents that have occurred during the current quarter by reportable accident type and category and the year to date.

During the fourth quarter of 2015/16 there were

- 9 accidents involving employees of which 0 were reportable.
- 1 accident involving members of the public of which 0 were reportable.
- 4 near misses.
- Total of 14.

No significant increase in comparison to the same quarter in 2015. However an increase has been generated throughout the year by minor incidents in the summer schemes. The table provides comparative details of the number of accidents for the previous year 2015. All incidents, existing risk assessments have been reviewed, with existing control measures reinforced and additional measures recommended.

**Table: Accident Cause Statistics – (for the 4th Quarter - 1 January to 31 March 2016) and Year to Date: Comparative Accident Cause Statistics for the previous year (2014/15)**

Accident Cause	Quarter 4 (1 January - 31 March 2016)					Current Year (to date) 1 April - 31 March 2016 Actual				Previous Year Total (to date) 1 April - 31 March 2015 Actual			
	Non Reportable		Reportable		Total	Non Reportable		Reportable		Non Reportable		Reportable	
	Employees	Public	Employees	Public		Employees	Public	Employees	Public	Employees	Public	Employees	Public
Manual handling	-	-	-	-	-	4		-	-	3	2	-	-
Contact Fixed Objects (e.g. sharps)	3	-	-	-	3	6	3	-	-	6	2	-	-
Struck by Moving Vehicles RTA's	-	-	-	-	-	1	-	-	-	-	-	-	-
Struck by Moving Objects - others	3	-	-	-	3	5	8		-	7	4	2	-
Slips / Trips / Falls	1	1	-	-	2	4	16	2	4	10	14	1	-
Violence - Physical such as dog bites	-	-	-	-	-	-	2	-	-	-	-	-	-
Violence - Verbal	2	-	-	-	2	2	-	-	-	-	-	-	-
Near Miss	4	-	-	-	4	12	1	-	-	8	2	-	-
Other, such as cuts.	-	-	-	-	-		4	-	1	5	3	1	1
<b>Total</b>	<b>13</b>	<b>1</b>			<b>14</b>	<b>34</b>	<b>34</b>	<b>2</b>	<b>5</b>	<b>39</b>	<b>27</b>	<b>4</b>	<b>1</b>

Source: SDDC Accident Statistics

	Risk Action	Risk Rating Likelihood/ Impact	Mitigating Action
<p><b>The effect on Services of reductions in Core Spending Power</b></p> <ul style="list-style-type: none"> <li>The Council is now aware of reductions over the period 2016/17 to 2019/20; this was confirmed in the 2016/17 Financial Settlement</li> </ul> <p><b>(Chief Officer Responsible – Director of Finance and Corporate Services)</b></p>	Treat the Risk	High	<ul style="list-style-type: none"> <li>The Medium-term Financial Plan has been updated to reflect provisional figures and this was approved by the Committee in February 2016.</li> <li>Budgets are considered to be prudent with provisions for inflation and growth.</li> <li>Current reserves are healthy and will help to sustain funding reductions in the short-term allowing time for more sustainable action.</li> <li>As a growth area, the overall reduction in core funding will be less if growth out performs that planned and included in the MTFP.</li> </ul> <p><i>The effects of the reductions are considered high as the Council will be required to identify additional resources of up to £1.5m prior to 2018/19 in order to protect the financial position on General Fund services. Firm plans are still to be drawn-up.</i></p>
<p><b>The effects of the national economy locally.</b></p> <ul style="list-style-type: none"> <li>Although the national economy grew in 2013 and 2014, there were signs that this slowed during 2015. This has caused some unease in financial markets and more global events are also creating uncertainty. Interest rates and inflation remain low.</li> <li>Locally, the amount of people claiming benefit has levelled off and has slightly reduced. Local unemployment levels are below national and regional averages.</li> <li>However, Council Tax and Housing Rent arrears have slightly increased over the last year.</li> </ul>	Tolerate the Risk	Medium	<ul style="list-style-type: none"> <li>On-going budgets for income from planning fees and land charges, etc. are set at levels below current actuals leaving some room for a downturn.</li> <li>The MTFP is not reliant on interest rates increasing from the current level to generate revenue. Debt is at fixed interest rates and is affordable within the HRA's Financial Plan.</li> </ul> <ul style="list-style-type: none"> <li>The Council continues to work with voluntary and community groups to help people in need, including through the Derbyshire Financial Inclusion Partnership and with the CAB/CVS. Regular meetings take place.</li> </ul>



	Risk Action	Risk Rating Likelihood/ Impact	Mitigating Action
<ul style="list-style-type: none"> <li>New development and regeneration locally continues although it is slower and less frequent compared to pre 2010 as many investors and businesses are still taking a cautionary approach.</li> </ul> <p><b>(Chief Officers Responsible – Chief Executive and Director of Finance and Corporate Services)</b></p>			<ul style="list-style-type: none"> <li>The Asset Management Plan has focused on ensuring the Council's assets are being positioned to react to an economic upturn. This includes land assembly and possible joint venture arrangements.</li> <li>On-going dialogue through the LEP to access funding and with developers to look at alternative options for regeneration.</li> </ul> <p><i>The risk remains Medium, but it is considered that the Council is undertaking as much action as reasonably possible at this stage to mitigate influencing factors.</i></p>
<p><b>Keeping pace with technology and security of data</b></p> <ul style="list-style-type: none"> <li>The Council's IT infrastructure needs to keep pace with existing and emerging technologies to ensure sufficient capacity and resilience.</li> <li>Stricter regulations for managing and exchanging information in electronic form through the Public Services Network.</li> <li>Systems subject to virus attacks.</li> <li>Greater expectations through Data Protection</li> </ul>	Treat the Risk	High	<ul style="list-style-type: none"> <li>Significant investment in recent years has upgraded the server infrastructure. The network for data flow has recently been upgraded to strengthen capacity and resilience.</li> <li>Network and wireless points recently upgraded.</li> <li>E-mail archiving/storage system, desktop virtualisation and Microsoft upgrade completed.</li> <li>Remote access also upgraded in 2015.</li> <li>Disaster Recovery solution being strengthened at an independent location and business continuity for IT being reviewed and tested.</li> <li>The Council undertakes an annual independent health check to ensure that the Council is compliant with the Government's Security Standard (Public Services Network – PSN). The Council achieved compliance with new regulations in April 2015.</li> <li>Annual internal audit review tests robustness of systems and infrastructure – recommendations for improvement are monitored by the Audit Sub-Committee.</li> <li>Regular training and briefings given to Members and Officers to raise awareness of potential data and security issues.</li> </ul>

	Risk Action	Risk Rating Likelihood/ Impact	Mitigating Action
<p>regulations to safeguard personal information. This includes processing of transactions through credit and debit cards to mitigate the risk of fraud</p> <p><b>(Chief Officer Responsible – Director of Finance and Corporate Services)</b></p>			<ul style="list-style-type: none"> <li>• Staff resources identified for reviewing the management of information across the Council.</li> <li>• Policy to be updated to ensure that the Council remains compliant with industry standards for processing third party data.</li> </ul> <p><i>The risk is high and there have been recent incidents that have tested the Council's framework and processes. As approved, strengthening disaster recovery DR arrangements will be pursued in 2016.</i></p>
<p><b>Business Continuity and in particular the loss of the main Civic Offices and IT.</b></p> <ul style="list-style-type: none"> <li>• Council services are predominantly managed from one Administrative Building.</li> </ul> <p><b>(Chief Officer Responsible – Director of Finance and Corporate Services)</b></p>	Treat the Risk	High	<ul style="list-style-type: none"> <li>• Business Continuity Plan in place which is regularly reviewed.</li> <li>• A partial Disaster Recovery solution is available off site which would allow major systems to be accessed remotely. This will be developed further in 2016.</li> <li>• Potential to transfer infrastructure into a Data Centre being reviewed.</li> <li>• All data backed up to tape and stored in a secure offsite facility outside of the Region.</li> <li>• Maintain relationships with other agencies and partners to secure alternative accommodation on a reciprocal basis if required.</li> <li>• Provision for home working and remote access in place.</li> <li>• Insurance cover provided for 4 years and insurers provide support to secure temporary accommodation.</li> </ul> <p><i>Although the likelihood of occurrence is low, the potential impact of this risk is high.</i></p>
<p><b>Capacity and Resilience in Service Provision</b></p> <ul style="list-style-type: none"> <li>• Reducing staff and budget resources could lower capacity and resilience within council services.</li> </ul>	Tolerate the Risk	Medium	<ul style="list-style-type: none"> <li>• Training and development programme being delivered for senior and aspiring managers.</li> <li>• Recent restructures continue to mature and bed in.</li> </ul>

	Risk Action	Risk Rating Likelihood/ Impact	Mitigating Action
<b>(Chief Officer Responsible – Chief Executive Officer)</b>			<i>The risk remains medium but could increase depending on the effects of the reduction in core spending power over the medium-term. This could lead to additional measures in order to treat this risk in the future.</i>
<b>Reduction in resources for partners in the community and voluntary sector</b> <ul style="list-style-type: none"> <li>Financial pressures on partners who deliver services with or on behalf of the Council, including voluntary organisations.</li> </ul> <b>(Chief Officer Responsible – Director of Community and Planning Services)</b>	Tolerate the Risk	Medium	<ul style="list-style-type: none"> <li>Current grant funding is being maintained and increased in 2016/17 for all supported organisations.</li> <li>Spending can be refocused to meet external funding requirements and is project based rather than on-going.</li> <li>Dedicated officer time in place to support the voluntary sector and local organisations. This includes direct secondment where necessary.</li> </ul> <p><i>The risk remains Medium, but it is considered that the Council is undertaking as much action as reasonably possible at this stage to mitigate the risk.</i></p>