Corporate Resources Overview & Scrutiny Committee

Delivery & Performance - Year End 2016/17

26 June 2017

Overview and Scrutiny Committee:
Corporate Resources

Chair:
Councillor John Eagle

Vice Chairs
Councillor Paul Foy
Councillor Jonathan Wallace

<u>**Role and Remit**</u>
As agreed at its meeting of 30 June 2014, the Committee undertakes scrutiny in relation to:

- The management of the Council's financial, human and physical resources
- Support for the democratic process;
- The involvement of local people and communities of Gateshead in the work of the Council
- Capacity building in communities, volunteering and resilience
- Matters relating to the Council's relationship with Gateshead Voluntary Organisations Council including the Gateshead Offer;
- Social inclusion, equalities and diversity; and
- The Council's arrangements for securing efficiency and money; and the development and operation of the Council's procurement strategy.

<u>**Overview**</u>
This report relates to progress, future focus and areas requiring improvement that have been assessed over the period April 2016 to March 2017.

Our Achievements
- Superfast broadband connectivity continues to exceed the national average.
- The Council's HR & Payroll system (iTrent) is now operational. The implementation of the system has delivered financial savings to the Council, through reduced licence costs, and efficiencies will follow as automation, self-service and as business processes are further developed and improved.
- The new digital platform has been procured to help deliver the digital strategy and implementation of this is ongoing and includes the launching of a new Intranet system.
- The collection of Council Tax was positive in view of the increase in the amount of council tax that had to be collected during 2016-17, which increased by the sum of £4.5m in comparison to 2015-16.

Areas of focus over the next 6 months
- The implementation of a digital platform to help deliver the digital strategy.
- Develop analytical capability to assess the amount of channel shift in transactions to a digital format to ensure such data is always available to monitor progress.
- The roll out of the next phases of the iTrent system. These phases will focus on employee relations, performance management and will include appraisal & development, personal development plans and performance reviews.

- The feedback received from the 2016 Employee Survey identified an issue around training and has directly led to the initiation of a refresher training programme for managers.

Areas for improvement
- To improve the number of undisputed invoices paid on time it has been identified that improvements can be made regarding payment transactions through more efficient use of the corporate Agresso system in tandem with heightened monitoring within services to facilitate speedier processing of invoices.
- Work is ongoing to ensure that managers have the necessary skills and fully understand the requirements of the sickness absence management policy and procedure. Although the employee sickness figure has improved slightly, it is still above the 2020 target of 8 days.
- To refocus efforts to ensure those staff that require equalities and diversity training complete appropriate courses.

The Management of the Council's Financial, Human & Physical Resources

HR and Payroll System
Since the Council's new HR/Payroll system, My HR and Payroll (iTrent) went live in February 2016; over 350 officers have now been formally trained on the People Manager module. All Service Directors have also been trained on the iTrent Approvals process.

There are currently 18,715 live users on the system including schools, academies, The Gateshead Housing Company, as well as Gateshead Council employees.

The project manager has delivered presentations to all Group Management Teams and has undertaken a commitment to senior management to return and provide future updates. The responses from senior officers have been both positive and co-operative. A number of services have also expressed positive views about the system, particularly around People Manager, with HR approvals now processed more quickly following the introduction of automation and daily reminders.

Phase 2 of the project will be rolled out during 2017/18, incorporating employee self-service for expenses, overtime and additional hours claims, as well as specific development for The Gateshead Housing Company and schools. Midland HR is also rolling out a new iteration of iTrent which offers increased functionality – the "Electric Theme". This version will initially be piloted in key areas on a controlled basis to be assessed before being made available to all people managers.

Future phases will focus on employee relations, performance management and will include appraisal & development, personal development plans and performance reviews.
The project team continues to liaise with the Council key contacts group, which contributed to the successful implementation of the system and will continue to be an important network of users to support further development.

The implementation of the system has delivered financial savings to the Council, through reduced support and maintenance licence costs, and further efficiencies will follow as automation, self-service and as business processes are further developed and improved.

Maximising Growth
Council Tax collection
CP1: Percentage of council tax collected which was due to be paid in that year

Although target of 96.6% was narrowly missed there were many positives with a final collection rate of 95.8% achieved, which was an improvement of 0.2% on 2015-16. This was achieved despite the amount of council tax that required collection increasing by £4.5m during 2016-17.

The ongoing and continuous review of working practices and recovery procedures have helped achieve an improvement in performance during 2016-17 albeit with a large increase in what we have to collect.

Business Rates Collection (NNDR)
CP2: Percentage of business rates collected
The Council has a duty to collect and recover Business Rates (National Non-domestic Rates) from occupiers and owners of business premises. The year-end performance as at 31 March 2017 was 97.3%, which is a fractional decrease on last year's figure of 97.6%. Performance, however, remains above the agreed target for 2020 and surpassed the internal target collection rate of 97.0% for 2016-17, having collected 97.3%. Although this was below 2015-16 performance of 97.6% an additional £2.8m in business rates was needed to be collected during 2016-17.

Business rates collection can be very volatile and the amount that is collectable can vary by large amounts at very short notice. The closure of a business occupying a high value rating assessment can rapidly alter the collection rate. Towards the end of 2016-17 a large number of rateable value increases were received which meant an additional £413,000 in rates to collect (0.5%) during February and March 2017, although the impact was minimised and did not have a detrimental effect on the collection rate, as bills were issued quickly to collect the new amounts payable.

Invoices
CP3: The percentage of undisputed invoices paid on time
In 2016/17, 71.44% of invoices were paid within 30 days compared to 87.16% reported last year for 2015/16. This is a significant reduction in performance which could have financial risk for the Council. It has been identified that improvements can be made regarding payment transactions through more efficient use of the corporate Agresso system, in tandem with heightened monitoring within services, to facilitate speedier processing of invoices.

Reducing Costs
Benefit Claims
*CP4: Speed of benefit claims (processing) – average time to process new claims and changes in circumstances.*
The average time to process new benefit claims and changes in individual circumstances continues on a positive trajectory with a further fall in the number of days taken. The figure of 7.75 days is calculated by taking the total number of days throughout the year and dividing by the total number of new claims and changes processed, and not taking an average of the value for each quarter.

The forthcoming rollout of Universal Credit full service in Gateshead has the potential to impact on the indicator, meaning the setting of a realistic target should be treated with caution. The changing benefit caseload and regular reform of welfare eligibility measures, together with an increase in national fraud and error initiatives, can all impact on processing times. Due to the methods of calculation, it is not always possible to get a meaningful comparative picture with regional and national peers.

Staff Sickness
CP5: Working days lost due to sickness (excluding school staff)

During 2016/17, 9.9 days have been lost due to sickness. This is worsening in performance from 9.19 days reported at the previous year end and exceeds the 2020 target of 8 days. The graph below shows the trend over the last few years of this indicator.

CR5 - Sick days lost (excluding schools)
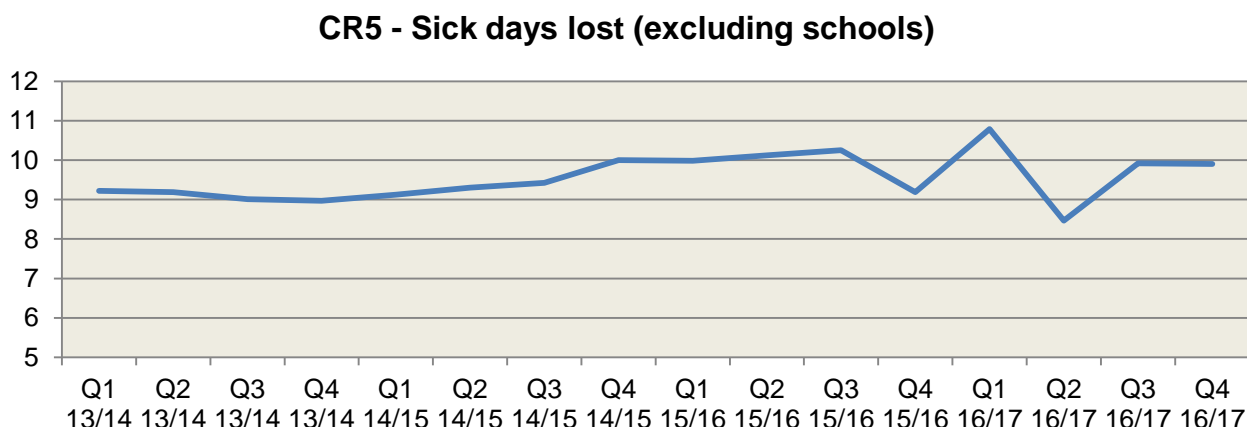
On the 28 November 2016, Corporate Resources Overview and Scrutiny Committee considered an update on progress to reduce absence within the workforce. The statistics included in the report related to the period 1 November 2015 to 31 October 2016.

The previous figure reported to the Committee for average sickness days per full time equivalent (FTE) was 10.25 days' absence for the period 1 January 2015 to 31 December 2015. The same calculation but for the period 1 November 2015 to 31 October 2016 was 8.83 day's absence per FTE, which indicated that absence levels are falling.

Across the Council as a whole, stress/depression and mental ill health accounts for 25.5% of sickness absence, which is a slight increase since the last report (24%) and it remains the largest cause of sickness absence. Post–op recovery/hospital treatment makes up 16% which is a slight reduction from the last report (19%), and other musculo-skeletal conditions now account for 12%, which again is a reduction (16%). These three categories remain the largest causes of sickness absence. Initiatives to impact these conditions include:
- Delivered support to employees suffering from work related and other stressors through sickness absence and counselling referrals.
- Delivered a pilot course on 'Mindfulness' for employees suffering from stress; employees absent from work suffering from stress; employees returning to work following absence and employees who know they are prone to suffer from stress, anxiety and depression. The physiotherapy service has supported employees suffering from musculo-skeletal problems through the physiotherapy service.
- Developed a Workplace Contact scheme aimed at providing initial support and guidance to employees experiencing issues with mental health.
- Trained employees in mental health first aid.
- Commissioned a number of courses relating to mental health and the management of stress.

It data should be placed in the context of almost half (45%) of all employees (excluding schools) had no sickness leave for the period April 2016 to March 2017.

Workforce Plan
The aim of the workforce plan is to ensure we have the right people, with the right skills and behaviours, working in the right jobs. In the last year a lot of work has been done to improve the skills and behaviours of employees including:
- The introduction of a 360 degree feedback process for leadership team (LT) to identify strengths and areas for development.

- Revised appraisal and development (A&D) and competency frameworks to ensure that employees have a clear understanding of what is expected of them, are supported to be at their best, are able to meet ongoing challenges and deliver the best possible outcomes for Gateshead. The A&D process now includes a stronger focus on performance management with the introduction of a performance rating for all employees.
- The launch of a learning and development framework as a "one stop shop" for managers and employees to access information on courses and other resources and toolkits to support their development. Included in the framework are mandatory briefing sessions for all managers on HR related issues e.g. sickness absence management, capability, disciplinary and grievance handling and how to conduct investigations to ensure that managers understand their role in dealing with these issues.
- The development of talent management and succession planning frameworks aligned to the A&D process as a support mechanism for LT to identify and nurture talent within the organisation and to develop our future workforce.
- The development of a mentoring framework.

Work is ongoing to review our approach to pay, reward and recognition. Options to address low pay are currently being considered and our terms and conditions are being reviewed to ensure that they are modern, fair and appropriate.

Support for the Democratic Process
Elections
Local elections took place across Gateshead in May 2016. The total turnout was 35.2% which was slightly above the national turnout of 33.8%. Of the postal votes distributed, 67% of these were returned.

May 2016 also saw the Police and Crime Commissioner Election for the Northumbria policing area. The turnout of 32.1% of the electorate voted across Northumbria was more than the first election held in 2012 although it should be noted that while the election 2012 was a standalone PCC election, the 2016 election was timed to coincide with the local elections.

The EU referendum took place in June 2016. In Gateshead the turnout was 70.7% of the electorate, with over 103,000 votes were cast.

An update, following the calling of a general election for 8 June 2017, will be provided in the 6 month update report.

Social Inclusion Equalities & Diversity
Equality & Diversity
At the Council meeting of 6 July 2016, a motion was moved that "*This council believes Gateshead is stronger because of its diverse communities and that society benefits from this diversity.*"

The Council expressed its belief that the Borough:
- benefits from residents with different ethnicities, nationalities, religions and sexual orientations;
- welcomes the positive contributions of all residents, regardless of background, to life in Gateshead;
- valued all members of our community; and
- accepts and celebrates diversity which are the hallmarks of modern society and that no one should be forced into conformity.

The Council further expressed its concern at the significant increase of hate crime reported since the EU membership referendum on 23 June 2016, and reaffirmed unequivocally its

view that racism, xenophobia and hate crime of any nature have no place in society and condemned racism, xenophobia and hate crimes.

Show Racism the Red Card (SRtRC) celebrated their 20th anniversary of working in Gateshead and of providing young people and adults with high quality anti-racism education. During 2016/17 SRtRC obtained funding from the Schools Forum to carry out training and educational work around Hate Crime in a number of primary and secondary schools.

In order to ensure there is a regular and consistent message about Hate Crime, the Council shares via social media, the number of hate incidents that have been recorded on the ARCH system each month, as well as information on the different ways in which victims and witnesses to incidents can make a report.

The Council's community safety officers also carry out hate crime awareness and education sessions in partnership with Citizens Advice, so that staff can recognise hate crime and support victims to make a report. Additionally, following the success of a number of training sessions last summer facilitated by SRtRC, Gateshead Council's Community Safety Team commissioned further training with eight sessions arranged over the next 12 months, one of which is specifically for ward councillors.

The Council also has an Equality, Diversity and Cultural Awareness e-learning module which is available to all council employees to access via Knowledge Net.

An area to be improved is the overall attendance at some of the equality and diversity awareness courses available, which have been lower than envisaged. Measures will be required to boost attendance and equip staff with essential knowledge.

The Gateshead Diversity Forum is open to any Black and Minority Ethnic community groups, individuals and organisations who are working to benefit the lives of local Black and Minority Ethnic people. The group meets bi-monthly with the aim of providing a formal way of informing and consulting with Black and Minority Ethnic groups and individuals and to identify and address issues, which impact upon the local Black and Minority Ethnic population. The Forum discusses a wide range of issues including education, community safety, health, housing, employment practices and service delivery.

Capacity Building in Communities, Volunteering & Resilience
Volunteers Month
Gateshead Volunteers Month, which has become an annual event throughout each June, has been a Borough-wide initiative delivered annually by the Neighbourhood Management & Volunteering Team (NM&V) since 2013.

In 2016, over 60 events took place to celebrate our volunteers and raise awareness of volunteering opportunities available across Gateshead. The month proved a great success with:
- 60 new volunteers being recruited
- £11,691 allocated to groups from the Gateshead Volunteers Month Grant
- A total of 101,170 hours were recorded during the four-week period - equating to
- an economic value of £1.3 million

Resilience Planning
The Strategic Resilience and Emergency Planning Framework has been developed to provide the future focus and direction based on four themed areas. The key focus over the last six months for Resilience and Emergency Planning has been to continue to work in collaboration with our local, regional, partners and communities; assess and mitigate risk;

increase our capacity and capability to respond; train and exercise councillors and new volunteers; and strengthen community resilience.

An recent example of this planning was an exercise undertaken by partners, including Gateshead Council, Northumbria Police and other organisations, was been involved in a multi-agency training exercise to test emergency service response to a major incident. In the early hours of Wednesday (May 17) an exercise was held at Intu Metro Centre in Gateshead which was designed to test the skills and processes of police, other emergency services and the Council. The exercise was focused on a terror attack taking place at the shopping centre and is one of a number of similar exercises to have taken place across the country. This is one of a number of routine exercises organised to test the response of Gateshead Council, emergency services and other partner agencies, to test contingency plans and the co-ordination of the response to a major incident on a regular basis.

Digital
CP6: *The percentage increase in the switch <u>to</u> digital based transaction/contact <u>from</u> a more established traditional measure (telephone/face-to-face) baseline &*
CP7: *The percentage in increase in people using an online/digital method for transactions with the Council*

The installation of the new digital platform is a multi-stage process that will be implemented during 2017/18, and will result in the production of a performance dashboard. This tool should then be able to show comprehensive transaction data and provide a sustainable and useful metric. Currently, limited data is available, which has to be aggregated and this is only possible for some key transactions, so does not yet provide a sufficiently rounded picture to enable the reporting of progress made.

Increased collective responsibility
Employee Engagement
The Council has set out the importance of promoting employee wellbeing and engagement through the workforce strategy and plan. The employee engagement programme has developed well over the course of the last year, and is based on employee feedback through tools such as the employee survey. This has provided valuable intelligence and insight into how employees view the Council, their jobs and what support they need to be successful in their roles. Almost 2,000 employees responded to the survey in May 2016 representing 40% of the workforce.

Positive messages
There were some very positive messages that came out of the survey including customers always being a priority (80%), managers being approachable (88%), the vast majority employees enjoying their job overall (77%) and over 80% of employees responding indicating an understanding the need for change.

Areas for improvement
There were a number of areas for improvement that employees identified through the survey. They include;
* Improving internal communication within services and within teams, particularly around issues such as change, remodelling, restructuring and redundancy. Some employees felt that they were being consulted but their views weren't being taken on board.
* More consistent and better engagement between managers and employees in how, as an employer, the Authority manages, involves and communicates employees in the process of change.
* The approach to terms of employment, remuneration and both flexi time and annual leave allowance.

- How we manage change, there is an understanding of the need for change but desire to be more informed and more involved in change.
- How we manage performance and resources and whether they're being used effectively to achieve best outcomes.
- While accepting it is difficult, employees raised the issue of wanting to feel valued and recognised for the work that they do well.

Online suggestion scheme

Several groups and services have suggestion schemes in place, however following the employee survey and feedback from employees, a council-wide mailbox will be set to capture employees' thoughts, ideas and suggestions and ensure the employees have a voice in the workplace.

Employee Wellbeing

A number of activities have been implemented or are planned to improve wellbeing and engagement with the workforce including:
- Rolling out an annual Corporate Health and Safety training programme;
- Developing and implementing a Stress Toolkit and delivering stress training;
- Development of a network of employee health advocates.

CP8: *Employee engagement e.g. Gateshead Council is viewed as a good place to work*

Through the 2016 employee survey 64% of employees said that the Council is a good place to work. This is down 4% on the baseline result from 2015.

A number of initiatives have been undertaken to improve this figure towards the 2020 target of 70% of employees viewing the Council as a good place to work and to assist the Council has a more engaged workforce.

This improved engagement aims to deliver increased motivation and morale amongst employees and offer staff more opportunity to demonstrate their capability and potential. The following measures have been introduced to help achieve this, including:
- establishing a Council wide Employee Forum to provide an opportunity for employees to come together across services to influence and improve the way we work as an organisation. One objectives of the forum is to perform a 'deep dive' and get underneath the survey results to make improvements around issues raised such as communication, learning & development, managing change and the use of more flexible and agile working.

- developing a revised, more flexible approach to appraisal and development which is in the process of being rolled out. This aims to improve individual performance through a robust A&D framework which can be used in tandem with I-Trent management tool to improve measurement and monitoring of A&D meetings. This includes a counter-signature measure and a performance assessment which sets out whether an employee has exceeded, achieved, partially achieved or not achieved what is expected of them. A process of training and communication to service teams has been rolled out across services.

- launching, in April 2017, the new Council intranet has provided an enhanced customer user experience, with easier navigation to assist managers and officers in conducting their work programmes. In a survey of employees about the old intranet, only 7.9% of respondents indicated that they thought it was *good* or *very good*. In comparison, feedback on the new intranet has been very positive. An equivalent survey about the new intranet has indicated that 94.3% of employees think the new intranet is *good* or *very good*.

CP9: Improve Superfast Broadband connectivity-Increase coverage in Gateshead to 98.9% by June 2019
The year-end figure shows a continued increase in the connectivity to superfast broadband with a current figure of 94.3%, which is an increase from 91.2% and also ahead of the national connectivity figure of 92.8%.

Increase the levels of ambition and aspiration of vulnerable groups across Gateshead
Young people leaving care
CP10: Ensure young people leaving care are supported to have an opportunity in the Council for an apprenticeship

The Public Sector Apprenticeship Targets Regulations 2017 has now been published which confirms that at least 2.3% of the workforce in public sector bodies in England will have to be apprentices. This will be taken into consideration when setting the target for this indicator.

There is currently one young person leaving care who has commenced an apprenticeship within the Council during 2016/17.

An Education, Employment and Training (EET) Group has recently been established, which looks at young people who are at risk of becoming NEET, the support needed via REALAC and Connexions to avoid this, using a RAG rating system. There is also a separate Apprenticeship Sub Group, which specifically explores the promotion of traineeships and apprenticeships for looked after/leaving care young people and this also includes apprenticeships within the council.

The Council's arrangements for securing efficiency and money; and the development and operation of the Council's procurement strategy

Change Programme
Cabinet agreed to a major Programme of Change at the meeting on 9th February 2016, to help the Authority ensure it continues to secure a balanced budget in the period up to 2021 whilst securing the right range of activities that residents need.

Recently Strategy Group concluded a stocktake exercise on the Change Programme to date, which confirmed the substantial amount of work undertaken as part of the Change Programme, much of which has provided a strong platform for taking forward the changes and transformation work required across the council. The stocktake also highlighted further scope to enhance our approach to customers and to update existing systems. Managers are actively encouraging employees to come forward with suggestions around service improvements that will improve productivity and deliver other efficiencies.

Flowing from this has been a decision that efficiencies in the governance arrangements can be made involving transformational projects being overseen by Strategy Group, and other change activity being driven forward by service management teams using cross-council engagement, task and finish groups and, as appropriate, reporting by exception through Strategy Group.

Involvement of local people and communities of Gateshead in the work of the Council
Gateshead Now
Gateshead Now has been sent regularly (at least once every 4 weeks) over the previous 12 months to over 30,000 recipients. The regular email update continues to have a positive impact with engaging local people and supports both digital communications and promotes our initiatives.

Gateshead Council Website

Results from the annual SOCITM Better Connected review of all UK Local Authority websites are now starting to come in with the final report being published in June 2017. Gateshead Council was one of only 6 to score the top rating of 4 stars for the scenario – '*Find local care support for an older person.*' The review states, "*Excellent throughout - clear, well written information, always linked to further related information so that the user journey flows logically from each piece of information. The directory of services seems nicely integrated with the main website.*"

These scores should hopefully contribute to maintaining our overall 3 star SOCITM rating for the website this year even though a focus has been placed on implementing the digital platform and intranet rather than improving the existing website. Once www.gateshead.gov.uk has been moved to the new digital platform later this year it will give us greater opportunity to achieve 4 stars across more scenarios in the future.

Digital Platform
An important facilitator for ensuring readiness for future customer interaction is the Digital Gateshead programme, the purpose of which is to make it easy for people to access, benefit from and deliver Gateshead Council services via digital solutions. This will include making more information and services easily accessible online, and ensuring that all our services, residents, businesses and visitors can benefit from this, but also making sure councillors and employees have the right technology and skills, including mobile solutions.

Detailed project plans have being developed, so that activity can be prioritised, understand what additional capacity we may need, and how we measure the benefits of the programme. Procurement of the new platform was completed by October 2016, with implementation of all key components currently being implemented and all modules and websites scheduled to be available on the platform by April 2018.

Digital Inclusion
There is currently a recruitment process underway for a 'Digital Skills Lead' who will assist in helping all residents, customers and employees to have the skills and confidence to use and benefit from digital solutions in all parts of life.

Gateshead Intranet
The first major digital service to be launched on the platform was the new Gateshead Council Intranet. This has been well received and within the first 2 weeks 298 (94.3%) staff think the intranet is very good or good and has attracted over 252,000 page views (123,494 views that were not just views of the home page) with over 5,000 users spending an average of 6 minutes on the intranet in each viewing session.

Corporate Resources Strategic Indicators

Corporate Performance	Indicator: *Tracker/ Target/ Equality*	Desired Direction	Reporting Officer	Year End 2015/16 (RAG)	Year End 2016/17	Trend	North East	National (RAG)	Target 2020
Maximising Growth:									
CP1 % of Council Tax collected that was due to be paid	Existing *(Target)*	Higher is better	John Jopling	95.6%	95.8%	↑	No information currently	No information currently	96.6%
CP2 % of Business Rates collected	New *(Target)*	Higher is better	John Jopling	97.6%	97.3%	⊖	No information currently	No information currently	97%
CP3 % of undisputed invoices paid on time	New *(Target)*	Higher is better	John Jopling	87.16%	71.44%	↓	No information currently	No information currently	95%
Reducing Costs:									
CP4 Speed of benefits claims (processing) - average time to process new claims and changes in circumstances	Existing *(Target)*	Lower is better	John Jopling	7.95 days	7.75 days	↑	Data collected in a different format	Data collected in a different format	7.5 days
CP5 Staff sickness (excluding school staff) per FTE	Existing *(Target)*	Lower is better	Deborah Hill	9.19 days	9.9 days	↓	No comparative data	No comparative data	8.0 days
CP6 % increase in digital based transaction/contact from established baseline	New *(Target)*	Higher is better	Mark Smith	N/A	New	New	No comparative data	No comparative data	TBC
CP7 Percentage increase in online transactions	New *(Target)*	Higher is better	Mark Smith	N/A	New	New	No comparative data	No comparative data	TBC
Increasing collective responsibility:									
CP8 Employee engagement: e.g. good place to work	New *(Target)*	Higher is better	Marisa Jobling	68% 2015 Survey	64% 2016 Survey	↓	No comparative data available		70%
CP9 Improve Superfast Broadband connectivity-Increase coverage in Gateshead to 98.9% by June 2019	New *(Target)*	Higher is better	Roy Sheehan	91.2%	94.3%	↑	Part of a North East regional programme	92.8%	98.9%
Equality Objective: To increase levels of ambition and aspiration of vulnerable groups across Gateshead									
CP10 Ensure young people leaving care are supported to have an opportunity in the Council for an apprenticeship	Equality *(Target)*	Higher is better	Deborah Hill / Elaine Devaney	New	1	New	No comparative data available		TBC