



## Corporate Issues Overview and Scrutiny Committee

**Date**            **Friday 21 April 2017**  
**Time**            **9.30 am**  
**Venue**          **Committee Room 2, County Hall, Durham**

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### Business

#### Part A

**Items during which the Press and Public are welcome to attend. Members of the Public can ask questions with the Chairman's agreement.**

1. Apologies.
2. Substitute Members.
3. Minutes of the meeting held 21 January 2017 (Pages 3 - 10)
4. Declarations of Interest, if any.
5. Report on the Council's use of powers under the Regulation of Investigatory Powers Act 2000 - Quarters 3 and 4 - 2016/17 (Pages 11 - 14)  
Report of the Interim Head of Legal and Democratic Services.
6. Quarter Three 2016/17 Performance Management Report (Pages 15 - 30)  
Report of the Director of Transformation and Partnerships
7. Quarter 3 December 2016: Forecast of Revenue and Capital Outturn 2016/17 (Pages 31 - 44)
  - (i) Resources
  - (ii) Transformation & Partnerships
8. Customer Feedback: Complaints Compliments and Suggestions 2016/17 - Quarter 3 (Pages 45 - 56)  
Report of the Corporate Director of Regeneration and Local Services.
9. Scrutiny Review of Attendance Management - Update on Progress against Recommendations (Pages 57 - 72)  
Report of the Director of Transformation and Partnerships

10. Refresh of the Work Programme 2017-18 for Corporate Issues Scrutiny Committee (Pages 73 - 84)  
Report of the Director of Transformation and Partnerships
11. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.

**Clare Pattinson**  
Interim Head of Legal and Democratic Services

County Hall  
Durham  
11 April 2017

To: **The Members of the Corporate Issues Overview and Scrutiny Committee**

Councillor J Lethbridge (Chairman)  
Councillor K Henig (Vice-Chairman)

Councillors J Armstrong, G Bleasdale, J Hillary, E Huntington, N Martin, A Shield, P Stradling, P Crathorne, J Alvey, L Taylor, A Turner, M Wilkes, S Wilson, R Young, J Carr, B Armstrong, H Bennett and J Rowlandson

**DURHAM COUNTY COUNCIL**

**JOINT MEETING OF CORPORATE ISSUES OVERVIEW AND SCRUTINY COMMITTEE  
AND OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

At a Joint Meeting of **Corporate Issues Overview and Scrutiny Committee** and **Overview and Scrutiny Management Board** held in Committee Room 2, County Hall, Durham on **Thursday 26 January 2017 at 9.30 am**

**Present:**

**Councillor J Lethbridge (Chairman)**

**Members of the Committee:**

Councillors E Adam, B Armstrong, J Armstrong, A Batey, B Graham, K Henig (Vice-Chairman), J Hillary, A Hopgood, E Huntington, N Martin, T Nearney, M Nicholls, J Robinson, J Rowlandson, J Shuttleworth, P Stradling, L Taylor, S Wilson and R Young

**1 Apologies**

Apologies for absence were received from J Alvey, R Bell, J Blakey, K Corrigan, P Crathorne, R Crute, L Pounder, J Turnbull and M Wilkes.

**2 Substitute Members.**

There were no substitutes.

**3 Minutes of the meeting held 25 November 2016**

The minutes of the joint meeting held on 25 November 2016 were confirmed as a correct record and signed by the Chairman.

**4 Declarations of Interest, if any.**

There were no declarations of interest.

**5 Medium Term Financial Plan (7), Council Plan, Service Plans 2017/18 - 2019/20 and 2017/18 Budget**

The Committee considered a report of the Head of Finance (Corporate Finance) which provided an update on the development of the 2017/18 budget and the Medium Term Financial Plan (MTFP(7) reflecting upon the content of the Chancellor of the Exchequer's Autumn Statement (for copy see file of minutes).

The Head of Finance (Corporate Finance) provided a summary of the key points from the Autumn Statement highlighting information relating to the state of the national finances and government borrowing until 2020/21. Details were also provided regarding the budget

deficit and that it was anticipated that austerity for public services could continue beyond 2012/21.

Details were also reported in respect of the increase in the National Living Wage and the disappointing news that there had been no announcement made regarding additional funding for social care. It was noted however that the Autumn Statement did not provide full details for local authorities and this information was contained within the provisional financial settlement received on 15 December 2016.

The Head of Finance (Corporate Finance) further provided detail on the MTFP(7) model and it was reported that the financial landscape for local authorities would continue to be extremely challenging until at least 2019/20, but possibly beyond, resulting in the longest period of austerity in modern times. By 31 March 2017, the Council will have delivered savings of £185.7million since 2011. Based upon the provisional Local Government Finance Settlement, it was forecasted that the savings required for the MTFP(7) period 2017/18 to 2019/20 would be £59.6million resulting in total savings over the 2011/12 to 2019/20 period of £245.3million.

Further details were reported in respect of the budget and it was noted that the Council Tax Referendum Limit remained at 2%. The Government had also confirmed in the settlement that councils had the option to increase council tax by an additional 6% for an adult social care precept over the next three years. The Council has the option to accelerate these increases and increase Council Tax by up to 3% in both 2017/18 and 2018/19. The maximum increase that can be applied in 2019/20 remains at 2% and the adult social care precept could increase by no more than 6% over the 2017/18 to 2019/20 period.

The Head of Planning and Performance provided an overview of the budget consultation process highlighting that the approach adopted by the Council had engaged over 3,000 people of whom 1,900 gave their views. Overall, almost two thirds of respondents (63%) stated that the approach taken to make future savings was a reasonable way forward.

In addition discussions were held with a range of organisations through existing partnerships and network meetings. Feedback included that it was considered that Voluntary and Community Sector organisations were likely to be impacted by the proposed reduction in Members' Neighbourhood Budgets by £2,600. This point had been acknowledged and it was noted that AAP's would make every effort to maximize external match funding.

The Head of Planning and Performance further advised that additional targeted consultation had been undertaken with both people with physical and learning disabilities and children and young people, the results of this stage of consultation were contained within the report.

Regarding scrutiny feedback the Head of Planning and Performance advised that any further feedback received from today's meeting would be fed into the February 2017 Cabinet report.

Councillor Nearney asked whether any financial modelling had been undertaken based on potential loss of EU funding. The Head of Finance (Corporate Finance) advised that the MTFP model did not rely upon EU funding however it was appreciated that the council did

need to maximise what funding was available before it was no longer accessible. This may require in some circumstances to use reserves to match fund.

The Head of Finance (Corporate Finance) advised that it was interesting to learn that Surrey County Council were proposing a 15% increase in council tax rates in a bid to encourage the government to increase funding.

Further discussion ensued regarding the social care precept and Councillor Martin commented that any precept raised should be utilised to fund social care services only and added that he felt it was wrong to invest the social care precept in other areas of the council to reduce additional expenditure. In addition he added that he was disappointed that the committee had not been able to view more up to date information regarding the settlement and revisions to the budget given that the settlement had been received 5 weeks prior to the meeting. Councillor Armstrong confirmed that Cabinet could be asked whether they have any plans on using the additional flexibility in the social care precept.

Councillor Robinson added his congratulations and thanks to the 421 young people who had taken part in the consultation exercise. He further raised a point regarding the cost shunting to social care, and added that he was extremely concerned regarding the impact of the Better Health Care Programme and the future impact this could have upon the council's finances. He raised concerns about how long the 'financial dowry' from health will last, and fully supported comments from the chair on the need to ensure continuity of funding.

Councillor Hopgood added that she agreed that should the social care precept be raised by 3% that detail is provided to residents as to how that money will be spent. Regarding the consultation she commented that less than 1% of the population of County Durham had participated and queried whether those who had, had provided feedback in the past, as it was likely that it was the same people.

In conclusion she raised a query regarding the budget reserve and asked whether the net reserves were forecasted to be lower than the previous financial year. In response the Head of Finance (Corporate Finance) advised that a decrease in reserves of £14m would be seen in 2016/17. In response to queries regarding the consultation, the Head of Planning and Performance advised that a big attempt had been made to engage with new groups during this round of consultation, however the addition of a question to see whether the respondent had participated before could be considered for future surveys.

#### **Resolved:**

That the content of the Cabinet report be noted and that the comments raised be forwarded to the Cabinet Portfolio Holder for their consideration.

## **6 Quarter 2 2016/17 Performance Management Report**

The Committee considered a report of the Director of Transformation and Partnerships which presented progress against the councils corporate performance framework for the Altogether Better Council priority theme for the second quarter of the 2016/17 financial year, covering the period July to September 2016 (for copy see file of Minutes).

The Head of Planning and Performance referred Members to the Executive Summary on page 56 of the report which presented performance data in a 'at a glance' format. With regard to the council's performance in relation to the Altogether Better Council theme good progress had continued during the quarter. This included performance relating to the number of telephone calls from customers answered within 39 seconds and levels of abandoned calls. Processing times for housing benefit and council tax reduction had seen improvements in processing times since last quarter. Collection rates for council tax and business rates were also positive.

It was reported however that fewer FOI requests had been responded to within national timescales.

Regarding performance in relation to employee wellbeing it was reported that staff attendance had improved and over half of posts had no sickness absence in the rolling year ended in September 2016. However, performance in relation to appraisals had deteriorated. Improvements to the Oracle Business Intelligence module was now available to managers in order to assist them effectively in monitoring both appraisals and sickness.

Councillor J Armstrong added that he considered the level of sickness absence to be disgrace. Discussion then ensued regarding staff appraisals and Councillor Hillary asked whether it was known whether all staff received an appraisal in 2016. Further queries were raised regarding appraisal cycles and whether this differed for each employee, in addition members queried whether there was data available for those appraisals which had not been undertaken and whether there was any reason why it had not been completed within the timeframe. Councillor Wilson also asked whether staff were expected to complete any work in advance of an appraisal and wondered whether this may also lead to delays if the appraisal date fell over a particularly busy period.

Councillor J Armstrong suggested that a working group could be formed after the elections in May 2017 to look at this issue in more depth.

Councillor Henig welcomed the shift to a more concise report format, but commented that a discussion on performance information covered would be useful later in the year. Following a query from Councillor Rowlandson regarding PI reference 188 and 189 Councillor Hillary added that he found the data relating to this indicator confusing as four separate traffic light indicators were used. The Head of Planning and Performance advised that she would take the comments forward.

### **Resolved:**

That the content of the report be noted.

## **7 Customer Feedback: Complaints, Compliments and Suggestions 2016/17 - Quarter 2**

The Committee considered a report of the Corporate Director Regeneration and Local Services which presented the Customer Feedback: Complaints, Compliments and Suggestions report for 2016/17 Quarter 2 (for copy see file of Minutes).

It was reported that initial service reviews into 450 corporate complaints were carried out, 88% of which were reported either by telephone (45%) or via the website (43%). The average time to close these complaints was just over 6 working days. 56% of the complaints received were upheld (partially or fully).

The Customer Relations, Policy and Performance Manager advised that in addition to the above 50 statutory complaints were received. Of the 37 resolved within the quarter, 35% were upheld (partially or fully) and none of the complaints were progressed to independent investigation.

Regarding Ombudsman activity, the Local Government Ombudsman delivered decisions into 14 matters. Of these, 8 were upheld.

In addition to complaints, the council had also received 201 compliments, 46 suggestions and 84 comments in relation to decision making.

Councillor Wilson in referencing complaints regarding staff behaviour asked whether it was recorded when customers were abusive towards staff. In response the Customer Relations, Policy and Performance Manager advised that the council maintained a Potentially Violent Persons Register (PVPR) to record such incidents. It was also noted that in cases where customers persistently were abusive towards staff there were options for escalation.

Mrs M Elliott, raised a query regarding garden waste collections and queried whether there would be any option to bring forward collections into March as the milder weather now meant that many were cutting back and pruning earlier in the year.

The Head of Projects and Business Services advised that historically collections have commenced around the Easter bank holiday weekend, although noting that this does vary from year to year. Collections had been extended into November due to requests for an additional collection, however they had not received any requests as yet for collections to start earlier. He further advised that there were budgetary constraints to consider and many customers had signed up for a three year deal.

Further discussion ensued regarding the differences in complaints and those which were focused around service quality or communication. It was reported that work was currently ongoing with the CRM team on providing more detail within the system.

Councillor Martin commented that he was concerned regarding the two independent investigations into building control and added that he had been hearing complaints regarding the service. He asked whether this was as a result of a lack of capacity and resources within the team. The Customer Relations, Policy and Performance Manager advised that she would follow this up after the meeting.

Councillor Batey raised a query regarding compliments and whether the low number received was as a result of compliments being directed directly to staff rather than through managers or being inputted via CRM system. The Customer Relations, Policy and Performance Manager advised that it was known that there was under recording of compliments. She further advised that Members could log compliments to the CRM system via Member support.

**Resolved:**

That the content of the report be noted.

**8 Quarter 2 September 2016: Forecast of Revenue and Capital Outturn 2016/17**

The Committee considered two reports the first a report of the Corporate Director, Resources and the second of the Director of Transformation and Partnerships, which provided details of the forecast outturn budget position for the Resources service grouping highlighting major variances in comparison with the budget based on the position to end of September 2016 (for copy see file of Minutes).

**Resolved:**

That the content of the reports be noted.

**9 Customer Relationship Management System Review - Report and Recommendations**

The Committee received a report of the Director of Transformation and Partnerships which presented the review report of the Customer Relationship Management System (CRM) Working Group (for copy see file of Minutes).

The Scrutiny Support Assistant advised that the purpose of the review was to ensure that the CRM system could deliver functionality which would assist Members in managing their casework, including consideration of recording, tracking and monitoring of casework to service responses and performance information.

Details of the findings and conclusions of the review group were contained with the report alongside the six recommendations which had been made by the group.

Councillor Wilson raised a query regarding software licences and the Head of Projects and Business Services advised the software was built on a platform which allowed DCC staff to build and add into the system allowing for a totally bespoke management system.

Councillor Nearney asked whether there was any feedback available from staff on how they were finding the new system. It was noted that work was ongoing with staff and the development of the system was a continuous process.

Further discussion took place regarding outstanding issues. Councillor Hillary added that there were still some shortcomings within the system and some frustrations for the service user. In response the Head of Projects and Business Services advised that there had been feedback received regarding the 'do not reply' emails and that this was high on the list of issues which needed addressing.

The Principal Overview and Scrutiny Officer reassured members that the issues being raised had been discussed at length by the working group. In addition it should be noted that a member pilot would be carried out in February / March 2017 and would build on

member input already received. Training on the new system would also be provided as part of the member induction process following the elections in May 2017.

Councillor Henig commented that she was particularly pleased with the work of the review group and also thanked C Hastie, Member Support Officer for his input.

Councillor J Armstrong in referring to recommendation 5 of the report commented that in his opinion training on the new system should be compulsory rather than made available. Members agreed that this should be reflected in the recommendation.

**Resolved:**

That the report of the Customer Relationship Management System (CRM) Working Group be agreed and approved for submission to the Cabinet Portfolio Holder for consideration.

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## Corporate Issues Overview and Scrutiny Committee

21 April 2017

### Report on the Council's use of powers under the Regulation of Investigatory Powers Act 2000 – Quarters 3 and 4 - 2016/17



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## Report of Clare Pattinson, Interim Head of Legal and Democratic Services

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### Purpose of the Report

1. To inform members about the Council's use of powers under the Regulation of Investigatory Powers Act 2000 ('RIPA') during the period 1 October 2016 until 31 March 2017 (Quarters 3 and 4) to ensure that it is being used consistently with the Council's policy and that the policy remains fit for purpose.

### Background

2. As members are aware, the Regulation of Investigatory Powers Act 2000 (RIPA) enables local authorities to carry out certain types of surveillance activity provided that specified procedures are followed. The Local Authority is able to rely upon the information obtained from those surveillance activities within court proceedings.
3. This report gives details of RIPA applications that have been authorised during the period 1 October 2016 until 31 March 2017 and the outcomes following surveillance.

### Quarter 3 Activity

4. During Quarter 3 there was 1 new RIPA Directed Surveillance authorisation which related to an operation conducted by Trading Standards regarding test purchases at a number of premises where complaints were received by the Council about underage sales of alcohol and tobacco.

5. The authorisation was approved the Magistrate and there were no difficulties or issues raised by the Magistrate in approving the application.
6. The Council's Senior Responsible Officer is satisfied that the Council's use of its powers under RIPA during Quarter 3 is consistent with the Council's policy and that the policy remains fit for purpose.

### **Outcomes following surveillance – Quarter 3**

7. In relation to the test purchase operation, non-compliance has been dealt with by way of fixed penalty notices. Those who failed test purchases will be subject to further visits.

### **Quarter 4 Activity**

8. During Quarter 4 there were 4 new RIPA Directed Surveillance authorisations, which related to operations conducted by Trading Standards regarding sales of counterfeit tobacco from residential premises and test purchases at a number of premises where complaints were received by the Council about underage sales of alcohol.
9. There were 2 new Covert Human Intelligence Source (CHIS) authorisations which related to the operations conducted by Trading Standards regarding sales of counterfeit tobacco from residential premises and where Directed Surveillance authorisations were also in force.
10. All authorisations except for one were approved by the Magistrates and there were no difficulties or issues raised by the Magistrate in approving those applications.
11. One authorisation was refused by a District Judge on the basis that there was insufficient evidence to justify the surveillance because the operation stemmed from an anonymous letter and the suspects were not known to the police.
12. The Council's Senior Responsible Officer formally reported an error to the Office of Surveillance Commissioners on 16 March 2017 after identifying that officers carried out a test purchase at a premises and purchased cigarettes without judicial approval. The Consumer Protection Manager has confirmed that officers took the step of carrying out the test purchase without judicial approval to secure further evidence to present to the Magistrates' when applying for judicial approval. This action was taken because of the comments made by the District Judge who refused an earlier unrelated RIPA application for directed surveillance. When refusing the application, the District Judge suggested that the Council should try to obtain further evidence before presenting an application to

the Court, including a test purchase. The Consumer Protection Manager has reminded his officers that if surveillance is necessary and proportionate, they must complete the RIPA application for directed surveillance and/or a CHIS for consideration and approval by the Authorising Officer and then obtain judicial approval.

13. Notwithstanding the error reported to the OSC, the Council's Senior Responsible Officer is satisfied that the Council's use of its powers under RIPA during Quarter 4 is consistent with the Council's policy and that the policy remains fit for purpose.

#### **Outcomes following surveillance – Quarter 4**

14. In relation to one test purchase operation, non-compliance has been dealt with by way of fixed penalty notices. Surveillance remains ongoing in the operation regarding sales of counterfeit tobacco from residential premises.

#### **Recommendations and Reasons**

15. It is recommended that members receive the quarterly report on the Council's use of RIPA for the period 1 October 2016 until 31 March 2017 and resolve that it is being used consistently with the Council's policy and that the policy remains fit for purpose.

#### **Background Papers**

None

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**Contact: Clare Burrows**

**Tel: 03000 260548**

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## **Appendix 1: Implications**

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**Finance:** None

**Staffing:** None

**Equality and Diversity:** None

**Accommodation:** None

**Crime and Disorder:** The appropriate use of an oversight of RIPA powers will enable the Council to provide evidence to support appropriate prosecutions and tackle crime.

**Human Rights:** None

**Consultation:** None

**Procurement:** None

**Disability Discrimination Act:** None

**Legal Implications:** None

**Corporate Issues Overview and Scrutiny  
Committee**

**21 April 2017**



**Quarter Three 2016/17  
Performance Management Report**

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**Report of Corporate Management Team  
Lorraine O'Donnell, Director of Transformation and Partnerships  
Councillor Simon Henig, Leader**

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**Purpose of the Report**

- 1 To present progress against the council's corporate performance framework for the Altogether Better Council priority theme for the third quarter of the 2016/17 financial year, covering the period October to December 2016.

**Background**

- 2 At quarter two we received very positive feedback from members and officers on the revised report format so this quarter work has continued to review how we present performance information. We have again maintained an outline of key performance messages from data released this quarter. We have also retained the more visual style presentation of one summary page per Altogether theme which presents key data messages showing, where available, the latest position in trends and how we compare to others.
- 3 A more comprehensive table of all performance data is presented in Appendix 3.
- 4 Key performance indicator progress is still reported against two indicator types which comprise of:
  - (a) Key target indicators – targets are set for indicators where improvements can be measured regularly and where improvement can be actively influenced by the council and its partners; and
  - (b) Key tracker indicators – performance will be tracked but no targets are set for indicators which are long-term and/or which the council and its partners only partially influence.
- 5 We continue to look at ways to further develop the format of the report, as part of the transformation programme, to provide a clearer way of understanding how the council is performing, with the leanest possible process.
- 6 An explanation of symbols used, how we classify our performance as red, amber or green and the groups we use to compare ourselves is in Appendix 2.

- 7 To support the complete indicator set, a guide is available which provides full details of indicator definitions and data sources for the 2016/17 corporate indicator set. This is available to view either internally from the intranet (at Councillors useful links) or can be requested from the Corporate Planning and Performance Team at [performance@durham.gov.uk](mailto:performance@durham.gov.uk).

### **Key Performance Messages from Data Released this Quarter**

- 8 The Altogether Better Council theme covers a range of areas from customer services, benefit processing and responding to freedom of information requests to employee wellbeing, effective use of resources and engaging with our communities through effective partnership working.
- 9 Customer services show telephone call answering (39 seconds on average) and levels of abandoned calls (6%) remain static. Responses to Freedom of Information and Environmental Information Regulations requests are faster than last quarter, but remain below the national target. Processing times are on target for housing benefit and council tax reduction in both change of circumstances and new claims received and are on track to achieve annual targets.
- 10 Managing sickness absence remains a priority for the council both in terms of the number of working days lost and the impact this has on our ability to deliver services. Sickness absence has reduced this quarter and this is also an improvement compared to the same period last year. Although the percentage of staff who had an appraisal improved, performance remains below target. Human resources business leads continue to work closely with service management teams to increase the number of appraisals undertaken and in light of the recent restructuring changes, to ensure appraisals remain a priority for the newly established service groupings.
- 11 Collection rates for council tax and business rates continue to show good progress, in line with period targets.
- 12 The latest position in volume trends is presented in the chart available at Appendix 4.

### **Risk Management**

- 13 Effective risk management is a vital component of the council's agenda. The council's risk management process sits alongside our change programme and is incorporated into all significant change and improvement projects.
- 14 The key risks in delivering the ambitions of this priority theme and how we are managing them are:
- (a) if there was to be slippage in the delivery of the agreed Medium Term Financial Plan (MTFP) savings projects, this will require further savings to be made from other areas, which may result in further service reductions and job losses. Management consider it possible that this

risk could occur, which will result in a funding shortfall, damaged reputation and reduced levels of service delivery. To mitigate the risk, a programme management approach for key projects has been established and embedded across the council. Monitoring provides assurance over the implementation of the agreed MTFP savings projects. It should be recognised that this will be a significant risk for at least the next four years. (critical / possible);

- (b) ongoing Government funding cuts which now extend to at least 2019/20 will continue to have an increasing major impact on all council services. Management consider it highly probable that this risk could occur, and to mitigate the risk, sound financial forecasting is in place based on thorough examination of the Government's red book plans. This will also be a significant risk for at least the next four years. (critical / highly probable);
- (c) if we were to fail to comply with Central Government's Public Services Network Code of Connection (PSN CoCo) criteria for our computer applications, this would put some of our core business processes at risk, such as revenues and benefits, which rely on secure transfer of personal data. The Government set criteria for the PSN CoCo compliance has changed again, one of the requirements being the need to submit a risk register, which was done in July 2016. (critical / possible);
- (d) major interruption to IT Service Delivery. A project to provide improved ICT resilience through a robust mechanical and electrical designed solution for the council's main data centre has been approved. A timeline for the improvement works, which will significantly reduce the risks from electrical and mechanical failures, is being finalised to reflect the complexity of the project aligned to the need to mitigate the risk. It is anticipated that works will be completed by December 2017. (major / probable).

### **Key Data Messages by Altogether Theme**

- 15 The next section provides a one-page summary of key data messages for the Altogether Better Council priority theme. The format of the Altogether theme provides a snap shot overview aimed to ensure that key performance messages are easy to identify. The Altogether theme is supplemented by information and data relating to the complete indicator set, provided at Appendix 3.

## Altogether Better Council

### Customer Services

For the year Jan - Dec 2016:

 **39** seconds to answer a call on average

 **6%** calls abandoned



### Freedom of Information and Environmental Information Regulations requests:

**x 78%** of responses were sent to applicants within 20 working days (target 85%) between Oct and Dec 2016

### Processing times for housing benefit (HB) and council tax reduction (CTR) claims

Between Oct – Dec 2016:

-  **17.89** days - new HB claims (**target 20 days**)
-  **18.24** days - new CTR claims (**target 20 days**)
-  **7.46** days - HB change of circumstances claims (**target 10 days**)
-  **7.47** days - CTR change of circumstances claims (**target 10 days**)

### Employee Wellbeing

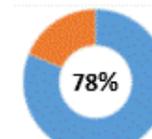
For the year Jan – Dec 2016 (excluding schools):

Sickness absence per full time equivalent achieved target (11.50 days) and better than last year (12.13 days)

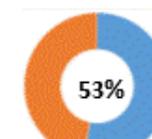


**10.69** Days

Employees having 5 working days or less sickness



More posts with no sickness absence, than last year (48%)



**88%** appraisals completed - an improvement from last year (83.75%) but below target **92%**.



- All Heads of Service receive a monthly summary of employees in their service area who have NOT had appropriate appraisal activity in the rolling year period so that appraisal performance can be actively managed from a senior level.
- Appraisal training continues to be delivered as part of the Corporate Learning and Development Programme to support managers in providing feedback to employees.

### Finance - Apr - Dec 2016

#### Council Tax:



**84.8%** council tax collected (**target 84.7%**)

**70.5%** council tax payers paid by direct debit (**target 70%**)

#### Business Rates:



**83%** business rates collected (**target 83%**)

**42.9%** business rates payers paid by direct debit (**target 45%**)

## Recommendations and reasons

- 16 That the Corporate Issues Overview and Scrutiny Committee receive the report and consider any performance issues arising there with.

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**Contact: Jenny Haworth, Head of Planning and Performance**  
**Tel: 03000 268071 E-Mail [jenny.haworth@durham.gov.uk](mailto:jenny.haworth@durham.gov.uk)**

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Appendix 1: Implications

Appendix 2: Report Key

Appendix 3: Summary of key performance indicators

Appendix 4: Volume measures

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## **Appendix 1: Implications**

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**Finance** - Latest performance information is being used to inform corporate, service and financial planning.

**Staffing** - Performance against a number of relevant corporate health Performance Indicators (PIs) has been included to monitor staffing issues.

**Risk** - Reporting of significant risks and their interaction with performance is integrated into the quarterly monitoring report.

**Equality and Diversity / Public Sector Equality Duty** - Corporate health PIs are monitored as part of the performance monitoring process.

**Accommodation** - Not applicable

**Crime and Disorder** - A number of PIs and key actions relating to crime and disorder are continually monitored in partnership with Durham Constabulary.

**Human Rights** - Not applicable

**Consultation** - Not applicable

**Procurement** - Not applicable

**Disability Issues** - Employees with a disability are monitored as part of the performance monitoring process.

**Legal Implications** - Not applicable

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## Appendix 2: Report key

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### Performance Indicators:

#### Direction of travel/benchmarking

Same or better than comparable period/comparator group

**GREEN**

Worse than comparable period / comparator group (within 2% tolerance)

**AMBER**

Worse than comparable period / comparator group (greater than 2%)

**RED**

#### Performance against target

Meeting/Exceeding target

Getting there - performance approaching target (within 2%)

Performance >2% behind target

- ✓ Performance is good or better than comparable benchmark
- ✗ Performance is poor or worse than comparable benchmark
- ↔ Performance has remained static or is in line with comparable benchmark

### National Benchmarking

We compare our performance to all English authorities. The number of authorities varies according to the performance indicator and functions of councils, for example educational attainment is compared to county and unitary councils however waste disposal is compared to district and unitary councils.

### North East Benchmarking

The North East figure is the average performance from the authorities within the North East region, i.e. County Durham, Darlington, Gateshead, Hartlepool, Middlesbrough, Newcastle upon Tyne, North Tyneside, Northumberland, Redcar and Cleveland, Stockton-on-Tees, South Tyneside, Sunderland. The number of authorities also varies according to the performance indicator and functions of councils.

### Nearest Neighbour Benchmarking:

The nearest neighbour model was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA), one of the professional accountancy bodies in the UK. CIPFA has produced a list of 15 local authorities which Durham is statistically close to when you look at a number of characteristics. The 15 authorities that are in the nearest statistical neighbours group for Durham using the CIPFA model are: Barnsley, Wakefield, Doncaster, Rotherham, Wigan, Kirklees, St Helens, Calderdale, Dudley, Northumberland, Tameside, Sheffield, Gateshead, Stockton-on-Tees and Stoke-on-Trent.

We also use other neighbour groups to compare our performance. More detail of these can be requested from the Corporate Planning and Performance Team at [performance@durham.gov.uk](mailto:performance@durham.gov.uk).

## Appendix 3: Summary of Key Performance Indicators

Page 22  
Table 1: Key Target Indicators

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
<b>Altogether Better Council</b>											
54	NS25	Percentage of customers with an appointment at a customer access point who are seen on time	Available Q4 2016/17	NA	95	NA	New indicator	NA			
55	RES/038	Percentage all ICT service desk incidents resolved on time	94	Oct - Dec 2016	90	GREEN	94	GREEN			
56	RES/NI/181a1	Average time taken to process new housing benefit claims (days)	17.89	Oct - Dec 2016	20.00	GREEN	19.16	GREEN	22.00 Not comparable	24** Not comparable	Jul - Sep 2016
57	RES/NI/181a2	Average time taken to process new council tax reduction claims (days)	18.24	Oct - Dec 2016	20.00	GREEN	19.33	GREEN			
58	RES/NI/181b1	Average time taken to process change of circumstances for housing benefit claims (days)	7.46	Oct - Dec 2016	10.00	GREEN	9.92	GREEN	9.00 Not comparable	10** Not comparable	Jul - Sep 2016
59	RES/NI/181b2	Average time taken to process change of circumstances for council tax reduction claims (days)	7.47	Oct - Dec 2016	10.00	GREEN	9.72	GREEN			
60	RES/002	Percentage of council tax collected in-year	84.76	Apr - Dec 2016	84.70	GREEN	84.47	GREEN	97.10 Not comparable	95.96* Not comparable	2015/16

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
61	RES/003	Percentage of business rates collected in-year	83.04	Apr - Dec 2016	83.00	GREEN	82.95	GREEN	98.20 Not comparable	96.56* Not comparable	2015/16
62	RES/129	Percentage of council tax recovered for all years excluding the current year	99.53	Oct - Dec 2016	98.50	GREEN	99.06	GREEN			
63	RES/130	Percentage of business rates recovered for all years excluding the current year	99.25	Oct - Dec 2016	98.50	GREEN	99.50	AMBER			
64	REDPI 49b	Total of income and savings from solar installations on council owned buildings (£) (excluding schools)	269,581	2015/16	242,000	GREEN	261,210	GREEN			
65	REDPI 68	Average operational rating of Display Energy Certificates in county council buildings	92.0	As at Dec 2016	94.0	GREEN	96.0	GREEN			
66	RES/LPI/010	Percentage of undisputed invoices paid within 30 days to our suppliers	95.3	Oct - Dec 2016	93.0	GREEN	95.2	GREEN			
67	ACE006	Percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within statutory deadlines	78	Oct - Dec 2016	85	RED	77	GREEN			
68	RES/LPI/012	Days / shifts lost to sickness absence – all services including school staff	8.91	Jan - Dec 2016	8.50	RED	9.71	GREEN			
69	RES/LPI/012a	Days / shifts lost to sickness absence – all services excluding school staff	10.69	Jan - Dec 2016	11.50	GREEN	12.13	GREEN			

Re Page 24	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
70	RES/011	Percentage of performance appraisals completed in current post in rolling year period (excluding schools)	88.08	Jan - Dec 2016	92.00	RED	83.75	GREEN			

**Table 2: Key Tracker Indicators**

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
<b>Altogether Better Council</b>											
174	NS43a	Number of customer contacts - face to face	182,213	Jan - Dec 2016	199,868	NA	187,956	NA			
175	NS43b	Number of customer contacts -telephone	982,660	Jan - Dec 2016	998,365	NA	1,015,211	NA			
176	NS43c	Number of customer contacts - web forms	68,842	Jan - Dec 2016	75,111	NA	53,997	NA			
177	NS43d	Number of customer contacts - emails	69,271	Jan - Dec 2016	68,367	NA	48,661	NA			
178	NS43e	Number of customer contacts - social media	2,395	Jan - Dec 2016	2,807	NA	1,439	NA			
179	NS26	Average time taken to answer a telephone call (seconds)	39	Jan - Dec 2016	39	GREEN	39	GREEN			
180	NS20	Percentage of abandoned calls	6	Jan - Dec 2016	6	GREEN	6	GREEN			
181	RES/013	Staff aged under 25 as a percentage of post count	5.94	As at Dec 2016	5.95	NA	5.69	NA			
182	RES/014	Staff aged over 50 as a percentage of post count	40.80	As at Dec 2016	40.36	NA	39.89	NA			
Page 25 23	RES/LPI/011a	Women in the top five percent of earners	53.6	As at Dec 2016	53.18	NA	52.54	NA			

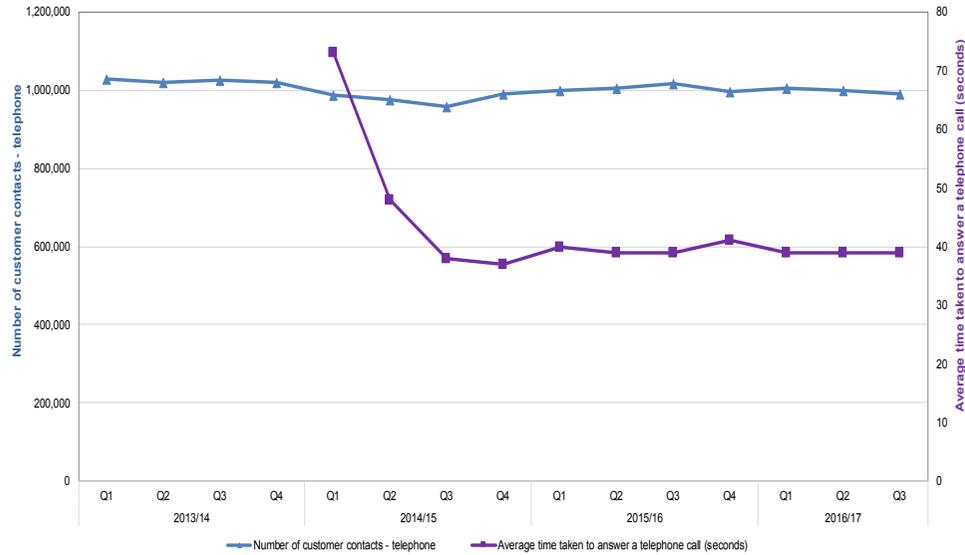
Page 26 Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
184	RES/LPI/011bi	Black and minority ethnic (BME) as a percentage of post count	1.69	As at Dec 2016	1.60	NA	1.57	NA			
185	RES/LPI/011ci	Staff with a recorded disability as a percentage of post count	2.84	As at Dec 2016	2.85	NA	2.75	NA			
186	RES028	Discretionary Housing Payments - value (£) for customers affected by social sector size criteria	684,831.66	Apr - Dec 2016	485,402.51	NA	464,294.50	NA			
187	RES029	Discretionary Housing Payments - value (£) for customers affected by local housing allowance reforms	339,308.85	Apr - Dec 2016	248,542.42	NA	108,986.47	NA			
188	ACE016	Percentage of children in poverty (quarterly proxy measure) <b>(Also in Altogether Better for Children and Young People)</b>	22.1	As at May 2016	22.2	GREEN	22.4	GREEN	15.5 RED	22.6* GREEN	As at May 2016
189	ACE019a	Proportion of households in fuel poverty (with both low income and high fuel costs)	12.2	2014	11.5	RED	11.5	RED	10.6 RED	12.2* GREEN	2014
190	RES/034b	Staff - total headcount (excluding schools)	8,364	As at Dec 2016	8,333	NA	8,564	NA			
191	RES/035b	Staff - total full time equivalent (excluding schools)	6,902	As at Dec 2016	6,881	NA	7,057	NA			
192	RES/020	Percentage of time lost to sickness in rolling year (excluding schools)	4.23	Jan - Dec 2016	4.38	GREEN	4.80	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
193	RES/052	Percentage of posts with no absence in rolling year (excluding schools)	52.62	Jan - Dec 2016	56.74	RED	47.89	GREEN			
194	RES/053	Percentage of employees having five days or less sickness per 12 month rolling period	77.94	Jan - Dec 2016	78.17	NA	New indicator	NA			
195	RES/036	Number of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents reported to the Health and Safety Executive (HSE) [1]	11	Oct - Dec 2016	17	NA	13	NA			

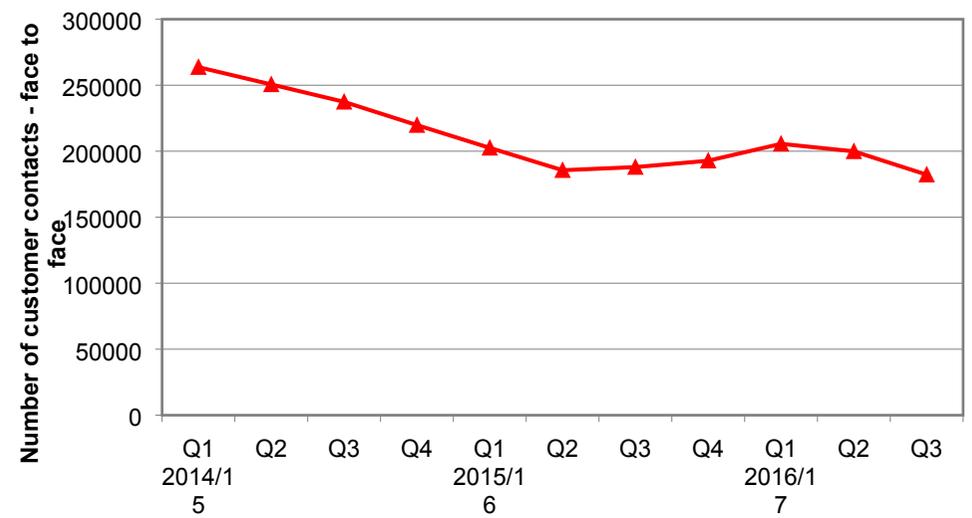
[1] Data 12 months earlier amended / refreshed

## Appendix 4: Volume Measures

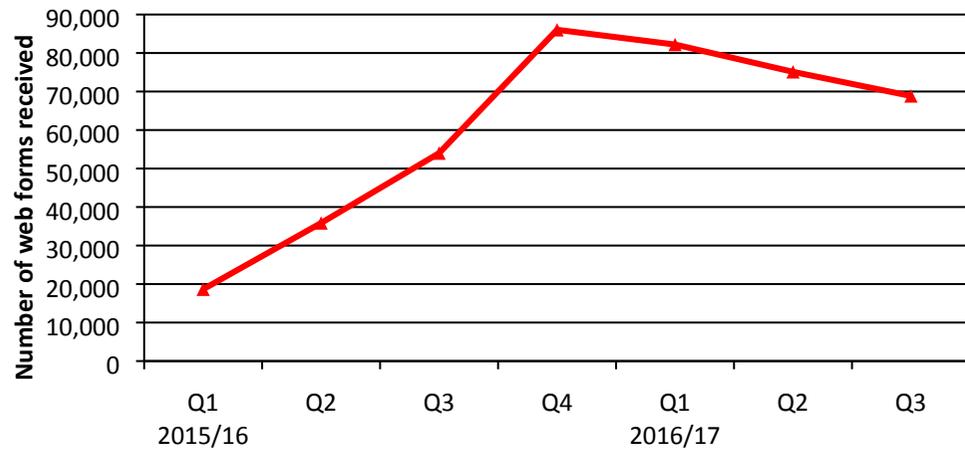
### Chart 1. Telephone calls via customer services



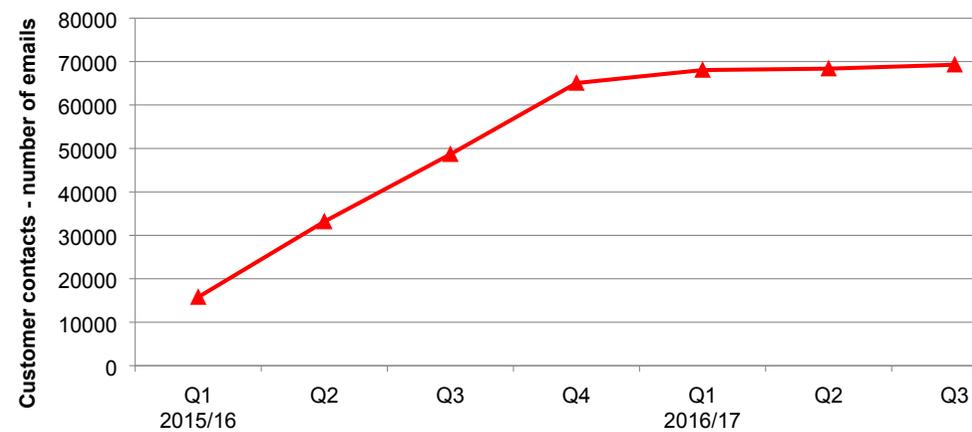
### Chart 2. Face to face contacts via customer access points



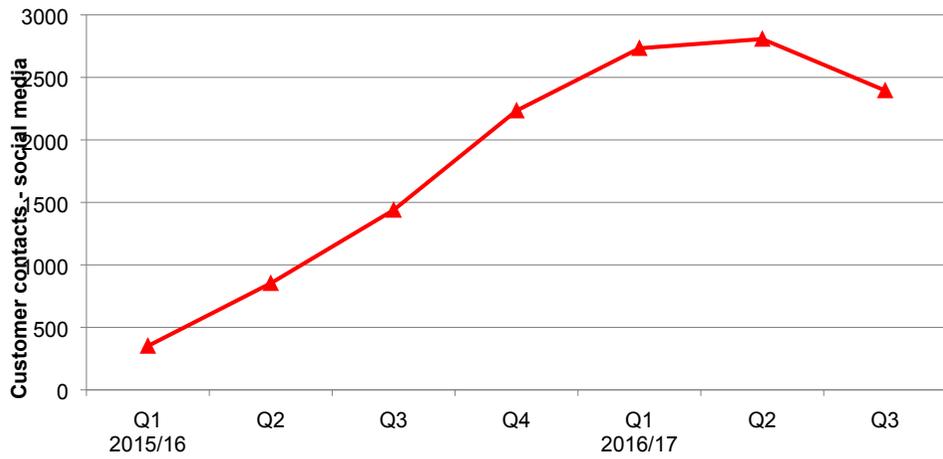
### Chart 3. Customer contacts – web forms



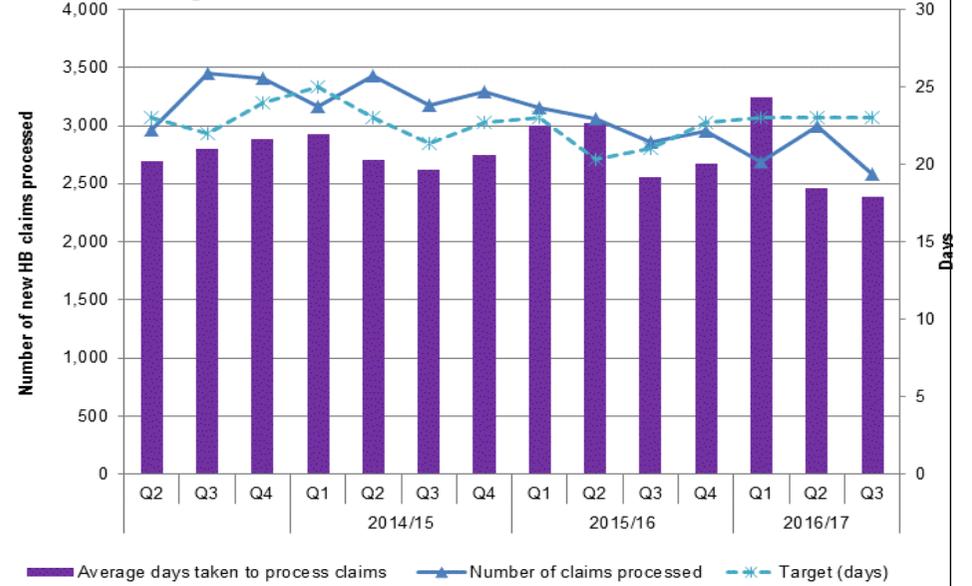
### Chart 4. Customer contacts - emails



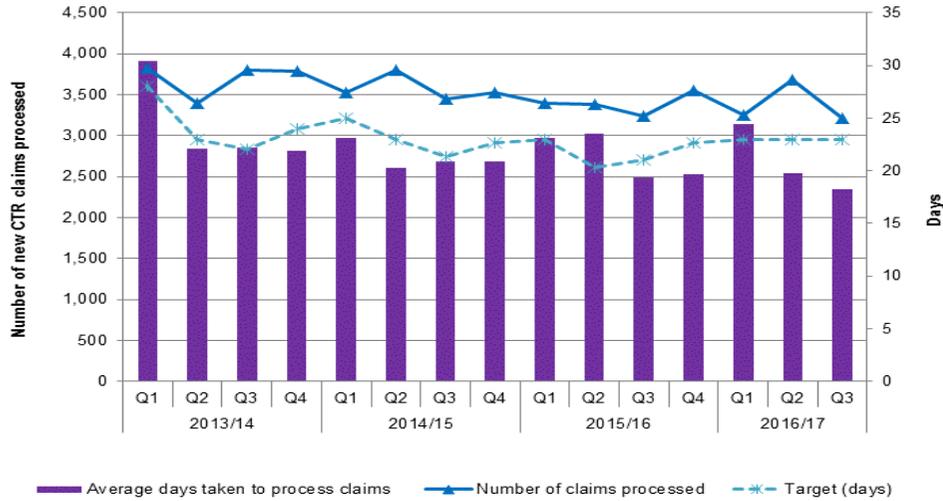
**Chart 5. Customer contacts – social media**



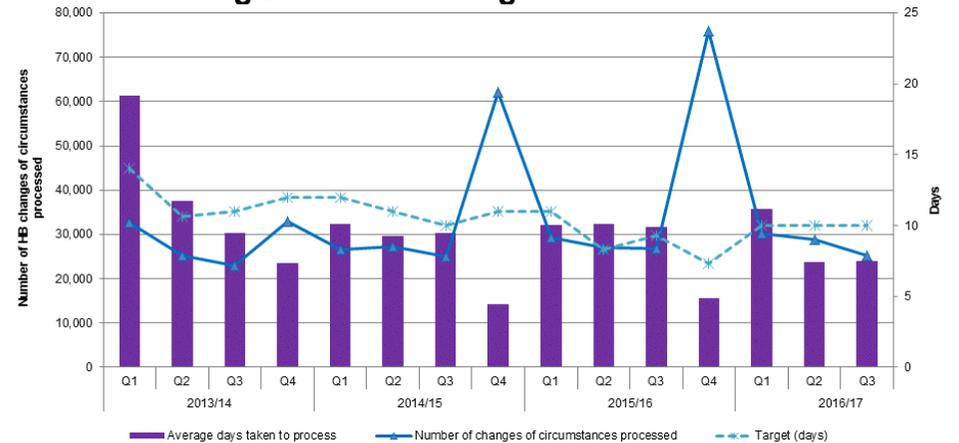
**Chart 6. Housing Benefits – new claims**



**Chart 7. Council Tax Reduction – new claims**

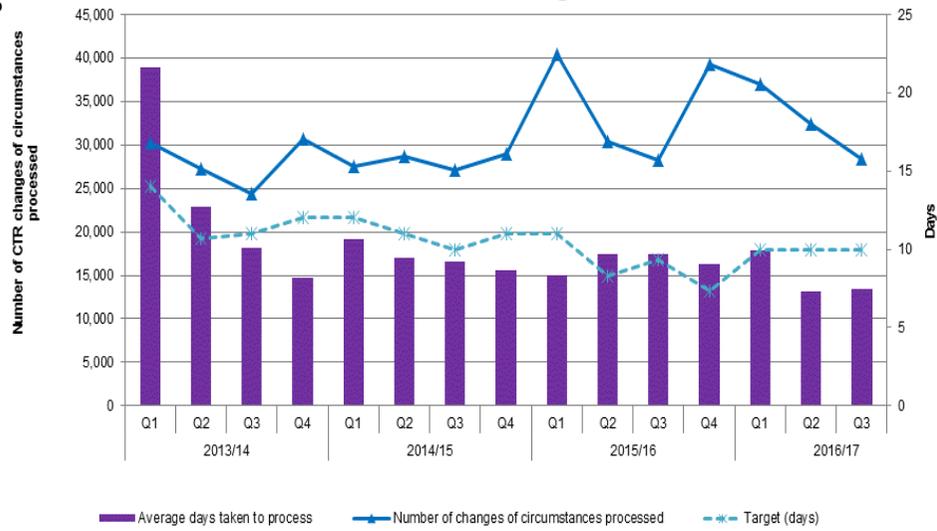


**Chart 8. Housing Benefits – changes of circumstances**



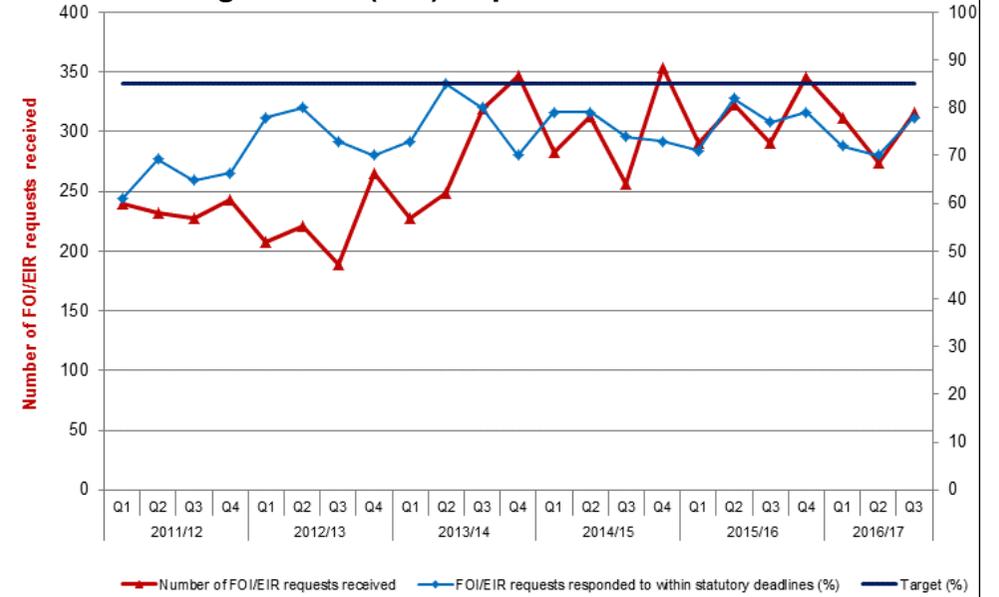
Volume data from 2015/16 is not comparable with previous data.

**Chart 9. Council Tax Reduction – changes of circumstances**



Volume data from 2015/16 is not comparable with previous data.

**Chart 10. Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests**



## Corporate Issues Overview and Scrutiny Committee

21 April 2017



### Resources – Quarter 3 December 2016: Forecast of Revenue and Capital Outturn 2016/17

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## Report of Corporate Director Resources

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### Purpose of the Report

- 1 To provide details of the forecast outturn budget position for the Resources service grouping highlighting major variances in comparison with the budget based on the position to the end of December 2016.

### Background

- 2 County Council approved the Revenue and Capital budgets for 2016/17 at its meeting on 24 February 2016. These budgets have subsequently been revised to account for grant additions/reductions, corporate savings/adjustments, budget transfers between service groupings and budget profiling between years. This report covers the financial position for the following major accounts maintained by the Resources service grouping:

- *Revenue Budget - £17.922 million (original £16.282 million)*
- *Capital Programme – £12.495 million (original £9.026 million)*

- 3 The original Resources General Fund Revenue budget has been revised in year to incorporate a number of budget adjustments as follows:

- APT &C 2016/17 Pay Award from Contingency - +£368,000
- Local Council Tax Admin Grant- -£46,000
- Transfer from ACE – transport recharge adjustment - +£5,000
- Transfer from Resources-CAC-Bank Charges- +£32,000
- Auto-enrolment - +£19,000
- Use of Human Resources Reserve- +£57,000
- Use of Corporate Procurement Reserve- +£50,000
- Use of Oracle Development Reserve- +£165,000
- Use of ICT Trading Account Reserve - +£409,000
- Use of ICT/HR Modern Ways of Working Reserve- +£61,000
- Use of Corporate MTFP ER/VR Reserve- +£337,000
- Use of Corporate Contingency for HR Teaching Assistants exercise- +£50,000
- Use of Corporate Equal Pay Reserve- +£22,000
- Use of Land Search Reserve- +£111,000

The revised General Fund Budget now stands at £17.922 million.

- 4 The summary financial statements contained in the report cover the financial year 2016/17 and show: -
- The approved annual budget;
  - The actual income and expenditure as recorded in the Council's financial management system;
  - The variance between the annual budget and the forecast outturn;
  - For the Resources revenue budget, adjustments for items outside of the cash limit to take into account such items as redundancies met from the strategic reserve, capital charges not controlled by services and use of / or contributions to earmarked reserves.
- 5 The service is reporting a cash limit variance (under budget) of **£1.529 million** against a revised budget of **£17.922 million**. This is an increase from the forecast under budget of £1.166 million at Quarter 2.
- 6 The tables below compare the actual expenditure with the budget. The first table is analysed by Subjective Analysis (i.e. type of expense), and the second by Head of Service.

#### Subjective Analysis (£000's)

Category	Full Year Current Budget £'000	Year To Date - Actual	Forecast Outturn £'000	Variance £'000	Total Items Outside Cash Limit £'000	Cash Limit Variance £'000
Employees	42,470	30,984	41,290	(1,180)	(136)	(1,317)
Premises	6,209	222	6,188	(21)	0	(21)
Transport	710	418	580	(130)	(29)	(158)
Supplies and Services	16,562	12,203	15,639	(923)	101	(822)
Transfer Payments	111	111	111	0	0	0
Third Party Payments	19	(16)	19	0	0	0
Central Support and Capital	9,975	106	9,979	3	0	3
Gross Expenditure	76,056	44,028	73,806	(2,250)	(64)	(2,314)
Income	(57,877)	(17,252)	(57,220)	657	129	785
<b>Net Expenditure</b>	<b>18,180</b>	<b>26,776</b>	<b>16,586</b>	<b>(1,594)</b>	<b>65</b>	<b>(1,529)</b>
HB Transfer payments	183,415	141,399	183,746	330	(330)	0
HB Central Support and Capital	400	0	400	0	0	0
HB Income	(184,073)	(1,623)	(184,073)	0	0	0
<b>HB Net Expenditure</b>	<b>(258)</b>	<b>139,776</b>	<b>72</b>	<b>330</b>	<b>(330)</b>	<b>0</b>
<b>Total Net Expenditure</b>	<b>17,922</b>	<b>166,552</b>	<b>16,658</b>	<b>(1,264)</b>	<b>(265)</b>	<b>(1,529)</b>

## By Head of Service (£000's)

Category	Full Year Current Budget £'000	Year To Date - Actual	Forecast Outturn £'000	Variance £'000	Total Items Outside Cash Limit £'000	Cash Limit Variance £'000
Central Establishment Recharges	(16,454)	25	(16,454)	0	0	0
Corporate Finance & HR	5,243	4,667	4,968	(275)	(52)	(326)
Financial Services & HR	10,663	8,045	10,063	(599)	42	(558)
I.C.T. Services	9,934	7,204	9,824	(110)	(36)	(146)
Internal Audit and Insurance	1,231	842	1,151	(81)	0	(81)
Legal & Democratic Services	7,403	5,844	6,869	(534)	111	(423)
Management/ Performance	160	149	165	5	0	5
<b>Net Expenditure Excluding HB</b>	<b>18,180</b>	<b>26,776</b>	<b>16,586</b>	<b>(1,594)</b>	<b>65</b>	<b>(1,529)</b>
Housing Benefit	(258)	139,776	72	330	(330)	0
<b>Net expenditure</b>	<b>17,922</b>	<b>166,552</b>	<b>16,658</b>	<b>(1,264)</b>	<b>(265)</b>	<b>(1,529)</b>

- 7 The table below provides a brief commentary on the variances against the revised budget analysed by Head of Service. The table identifies variances in the core budget only and excludes items outside of the cash limit (e.g. redundancy costs) and technical accounting adjustments (e.g. capital charges):

Head of Service	Service Area	Description	Year End (Under) / overbudget £000's	Year End (Under) / overbudget £000's
Central Establishment Recharges	Central Establishment Recharges			0
Corporate Finance & HR	Management	£33k Underbudget on Employees £1k Underbudget on Transport £7k Underbudget on Supplies and Services	(41)	
	Financial Systems	£48k Underbudget on Employees £7k Overbudget on Supplies and Services	(41)	
	Procurement	£19k Overbudget on Employees £16k Underbudget on Supplies and Services £52k Overachieved Income	(49)	
	Pensions	£34k Overbudget on Employees £9k Overbudget on Supplies and Services £43k Overachieved Income	0	
	Strategic Finance	£10k Overbudget on Employees £3k Underbudget on Supplies and Services £24k Additional Income	(17)	
	Occupational Health	£14k Overbudget on Employees £19k Underbudget on Supplies and Services £4k Additional Income	(9)	

Head of Service	Service Area	Description	Year End (Under) / overbudget £000's	Year End (Under) / overbudget £000's
	Health and Safety	£73k Underbudget on Employees £2k Overbudget on Transport £2k Underbudget on Supplies and Services £1k Additional Income	(74)	(326)
	Human Resources	£128k Underbudget on Employees £18k Overbudget on Supplies and Services £15k Underachieved Income	(95)	
Financial Services & HR	Management	£54k Underbudget on Employees	(54)	(558)
	Operations & Data	£33k Underbudget on Employees £3k Overbudget on Transport £41k Overbudget on Supplies and Services £18k Overachieved Income	(7)	
	Financial Management	£8k Overbudget on Employees £2k Underbudget on Transport £34k Overbudget on Supplies and Services £182k Overachieved Income	(142)	
	Revenues and Benefits	£677k Underbudget on Employees from managing vacancies in advance of restructure £48k Underbudget on Transport £240k Overbudget on Supplies and Services mainly due to Printing, Postage and Telephone charges £80k Overbudget on packages £90k Investment in ICT efficiencies £90k Additional grant income £50k Under recovery court fee income	(355)	
ICT	ICT Services	£138k Underbudget on Employees £6k Overbudget on Premises £66k Underbudget on Transport £1,079k Underbudget on Supplies and Services £1,131k Underachieved Income, which is linked to the underbudget position on supplies and services	(146)	(146)
Internal Audit and Risk	Insurance and Risk	£7k Overbudget on Employees £1k Underachieved Income	8	(81)
	Internal Audit	£74k Underbudget on Employees £2k Underbudget on Supplies and Services £21k Overachieved Income	(97)	
	Corporate Fraud	£8k Overbudget on Employees £1k Overbudget on Transport £1k Overbudget on Supplies and Services £2k Overachieved Income	8	

Head of Service	Service Area	Description	Year End (Under) / overbudget £000's	Year End (Under) / overbudget £000's
Legal and Democratic Services	Corporate and Democratic Core	£75k Underbudget on employees from vacancies and future MTFP savings £27k Underbudget on Registrar premises £4k Underbudget on transport £9k Overbudget on supplies and services £76k Underachieved income relating to Land Charges and Registrars offset by increased income in Electoral Registration	(21)	
	Legal Services	£80k Underbudget on employees, including some MTFP savings £43k Underbudget on transport due to reduced expenditure in Democratic Representation £256k Underbudget on supplies and services including printing, legal fees, postages, hardware, telephony, subscriptions and functions, 50% of which have been identified as future MTFP savings £23k Overachieved income	(402)	(423)
Service Management	Service Management	No Material Variances	5	5
Benefits Payments and Subsidy	Benefits	£300,000 DHP overspend covered from Welfare assistance reserve and £30,014 from Welfare Assistance	0	0
<b>TOTAL</b>				<b>(1,529)</b>

- 8 In summary, the service grouping is on track to maintain spending within its cash limit. It should also be noted that the estimated outturn position incorporates the net MTFP savings required in 2016/17 which amount to £1.493 Million and the early achievement of a number of 2017/18 MTFP savings.

### Capital Programme

- 9 The Resources capital programme currently comprises 22 schemes, 19 of which are managed within ICT.
- 10 The original Resources capital programme was £11.868 million and this has been revised for additions/reductions, budget transfers and budget profiling. The revised budget now stands at £4.179 million

11 Summary financial performance to the end of December 2016 is shown below:

	Original Annual (MAY MOWG) Budget 2016/17 £000	Revised Annual Budget 2016/17 £000	Profiled Budget 2016/17 £000	Actual Spend 31/12/16 £000	Remaining Budget £000
ICT Services Include Design and Print	11,162	3,514	3,138	2,393	1,121
Legal and Democratic	60	19	14	19	-
Corporate Finance & Financial Services	646	646	452	59	587
<b>Total</b>	<b>11,868</b>	<b>4,179</b>	<b>3,604</b>	<b>2,471</b>	<b>1,708</b>

12 The revised Resources capital budget is £4.179 million with a total expenditure to 31 December 2016 of £2.471 million (59%). A full breakdown of schemes and actual expenditure to 31 December 2016 is given in **Appendix 2**.

13 At year end the actual outturn performance will be compared against the revised budgets and at that time service and project managers will need to account for any budget variance.

#### **Recommendations:**

14 Corporate Issues Overview and Scrutiny Committee is requested to note the contents of this report.

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**Contact: Azhar Rafiq, Finance Manager: Regeneration, Resources, Transformation and Partnerships**  
**Tel: 03000 263 480      E-mail: azhar.rafiq@durham.gov.uk**

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## **Appendix 1: Implications**

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### **Finance**

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital projected outturn position.

### **Staffing**

None.

### **Risk**

None.

### **Equality and Diversity / Public Sector Equality Duty**

None.

### **Accommodation**

None.

### **Crime and disorder**

None.

### **Human rights**

None.

### **Consultation**

None.

### **Procurement**

None.

### **Disability Issues**

None.

### **Legal Implications**

None.

**Appendix 2: Resources Capital Programme 2016/17- Detailed Monitoring Statement to 31 December 2016**

	Revised Annual Budget 2016/17	Profiled Budget 2016/17	Actual Spend 31/12/16	Remaining Budget
	£000	£000	£000	£000
Archiving of obsolete systems based on non supported hardware.	50	35	-	50
Big Data	9	6	-	9
Broadband / Digital Durham	355	926	820	(465)
Code of Connection Compliance	110	77	105	5
Corporate Mail Fulfilment	4	3	-	4
Dark Fibre installations and Circuit/Microwave Upgrades	257	180	183	74
Email Upgrade	155	109	69	86
Fibre Channel Network for Storage	-	-	(2)	2
Homeworking	22	15	15	7
Learning Gateway	74	52	-	74
Mobile Device Management	165	116	-	165
Ongoing Server replacement	531	372	181	350
Replacement of Desktop ICT Equipment	902	631	663	239
Sharepoint Architecture	37	26	27	10
Tanfield Datacentre Core Switching Replacement	36	25	-	36
Tanfield Datacentre LAN Switching Replacement	408	285	35	373
Applications and Development	25	18	9	16
Conversion of Capita One Software to Tribal	274	192	197	77
Wireless Network Replacement	100	70	91	9
<b>ICT Services Include Design and Print Total</b>	<b>3,514</b>	<b>3,138</b>	<b>2,393</b>	<b>1,121</b>
RES Electronic Voting Equipment	19	14	19	-
<b>Legal and Democratic Total</b>	<b>19</b>	<b>14</b>	<b>19</b>	<b>-</b>
Migration of HR/Payroll functionality	596	417	85	511
Civica Pension Fund Administration System	50	35	(26)	76
<b>Corporate Finance &amp; Financial Services Total</b>	<b>646</b>	<b>452</b>	<b>59</b>	<b>587</b>
<b>Grand Totals</b>	<b>4,178</b>	<b>3,604</b>	<b>2,471</b>	<b>1,707</b>

# Corporate Issues Overview and Scrutiny Committee

21 April 2017



## Transformation and Partnerships – Quarter 3 December 2016: Forecast of Revenue and Capital Outturn 2016/17

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### Joint Report of Corporate Director Resources and Director of Transformation and Partnerships

---

#### Purpose of the Report

- 1 To provide details of the forecast outturn budget position for the Transformation and Partnerships (TAP) service grouping highlighting major variances in comparison with the budget based on the position to the end of December 2016.

#### Background

- 2 County Council approved the Revenue and Capital budgets for 2016/17 at its meeting on 24 February 2016. These budgets have subsequently been revised to account for grant additions/reductions, budget transfers between service groupings and budget reprofiling between years. This report covers the financial position for the following major accounts maintained by the TAP service grouping:

- (a) TAP Revenue Budget - £10.880 million (original £9.447 million)
- (b) TAP Capital Programme – £4.041 million (original £5.621 million)

- 3 The original TAP General Fund budget has been revised to incorporate a number of budget adjustments as follows:

- (a) Budget increase for the pay award +£60,000
- (b) Transport adjustment -£5,000
- (c) To Modern Ways of Working Reserve -£40,000
- (d) Use of Disabled Go Reserve +£8,000
- (e) Use of Customer Focus Reserve +£50,000
- (f) Use of Community Reserve +£85,000
- (g) Use of Community Led Development Reserve +£15,000
- (h) Use of Transformation Challenge Reserve +£282,000
- (i) Use of AAP Reserve - Public Health +£75,000
- (j) Use of AAP Reserve (Welfare Assistance) +£105,000
- (k) Use of AAP Reserve (CCG) +£170,000
- (l) Use of AAP Reserve (Health Champions) +£292,000
- (m) Use of Corporate Procurement Reserve +£220,000
- (n) Use of MTFP Redundancy Reserve +£116,000

The revised General Fund Budget now stands at £10.880 million.

- 4 The summary financial statements contained in the report cover the financial year 2016/17 and show:-
- The approved annual budget;
  - The actual income and expenditure as recorded in the Council's financial management system;
  - The variance between the annual budget and the forecast outturn;
  - For the TAP revenue budget, adjustments for items outside of the cash limit to take into account such items as redundancies met from the strategic reserve, capital charges not controlled by services and use of / or contributions to earmarked reserves.

### Revenue - General Fund Services

- 4 The service is reporting a cash limit under budget of **£87,000** against a revised budget of **£10.880 million**. This compares with the forecast cash limit under budget at Quarter 2 of £22,000.
- 5 The tables below compare the actual expenditure with the budget. The first table is analysed by Subjective Analysis (i.e. type of expense), and the second by Head of Service.

#### Subjective Analysis £'000

£'000	Annual Budget	YTD Actual	Forecast Outturn	Variance	Items Outside Cash Limit	Cash Limit Variance
<b>Employees</b>	6,917	5,364	7,107	190	(97)	93
<b>Premises</b>	273	98	270	(3)	0	(3)
<b>Transport</b>	50	28	47	(3)	0	(3)
<b>Supplies and Services</b>	1,961	1,233	1,922	(39)	24	(15)
<b>Agency and Contracted</b>	78	0	78	0	0	0
<b>Transfer Payments</b>	2,213	1,882	2,316	102	(122)	(20)
<b>Central Costs</b>	2,485	261	2,485	0	0	0
<b>GROSS EXPENDITURE</b>	<b>13,977</b>	<b>8,866</b>	<b>14,225</b>	<b>247</b>	<b>(195)</b>	<b>52</b>
<b>INCOME</b>	<b>(3,097)</b>	<b>(1,084)</b>	<b>(3,652)</b>	<b>(554)</b>	<b>415</b>	<b>(139)</b>
<b>NET EXPENDITURE</b>	<b>10,880</b>	<b>7,782</b>	<b>10,573</b>	<b>(307)</b>	<b>220</b>	<b>(87)</b>

#### Analysis by Head of Service £'000

£'000	Annual Budget	YTD Actual	Forecast Outturn	Variance	Items Outside Cash Limit	Cash Limit Variance
Partnership and Community Engagement	7,819	4,803	7,553	(266)	223	(43)
Planning and Performance	1,503	1,133	1,539	36	(10)	26
Policy and Communications	2,747	1,846	2,670	(77)	7	(70)
Central	(1,189)	0	(1,189)	0	0	0
<b>NET EXPENDITURE</b>	<b>10,880</b>	<b>7,782</b>	<b>10,573</b>	<b>(307)</b>	<b>220</b>	<b>(87)</b>

- 7 Attached in the table below is a brief commentary of the variances with the revised budget analysed into Head of Service groupings. The table identifies variances in

the core budget only and excludes items outside of the cash limit (e.g. central repairs and maintenance) and technical accounting adjustments (e.g. capital charges):

Head of Service	Service Area	Description	(Under) / overbudget £'000s
Partnership and Community Engagement (PACE)	Area Action Partnerships, Community Buildings, PACE	£10,000 over budget on employee costs and a managed under budget of £53,000 on supplies and services	(43)
Planning and Performance	Planning, Performance, Overview and Scrutiny, County Records	£26,000 managed over budget the majority of which is employee related.	26
Policy and Communications	Policy, Communications Public relations, CCU and Programme Office	£70,000 under budget, predominantly resulting from a managed under budget on supplies and services across the service.	(70)
Central	Central Costs	No variances.	0
<b>TOTAL</b>			<b>(87)</b>

8 In summary, the service grouping is on track to maintain spending within its cash limit. It should also be noted that the estimated outturn position incorporates the MTFP savings required in 2016/17 which amount to £0.832 million.

### Members Neighbourhoods Revenue Budget

9 Each elected member receives an annual allocation of £20,000; £6,000 revenue and £14,000 capital. The revenue budget allocation for the current year is £0.756 million. Previous years unspent allocations totalling £1.287 million are held in an earmarked reserve. At present £1.375 million of the total budget allocation of £2.043 million has been either spent or committed.

10 The members Initiative Fund Element of this budget equates to £0.252 million based on £2,000 per elected member. At this stage of the year it is expected that this will be fully expended.

### AAP Area Budgets

11 Each of the 14 Area Action Partnerships (AAP) has an annual allocation of £100,000; £76,000 revenue and £24,000 capital. The revenue budget allocation for the current year is £1.064 million to develop projects to meet the agreed AAP priorities. Previous years unspent allocations totalling £1.997 million are held in an earmarked reserve. At this stage in the year a total of £2.252 million has either been committed or spent.

## Capital Programme

- 12 The TAP capital programme comprises five main schemes, Assets in the Community, Area Action Partnerships Capital, AAP Initiatives, Members Neighbourhoods Capital and Community Facilities in Crook.
- 13 The Transformation and Partnerships capital programme was revised at Outturn for budget rephased from 2015/16. This increased the 2016/17 budget to £5.621m. Further reports to the MOWG in 2016/17 detailed further revisions, for grant additions/reductions, budget transfers and budget reprofiling into later years. The revised budget now stands at **£4.041m**.
- 14 Summary financial performance to the end of December is shown below.

Service	Original Annual Budget 2016/17 £000	Revised Annual Budget 2016/17 £000	Actual Spend to 31 December £000	Remaining Budget £000
Assets in the Community	1,151	252	236	16
Area Action Partnership	434	438	287	151
AAP Initiatives		116	50	66
Members Neighbourhoods	3,529	2,728	915	1,813
Community Facilities Crook	507	507	61	446
<b>Total</b>	<b>5,621</b>	<b>4,041</b>	<b>1,549</b>	<b>2,492</b>

- 15 Officers continue to carefully monitor capital expenditure on a monthly basis. £1.549m of actual expenditure has been incurred to date. This is 38% of the total budget for the year.
- 16 At year end the actual outturn performance will be compared against the revised budgets and service and project managers will need to account for any budget variance.

### Recommendations:

- 17 The committee is recommended to note the contents of this report.

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**Contact: Azhar Rafiq – Finance Manager (Regeneration, Resources, Transformation and Partnerships) Tel: 03000 263 480 E-mail: azhar.rafiq@durham.gov.uk**

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## **Appendix 1: Implications**

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### **Finance**

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital projected outturn.

### **Staffing**

None.

### **Risk**

None.

### **Equality and Diversity / Public Sector Equality Duty**

None.

### **Accommodation**

None.

### **Crime and disorder**

None.

### **Human rights**

None.

### **Consultation**

None.

### **Procurement**

None.

### **Disability Issues**

None.

### **Legal Implications**

None.

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**Corporate Issues Overview and  
Scrutiny Committee**

**21 April 2017**



**Customer Feedback: Complaints  
Compliments and Suggestions  
2016/17 – Quarter 3**

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**Report of Ian Thompson, Corporate Director of Regeneration  
and Local Services**

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**Purpose of the Report**

- 1 To present to Corporate Issues Overview and Scrutiny Committee (CIOSC) the Customer Feedback: Complaints, Compliments and Suggestions report for 2016/17 Quarter 3 (Full report attached at Appendix 2).

**Background**

- 2 The report in relation to the Council's performance and key issues regarding complaints, compliments and suggestions is aligned to the performance reporting mechanisms, so the implications of this customer feedback can inform scrutiny of Council performance.

**Quarter 3, 2016/17**

- 3 The full report at Appendix 2 provides a breakdown of all corporate complaints received by the Council during 2016/17 quarter 3. It summarises the Council's performance in dealing with corporate complaints, explores the themes and identifies the action we will take to not only put things right for an individual but to improve wider service provision. The report also provides positive feedback in the form of compliments across services and also suggestions from customers as to what they think we should consider to improve service provision.

**Recommendations**

- 4 Members are asked to note the information in the report.

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**Tel. 03000 268161**

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**Appendix 1: Implications**

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**Finance**

Financial settlements relating to LGO decisions are included in the report

**Staffing**

Where there is an issue regarding a complaint in relation to staff misconduct or behaviour, this is handled in accordance with the appropriate HR policies

**Risk**

Not applicable

**Equality and Diversity**

Customer feedback data is monitored in relation to equality and diversity

**Accommodation**

Not applicable

**Crime and Disorder**

Not applicable

**Human Rights**

Not applicable

**Consultation**

Not applicable

**Procurement**

Not applicable

**Disability Discrimination Act**

Customer feedback data is monitored in relation to disability

**Legal Implications**

Legal support is provided in appropriate cases

**Putting our  
Customers first**

**Customer Feedback Report**

**Complaints,  
compliments and  
suggestions**

**Quarter 3  
2016/17**

*Altogether better*

## Background information

1. Customer feedback is a valuable tool. It not only helps us understand what is important to service users and what we are doing well, it can also indicate widespread issues and offer us the opportunity to put things right and improve our services.
2. Covering a range of customer feedback, this report highlights the main themes throughout quarter 3 (1 October to 31 December 2016), summarises our performance in dealing with complaints, identifies any lessons learned and states what remedial action we have taken, or plan to take, to put things right and ensure similar mistakes are avoided in the future. As feedback can also highlight opportunities for operational improvement even when the service is delivered properly, the report also includes a selection of customer suggestions and their outcomes, and an overview of comments relating to our decision making.

### Complaints

3. Within this document, there are two types of complaint. Statutory complaints which arise from our duties as a local social services authority and corporate complaints which cover all other complaints. As each complaint type is subject to its own processes and policy, they are reported separately.
4. The first stage in the corporate complaints process enables service areas to resolve the issue in the first instance, providing a service response. Should the customer remain dissatisfied with the service response they can escalate to the Customer Feedback Team, who will either progress with an independent investigation, or advise the service user to contact the Local Government Ombudsman (LGO).
5. Independent investigation of statutory complaints is arranged by the statutory Complaints Teams.

### Summary: Quarter 3

6. We completed initial service reviews into 516 corporate complaints. The average time to complete each review was eight working days and of these complaints, 348 (67%) were upheld (partially or fully). The most frequent mechanisms for registering corporate complaints remain the telephone (48%) and our website (41%).
7. We also completed independent investigations into 17 corporate complaints. The average time to complete each review was 24 working days and of these complaints, seven (41%) were upheld (fully or partially).
8. We received 51 statutory complaints, of which 88% were acknowledged within 2 working days. 40 complaints were resolved within the quarter; 34 within timescale (85%). Of the

40 complaints, 47% were upheld (partially or fully). One complaint progressed to independent investigation.

9. The Local Government Ombudsman (LGO) delivered decisions into 18 matters. Of these, one was upheld.
10. We also received 240 compliments, 113 suggestions and 66 comments in relation to our decision making.

### **Statutory Complaints – Children’s Services**

11. During quarter 3, Children’s Services received 30 statutory complaints, 15% more (+4) than quarter 2 and 15% more (+4) than the same period last year. No complaints progressed to independent investigation during the quarter.
12. Of the 30 complaints, 26 were acknowledged within two working days of receipt.
13. 26 complaints were resolved during the quarter, 21 within their prescribed timescale and five outside their prescribed timescale. Investigations into the remaining four complaints are continuing and all remain within their target timescale. Of the resolved complaints; 11 were not upheld (42%), two were upheld (8%) and 13 partially upheld (50%).
14. Two complaints were declined due to; being part of ongoing court processes (one case); and the complainant not deemed as having sufficient interest (one case).
15. During quarter 3, a number of actions were taken in response to complaints, including:
  - Reminding staff that the Local Safeguarding Children Board’s pack ‘Information for Parents, Carers, Children and Young People’ must be issued prior to an Initial Child Protection Conference: the pack contains information on how to make a complaint.
  - Making staff aware of the publicity material available to prospective complainants, including the Council’s website, CYPS factsheet and a leaflet specifically designed for children.
  - Reminding staff of expectations in relation to managing telephone calls.
  - Reminding staff to notify those with parental responsibility when a case is closed and to record that this action has been taken.

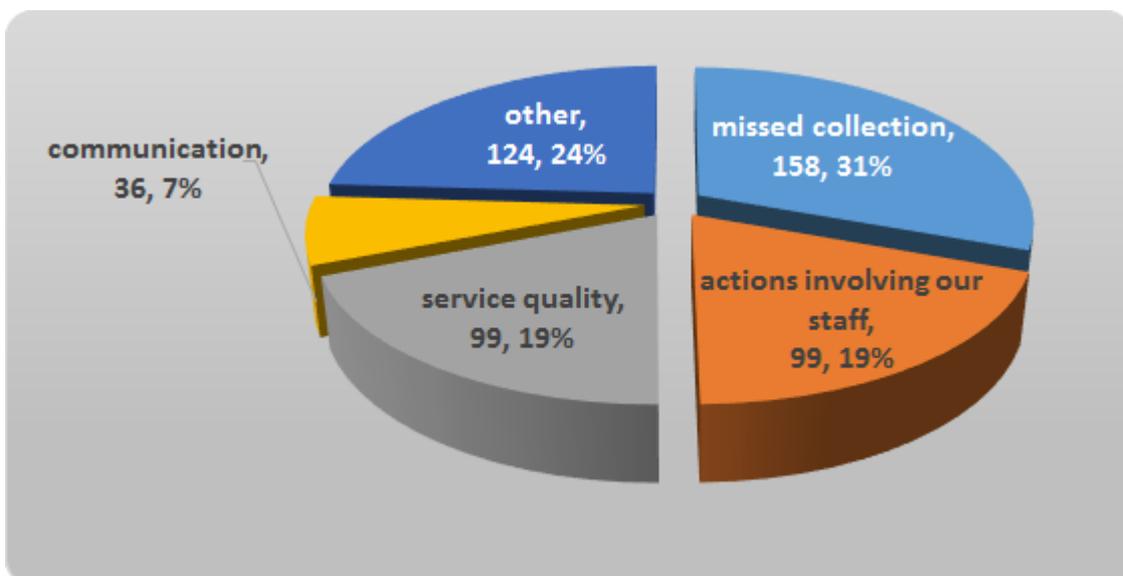
### **Statutory Complaints – Adult Care Services**

16. During quarter 3, Adult Care received 21 statutory complaints, 12% fewer (-3) than quarter 2 and 40% more (+6) than the same period last year.
17. 19 of the 21 complaints were acknowledged within 2 working days of receipt.

18. 14 complaints were resolved during the quarter, 13 within their agreed timescale. Investigations into the remaining seven complaints are continuing. Of the 14 resolved complaints, 10 were not upheld (71%), one was upheld (7%) and 3 partially upheld (21%).
19. One complaint was declined as the complainant was not deemed as having sufficient interest.
20. During quarter 3, a number of actions were taken in response to complaints including:
  - Undertaking a project looking at the issue of service user capacity, recording and the conducting of formal capacity tests.
  - Reminding staff of the need to discuss the charging policy with service users and their families.
  - Putting in place more robust arrangements for communication between a service user's representative and their social worker to ensure a prompt and clear response to any concerns about the care received.

## Corporate Complaints

21. During quarter 3, we addressed 516 corporate complaints. Analysis has shown that although the downward trend of the last three years is continuing, the number received during quarter 3 was 15% more (+66) than quarter 2.
22. The average time to close these complaints was eight working days, two working days longer than during quarter 2, and 67% were upheld (fully or partially) compared to 56% during quarter 2.
23. Further analysis has identified four key topics that collectively account for 76% of these complaints.



## **Missed Collections**

24. In line with previous quarters, 'missed collections' continues to rank as the most frequent cause for complaint across the council. There was an 8% increase (+12) in complaints of this type compared to quarter 2.
25. Of the 158 complaints: 108 related to kerbside refuse and recycling (+35 compared to Q2), 32 to garden waste (-18 compared to Q2), 15 to bulky collections (-8 compared to Q2) and three to trade waste (+3 compared to Q2): 88% were upheld.
26. The majority of complaints (63%) originated in areas of the county where changes to household refuse and recycling collection routes were introduced. Missed collections peaked in October but reduced as crews and customers became acquainted with their new collection rounds.
27. A cross-service working group has been established to reduce missed collections by reviewing operational practices, contact handling, software systems, policy and service standards as well as benchmarking.
28. When considering these complaints, it is important to note that every quarter our crews complete more than 3.2 million refuse and recycling collections, 400,000 garden waste collections and 8,000 bulky collections.

## **Complaints involving our staff**

29. 99 complaints, almost one fifth of all complaints addressed during quarter 3, involved our staff. This is an increase of 5% compared to quarter 2.
30. Of these 99 complaints: 62 related to behaviour (+28 compared to Q2), 27 to attitude (-3 compared to Q2) and 10 to damage caused by a lack of care and attention (-20 compared to Q2).
31. Four main themes accounted for 85% of staff behaviour complaints. Residents unhappy that bins were not returned to their collection point (30); crews not clearing up spillages (mainly broken glass) from roads and pavements (11); inappropriate driving (7) which included four near misses and three reports of driving whilst on a mobile phone; and, dissatisfaction at how the local area was left following highway maintenance work (5). The main reasons for the increase between quarters 2 and 3 were not returning bins to their collection points and not cleaning up spillages.
32. Of the 27 staff attitude complaints, 11 claimed staff were deliberately unhelpful, obstructive or unreasonable, 11 alleged staff were rude and / or aggressive, and five that they were subjected to foul or obscene language / behaviour. 41% of complaints were in relation to our refuse and recycling crews but it is important to note that every quarter our

crews complete more than 3.2 million refuse and recycling collections, 400,000 garden waste collections and 8,000 bulky collections.

33. The basis of 10 complaints was that staff had damaged property, either theirs or the Council's, due to a lack of care and attention whilst undertaking their duties. These complaints covered a wide variety of incidents in small numbers including damage to; kerbside recycling boxes by refuse and recycling crews, grassed areas by council vehicles, private property following collision with a council vehicle, the highway by diesel spillages.

### **Service quality**

34. 99 complaints, equating to a fifth of the complaints addressed during quarter 3, involved the quality of our service provision. This is a 20% increase (+16) compared to quarter 2.
35. The complaints specifically related to our lack of action (72), not receiving an agreed call back (13), time taken to action their request, resolve their issue or answer their query (10) or the condition of the highways (four).
36. Of the 72 complaints citing lack of response, 75% related to street lighting repairs (21), delivery of a replacement bin or repair to an existing bin (13) or our response to antisocial behaviour or environmental concerns (20).
37. Of the 10 complaints unhappy with the time taken; half related to benefit claims, two to street lighting repairs, one to issuing a concessionary bus pass, one to waiting time in a Customer Access Point and one to the time to receive planning permission.
38. Of the four complainants unhappy with our highway maintenance schedule, two felt we are not doing enough to maintain the roads and footpaths and two believed we are not clearing and cleaning the drains adequately.

### **Communication**

39. 36 complaints, 7% of the total, related to communication, a slight increase (+4) compared to quarter 2.
40. There were three main themes; being given inaccurate or conflicting information (13), not receiving information (12) or difficulties contacting the council (five).
41. Nearly all of these complaints related to either Highways or Revenues and Benefits. The main topic of highway complaints concerned road closures or diversions. The majority of revenues and benefits complaints were the result of staff not following processes and procedures. In all cases, appropriate remedial action was taken by managers.

42. The remaining 24% of corporate complaints related to a wide variety of issues received in smaller volumes.

### Corporate complaints subjected to independent investigation

43. During quarter 3, 34 complainants requested their complaint be escalated to the next stage; we declined to investigate seven of these complaints. During the same period, we completed investigations into 17 complaints, of which seven (41%) were upheld (fully or partially). The following table provides detail of upheld complaints:

Outcome	Complaint	Action to be taken
Upheld	Garden waste bin was not emptied on the scheduled dates on many occasions.	The customer's address has now been flagged as 'priority' thereby ensuring it is collected
	Lack of clarity in relation to the process for transferring rights of a grave. When the customer received the form, it contained a third party's name.	Council has apologised for any distress caused, refunded the £70.00 charge and put a more robust process in place to prevent administrative errors such as this.
	Service received from Care Connect	Council to amend its policies to clearly define 'an emergency', set out the steps in the call process and clarify when emergency services should be called.  Council to amend its procedures in relation to accessing master keys and ensuring personal contact details are kept up to date.
Partially upheld	Inadequate response to customer complaint about staff attitude	Council accepts that our response to the initial complaint contained an inadequate level of detail. An additional check to ensure the quality of responses has been added to the existing process.
	Not updating our Council Tax system when we were informed of a change in circumstances thereby incorrectly applying the single person discount.	Council has corrected the bill and apologised that the initial response did not adequately explain why the complainant received credits to their account.

Outcome	Complaint	Action to be taken
	Our processes for dealing with fly-tipping on private land	Working practices have been amended to include a courtesy email acknowledgement in situations such as this, which will set out our responsibilities in relation to fly-tips on private land.
	Delay in Disabled Facilities Grant assessment.	Council has apologised for the delay experienced by the complainant and has amended its policies and procedures for dealing with unexpected absences and the reallocation of cases.

## Complaints to the Local Government Ombudsman (LGO)

44. During quarter 3, the LGO delivered decisions in relation to 18 complaints. Conclusions were reached based on details supplied by complainants and supplemented in some instances with contextual information from Council officers.
45. The 18 complaints related to a number of service areas including planning, refuse and recycling, and child care. Of these complaints; the LGO declined to investigate 10; two were found to be outside the LGO's jurisdiction; one was closed due to local resolution; and four were referred back to the council to deal with under our complaints procedure. The LGO upheld one complaint as detailed in the following table;

Category	Complaint	LGO's final decision
Maladministration and Injustice	Council delayed investigating concerns about breaches of confidentiality by a social worker and failed to involve the complainant and his nephew in a visit to the complainant's mother's care home, as agreed.	Council to apologise and draw up a formal procedure for dealing with complaints of breaches of confidentiality.

## Compliments

46. We also receive many positive comments about our staff and the services we provide, and we believe that understanding what is working well and valued is as important as knowing what is not working as well.

47. During quarter 3, we received 240 compliments, 56 in relation to social care services and 184 in relation to other services. These compliments recognise not only the motivation, dedication and hard-work of our staff but also the high standard and value of the services we provide. The majority of the compliments related to satisfaction with service provision but a number of compliments conveyed thanks to specific individuals. As far as we are able, we have passed these thanks onto the individuals concerned.
48. However, we are aware that many compliments remain unrecorded and so the overall count is not a true reflection of customer appreciation of our staff and services. Many customers now choose to provide feedback through our social media accounts. Although we currently only record complaints in relation to social media, we are investigating how we can extend this to include other feedback including compliments.

### **Feedback relating to our policies and procedures**

49. During quarter 3, we received 66 comments which consisted of objections to; our policies and procedures (50), our fees and charges (15) or being issued with an enforcement notice (1).
50. Almost 70% of objections to our policies and procedures related to waste collection (25) or revenues and benefits (nine). The remaining 30% were in connection to many different policies and procedures in small numbers including upgrading street lights with LED light fittings, Household Waste Recycling Centre procedures, gritting of public footpaths and the provision of school crossing patrols.
51. 18 of the 25 objections to our waste policies were due to not emptying / permanently removing bins due to contamination. The remaining complaints related to not providing an additional / larger bin, being unable to amend a bulky waste collection, not allowing customers to place black bags directly into a refuse vehicle or not taking side waste.
52. Eight of the nine comments relating to our revenues and benefits service related to subjecting all unoccupied properties to council tax. The remaining comment related to council tax procedures.
53. 14 of the 15 comments relating to our fees and charges were objections to the £20 administration and delivery charge to replace a bin lost, stolen or damaged beyond repair. The final comment related to the charge for bulky waste collections.
54. One resident was unhappy to have received a Fixed Penalty Notice.

## Suggestions

55. We believe suggestions are essential to the ongoing development and improvement of our services, and carefully consider all received. During quarter 3, we received 113 suggestions, 40% of which related to the Garden Waste Collection Scheme.
56. The most frequent suggestion involved the timings of the Garden Waste Collection Scheme. Some of which suggested we start earlier and some of which suggested we finish later; the scheme now finishes in November.
57. Within the Revenues and Benefits service, one customer suggested that we amend our procedure for suspending housing benefit to protect against malicious tip-offs. Unfortunately, we are unable to do this as regulations require us to suspend benefit if there is doubt to entitlement to avoid potential overpayments. Another customer suggested we visit elderly claimants who have received a benefit overpayment rather than issue a letter. Due to a combination of regulations setting out the procedure we must follow and the high number of elderly claimants this suggestion is not feasible.
58. We also received a suggestion to expand our current Park and Ride scheme to more than three sites. This has previously been considered by the service but was not progressed due to the cost. However, an extension has recently been completed at Howland's Park and Ride site to increase capacity, along with an extended service being offered on a Thursday evening due to longer opening hours of shops within the city centre.

## Corporate Issues Overview and Scrutiny Committee

21 April 2017

### Scrutiny Review of Attendance Management – Update on Progress against Recommendations




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## Joint Report of Lorraine O'Donnell, Director of Transformation and Partnerships and John Hewitt, Corporate Director Resources

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### Purpose of the Report

- 1 The purpose of this report is to update members of the Corporate Issues Overview and Scrutiny Committee on progress made against the recommendations from the Scrutiny review of Attendance Management.

### Background

- 2 At the Corporate Issues Overview and Scrutiny Committee meeting held on 27 March 2014, during consideration of the Quarter 3 Performance Management report, reference was made to performance in respect of sickness absence targets not being met within Durham County Council. At this time questions were raised regarding the sickness absence management policy, the process of recording and managing sickness absence, the role of line managers in reducing sickness levels and the training available to staff. There was also interest in the link between appraisal completion and absence levels.
- 3 A Task and Finish Group of Corporate Issues OSC Members was set up to look at Attendance Management, and evidence was gathered over a series of five meetings. A presentation was given to the group on 28 September 2015 which highlighted key findings from the review and at which members of the group agreed a series of recommendations.
- 4 Corporate Issues Overview and Scrutiny Committee commented on and agreed the review report at the meeting on 17 November 2015. This report was also presented to and agreed by Cabinet on 16 December 2015.
- 5 Corporate Issues Overview and Scrutiny Committee received a progress report on 11 July 2016. This progress report identified that a number of the actions agreed as part of the review had been completed. A number however required further work and Corporate Issues Overview and Scrutiny Committee requested that a further report be brought in the new year.

### Action Plan Updates

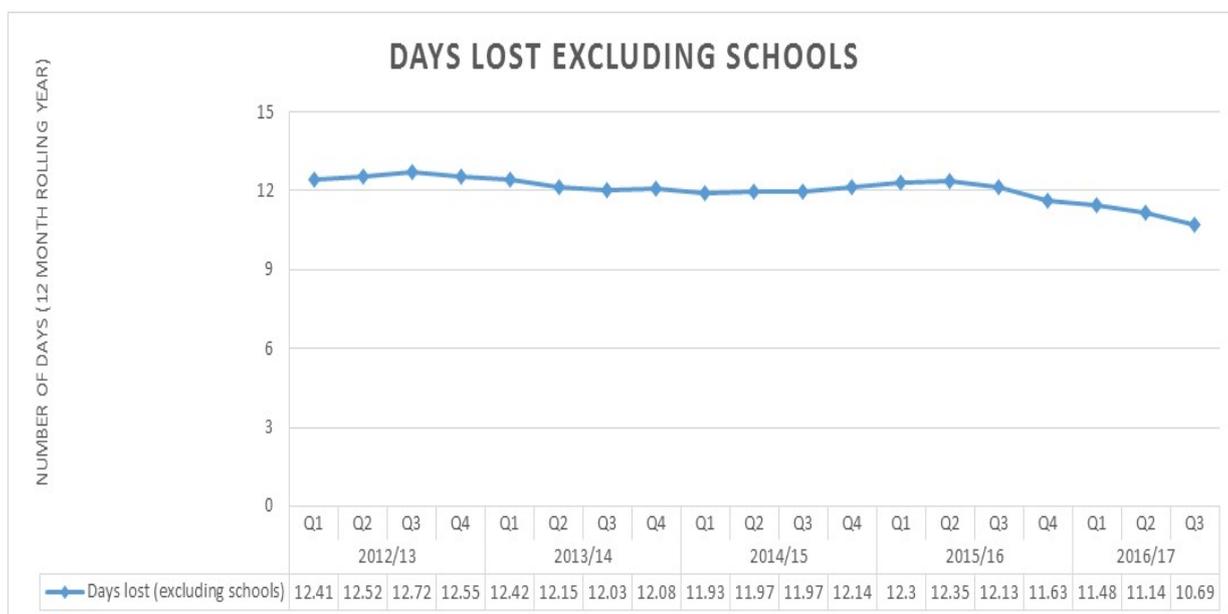
- 6 Further progress has been made against the actions identified by Committee. An updated template is attached at Appendix 2 which details the information provided to Committee on 11 July 2016 but also highlights the updated progress. A summary of the updated position is detailed below:

- (a) **Long Term Sickness Absence (LTSA)** – LTSA continues to be a major focus of support and a major focus of reporting to management teams. It is encouraging that there have been significant increases in management referrals to the Occupational Health Service (OHS) over the last two years in relation to LTSA. There was a 19% increase in 2015/16 with a further 11% increase. There were 56 employees dismissed as a result of LTSA in 2015/16 with a further 69 in 2016/17;
- (b) **Absence Management Training** – training is online with managers trained increasing from 50% at July 2016 to 85% at April 2017. It is recognised that this figure still needs to be improved with e-mails being sent to line managers where training has not been completed;
- (c) **Automated Trigger Points/Business Alerts** – to ensure managers receive improved absence management information the Oracle Business Intelligence system has been developed to allow managers to receive absence management information direct to their PC desktop. The information provided is ‘real time’ and provides a wide range of information including data on open end absences, return to work interviews, absence rates and absence management interviews. The BAM alerts automatically remind managers of actions required to comply with the Attendance Management Policy, eg when Sickness Absence Interviews are due/overdue etc.
- (d) **Council Wide Staff Survey** – Scrutiny members have had input into the mental health and wellbeing staff survey. The survey was conducted from 28 February to 21 March. In total circa 3,700 (40%) responses have been received which is a significant increase upon the 26% response rate from the previous employee survey, with analysis ongoing;
- (e) **Better Health at Work Award** – the Council will be registering for the Better Health at Work Award which recognises the efforts of employers who promote healthy lifestyles and considers the health of employees.

### Current Absence Management Information

- 7 Corporate Issues and Overview Scrutiny Committee received an update on absence data as part of the presentation given on 11 July 2016. The update at that point highlighted that there had been an improvement in absence data in quarters 3 and 4 in 2015/16. Days lost to sickness absence per fte excluding schools staff had reduced to below 12 days in quarter 4 for the first time in over five years.
- 8 The table below identifies the performance per quarter since Quarter 1 in 2012/13 until Quarter 3 in 2016/17.

Days lost to sickness absence – all services not including school staff rolling year				
Year	Q1	Q2	Q3	Q4
2012/13	12.41	12.52	12.72	12.55
2013/14	12.42	12.15	12.03	12.08
2014/15	11.93	11.97	11.97	12.14
2015/16	12.30	12.35	12.13	11.63
2016/17	11.48	11.14	10.69	



- 9 It is highly encouraging to see absence has continued to reduce for five quarters with absence now down to 10.69 days per fte as compared to a 2016/17 target of 11.5. It is important however, that absence continues to be a major priority for the organisation.

### Recommendations

- 10 The Corporate Issues Overview and Scrutiny Committee is asked to:-
- (a) Note the update on the recommendations of the Scrutiny review of Attendance Management.

### Background papers

Scrutiny Review of Attendance Management report

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 Jeff Garfoot 03000 261946

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## **Appendix 1: Implications**

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**Finance** – Absence levels can have an impact upon budgets where short term cover needs to be put in place

**Staffing** – Absence levels can have an impact upon staff wellbeing

**Risk** – High levels of absence can be a significant risk to service delivery.

**Equality and Diversity / Public Sector Equality Duty** - None

**Accommodation** - None

**Crime and Disorder** - None

**Human Rights** - None

**Consultation** - None

**Procurement** - None

**Disability Issues** – None

**Legal Implications** - None

## OVERVIEW AND SCRUTINY REVIEW – Attendance Management

Review of recommendations considered by CIOSC 17 November 2015 and Cabinet 16 December 2016

Review Recommendation	Progress Report of Action taken to implement recommendation	Responsibility	Timescale
<p><b>Recommendation 1</b> The Working Group recommends the adoption of the draft Attendance Management Policy subject to those comments identified within paragraph 37 of this review report being considered for inclusion therein.</p>	<p>The implementation of the new Attendance Management Policy was communicated to Extended Management Team and Tier 4 Managers on 6 April 2016.</p> <p>Senior managers were advised that the policy had been reviewed and of the main changes to the policy which included:</p> <ul style="list-style-type: none"> <li>• Early intervention from Occupational Health</li> <li>• Shorter timescales for arranging Attendance Management Interviews (previously Sickness Absence Interviews)</li> <li>• Revised procedure for managing short-term absences with no underlying medical condition which includes mandatory target setting and hearings where sanctions may be issued</li> <li>• Long term absence first stage interview to be held within 4 weeks</li> <li>• Consistent approach introduced for phased returns to work</li> </ul> <p>The new Attendance Management Policy together with Managers Guidance and supporting documentation was launched on the intranet.</p> <p>The policy was also published more widely to employees via a news item on the front page of the intranet together with articles in Buzz and the Employee Update publications. There was also a message on all payslips in June 2016. Managers were requested to advise their teams of the new Attendance Management Policy through team meetings etc and to ensure that their managers and employees familiarised themselves with their responsibilities.</p>	<p>Head of Corporate Finance and HR</p>	<p>Complete</p>

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 62</p>	<p>A mandatory e-learning course to support managers/supervisors to manage attendance under the new policy was also launched to be completed by <b>31 May 2016</b>.</p>		
<p><b>Recommendation 2</b> The Working Group recommends that the Council continues to target long-term sickness absence as the key cause of below target sickness absence performance.</p>	<p>Long-term sickness absence continues to be targeted as a priority area.</p> <p>The new Attendance Management Policy states:</p> <p>‘Before the employee reaches 6 months of continuous or aggregated absence within the rolling year, the manager must consider whether the absence can be sustained. At that point, the employee will be advised that any further assessment of their position will be made via a final stage interview. The manager must re-refer the employee to the OHS and have received their report prior to the final stage interview’.</p> <p>In 2015/16 56 employees were dismissed as a result of long term sickness absence.</p> <p>Key information is provided to Service Management Teams on the management of long term sickness absence together with exception reporting to both service management teams and CMT for employees who have been absent longer than 12 months to ensure that the appropriate action is being taken.</p> <p><b>Update April 2017</b> A wide range of data is available to Service Management Teams on long term sickness absence through both the detailed quarterly attendance management reports and also through a suite of ‘real time’ sickness analytics via the Oracle Business Intelligence Tool (update provided below). HR Business Leads continue to work closely with managers to review and analyse data and agree appropriate strategies for intervention. Actions include performance clinics, workshops and manager events and work to ensure quality assurance and compliance with council policy.</p> <p>Long Term Sickness Absence (LTSA) continues to be given</p>	<p>Head of Corporate Finance and HR</p>	<p>On-going</p>

	<p>priority and targeted. As a result there have been ongoing year on year increases in LTSA referrals to the OHS.</p> <p>Within the Council there was a 19% increase in the number of management referrals in cases of LTSA during 2015/16, compared to 2014/15. Although 2016/17 data is not complete as yet, it is forecast that there will be a further 11% increase in the number of management referrals made to the OHS as part of the LTSA procedures .</p> <p>Increases have also been noted in Local Authority Maintained Schools, with a 9% increase in 2015/16 and a further 18% increase forecast for 2016/17.</p> <p>This year to date (1 April 2016 – 28 February 2017) the OHS has carried out 465 consultations with employees of the Council following management referrals requesting advice in relation to the LTSA procedures, and a further 197 consultations relating to LA School based employees.</p> <p>Since the launch of the new Attendance Management Policy to date (6 April 2016 – 31 March 2017) a total of 69 employees have had their employment terminated at a Long Term Attendance Management Hearing.</p>		
<p><b>Recommendation 3</b> The Working Group recommends that upon approval of the draft Attendance Management Policy, compulsory training be given to all DCC managers on the application of the new policy and associated procedures, making the links to such training as stress awareness, manual handling, workstation assessment and annual appraisal awareness and that this is incorporated into the Durham Managers' Programme. That the percentage of managers trained be reported to Scrutiny at appropriate intervals</p>	<p>The new Attendance Management Policy has been supported by training for managers through an e-learning course. There are 1,413 managers/supervisors enrolled on the course and since the launch of the policy on 6 April 2016, 703 managers have successfully completed this training as at 6 June 2016. The course is mandatory for all managers/supervisors who are responsible for managing attendance and completion is monitored through a learning management system and on completion of the course, training records are automatically updated on ResourceLink. Reminders were sent to tier 4 managers in June 2016 to ensure any outstanding training is completed by their managers/supervisors.</p> <p>Bespoke sessions have been delivered by the HR Advice and</p>	<p>Head of Corporate Finance and HR</p>	<p>On-going</p>

	<p>Support Team to Service Management Teams to advise of the main changes to the policy and to identify support and initiatives to manage attendance within individual areas.</p> <p>Face-to-face attendance management training continues to be delivered as part of the Corporate Training Programme.</p> <p>An e-learning course is also available to managers on recognising and managing stress in the workplace which has been promoted through attendance management groups. 209 managers had completed this training as at 6 June 2016. A requirement of this training is for managers to complete the Health and Safety Executive Line Manager Competency Indicator Tool to identify their own behaviours to help alleviate work related stress. This training provides a timely intervention for managers who have to deal with stress related issues in the workplace.</p> <p>Courses continue to be offered through the Durham Manager programme on health and safety together with softer skills such as dealing with difficult conversations. These courses support managers to deal effectively with employment related matters such as attendance management.</p> <p><b>Update April 2017</b></p> <p>As at 4 April 2017, 85% of managers have successfully completed the Attendance Management training module. HR Business Leads previously provided all Service Management Teams with the details of their managers that had not completed the course for appropriate follow up and a final deadline was set of 31 March 2017.</p>		
<p><b>Recommendation 4</b> The Working Group recommends that the current automated “reminder triggers” within the My View system be amended to send a reminder to managers after 20 calendar days that a Sickness Absence interview needs to</p>	<p>A reminder alert has been added to the suite of alerts to advise the manager at 20 calendar days that an Attendance Management Interview is still outstanding. The first escalation message to senior manager has been brought forward by 7 days to 37 days to reinforce this change (as well as the existing 44 day reminder).</p>	Head of Financial Services and HR	Complete

be undertaken in the event that this has not already occurred and the escalation to senior manager e-mail after a further 7 days.

#### **Update April 2017**

In addition to the Business Alerts, there are also now a suite of HR reports available to all Senior Managers down to Tier 4 level to access directly at their PCs. Further developments mean that access is being extended further to Tier 5 Managers with effect from early April 2017. These analytics which are designed to drive management action are produced using the 'Oracle Business Intelligence' tool which will greatly assist sickness absence management and performance. These reports specifically cover Open Ended Absences, Return to Work Interviews, Attendance Management Interviews and current Sickness Absence rates. Senior Managers can use this facility to ensure that sickness absences are managed robustly within their service areas, and will provide them with an up to date view of where the service stands in terms of short, medium and long term absences.

**Open Ended Absences** – provides a breakdown of open ended absences into **short term** (<7.5 working days), **medium term** (>7.5 working days to <20 working days) and **long term** (>20 working days).

**Return to Work (RTW) Interviews** – provides the number of **completed** RTW interviews in the rolling year period and the number of **outstanding** RTW interviews relating to absences which have ended in the rolling year period.

**Attendance Management Interviews (AMIs)**– provides a summary of AMIs which have been **completed** in the rolling year period, **outstanding** and/or **overdue**.

Each analytic provides a further breakdown based on the post to post reporting hierarchy allowing the manager to drill down through the reporting hierarchy to view information relating to all staff within their area of the organisation.

	<p><b>‘Sickness Absence Rates by Personnel Hierarchy’</b> – These analytics are based on the reporting of Sickness Absence in line with corporate performance indicators:</p> <p><b>RES/012 Average Days Lost</b> – managers can view the average working days* lost to Sickness Absence per FTE in the rolling year period. This analytic will also show ‘% time lost’ (RES/020) as well as identifying corporate and service grouping level performance targets.</p> <p><b>RES/019a-c % of Sickness Absence</b> – provides a breakdown of working days lost in the rolling year period. Absences are categorised into <b>short term</b> (&lt;7.5 working days), <b>medium term</b> (&gt;7.5 working days to &lt;20 working days) and <b>long term</b> (&gt;20 working days) based on the duration of the absence.</p> <p><b>RES/052 % Employees with no absences in reporting period</b> – % summary of current employees with no absences in the rolling year period (based on postings as at the end of the reporting period).</p> <p>All Managers will continue to receive relevant MyView Alerts which will inform them of upcoming and overdue appraisals, open ended absences, Return to Work Interviews and Attendance Management Interviews.</p>		
<p><b>Recommendation 5</b> The Working Group recommends that a review of the current OHS referral process be undertaken to include establishing a target for referral into the OHS service of 30 calendar days; an analysis of the impact upon OHS of implementing this target and an immediate referral into OHS for those employees whose absence has been due to mental wellbeing.</p>	<p><b>Referral Target to OHS of 30 days</b> The new Attendance Management Policy requires staff on long term sickness absence to undergo a First Stage Attendance Management Interview with their manager at c. 2 weeks of absence. This is consistent with good practice and has an evidence base for effectiveness in reducing subsequent time away from work [NICE, 2015; NICE 2009]. OHS referral should follow where no plan for return to work is established after this initial encounter. Consequently the impact on the OHS of a stricter implementation of existing policy would result in an increased referral rate to the OHS.</p> <p>It is hoped that this increase in demand for OHS advice will</p>	<p>Head of Corporate Finance and HR</p>	<p>Complete</p>

be accommodated within existing resources.

**Immediate referral of all absences attributed to mental health issues**

This approach would require a change to the current Attendance Management Policy, and the following points relate to reasons why this may not be a priority.

- Line managers are already encouraged to provide employees on sickness absence attributed to mental health issues to make contact with the DCC sponsored Employee Assistance Programme (24h telephone helpline)
- There may be potential discrimination issues in partial treatment of a particular category of sickness absence (although the intention, from the employer perspective, would be 'good').
- Work has been undertaken to further understand the reasons behind absences attributed to mental ill health. In only a minority of cases are these recorded as work related, with other issues such as bereavement cited. This may attenuate the value of immediate referral to the OHS, where local arrangements for workplace adjustments during periods of disrupted work-life balance may be most effective.
- There is no evidence that such early medical intervention for mental health issues is any more effective in reducing long term absence than for any other reason for absence. As such a more general approach of ensuring manager compliance with the policy and achieving the 2 week referral target of the new AMP, for all categories of absence, is best supported by the evidence for effectiveness.
- Immediate referral to the OHS would result in a major increase in OHS referrals and run counter to the current Attendance Management Policy, in that the first stage of attendance management should always involve the line manager. This approach is supported in national evidence

	<p>based guidance.</p> <ul style="list-style-type: none"> <li>It is of note that the OHS already accepts referrals for 'management concern' where advice on the impact of health issues on work is sought even before any associated sickness absence. This is an example of good management and OHS practice and represents c. 30% of all clinical encounters in the OHS. These referrals frequently involve issues relating to mental health.</li> </ul> <p><b>References</b>  NICE 2015 <a href="https://www.nice.org.uk/guidance/ng13">https://www.nice.org.uk/guidance/ng13</a>  NICE 2009 <a href="https://www.nice.org.uk/guidance/ph19">https://www.nice.org.uk/guidance/ph19</a></p> <p><b>Update – April 2017</b></p> <p>There continues to be an improvement in referral delay times from managers to OHS with current statistics indicating a referral rate of approximately 30 working days, further work on this with service groupings and managers will provide the required outcome of 30 calendar days if current trends continue.</p>		
<p><b>Recommendation 6</b>  The Working Group recommends that staff, managers and Trade Unions be engaged in the examination of suggested changes to the Attendance Management policy arising from this review in respect of My View Sickness Absence Interview reminders and the development of OHS referral targets.</p>	<p>A comprehensive consultation exercise took place prior to the introduction of the new Attendance Management Policy.</p>	<p>Head of Corporate Finance and HR</p>	<p>Complete</p>
<p><b>Recommendation 7</b>  The Working Group recommends that a more comprehensive Council wide staff survey be undertaken to inform organisational development, which would gather staff opinions on such issues as Health and wellbeing; attendance management; appraisals; council policy; training and</p>	<p>An annual internal communications survey is currently undertaken which includes questions on appraisals and training and development. However, options are being explored for a Council wide survey to establish a baseline to identify areas for improvement.</p> <p>An action outlined in the ACE and Resources Service plan is to undertake a council wide survey in line with agreed</p>	<p>Head of Policy and Communications/  Head of Corporate Finance and HR</p>	<p>On-going</p>

development and organisational culture. With councillors having direct input into the content of the questions via Scrutiny.

Scrutiny recommendation by September 2016.

It is intended that survey information will be circulated to members of the CIOSC for information and comment prior to the council wide survey being undertaken.

**Update – April 2017**

The annual internal communications survey was reviewed in the light of the additional topic areas suggested by Members.

As part of this, officers explored best practice advice from other organisations including the Health and Safety Executive (HSE) on surveying staff on mental health and wellbeing. The HSE's recommended standard methodology includes questions which address many of the issues Members had highlighted. It is a tried and tested methodology, which would potentially allow the council to compare and benchmark its performance against 136 other public sector bodies and staff opinions against those of other organisations and sectors.

It was therefore suggested that the council augmented its existing internal communications survey with the HSE's standard methodology to produce the more comprehensive staff survey requested by Members. Scrutiny Members were consulted on this at the end of January and no objections were received.

The augmented survey was therefore conducted from 28 February – 21 March, principally online but with hard copies distributed to employees who do not have access to computers. The survey responses will be analysed using the HSE's analytic tool to produce organisational and service grouping related results which will enable further analysis of specific work related causes of stress and implementation of appropriate interventions. There have been in excess of 3700 (40%) survey responses, with good representative information from all service groupings. This response rate is significantly in excess of previous surveys.

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 70</p>	<p>An action plan will then be developed by the Employee Mental Health and Wellbeing Working Group which comprises of service group representatives</p>		
<p><b>Recommendation 8</b> The Working Group recommends that that the Council review its current provision for the promotion of “Better Health at Work” and examine the potential to develop a more proactive and targeted approach to health and wellbeing promotion amongst its workforce.</p>	<p>A mental health and wellbeing task and finish group, represented by all service groupings, was formed in 2015 to evaluate the current interventions and assess:</p> <ul style="list-style-type: none"> <li>• if they enable the Council to evidence compliance with current legal requirements, national best practice and research;</li> <li>• if they are adequate and effective in relation to reducing sickness absence and current foreseeable mental health and wellbeing risk factors.</li> </ul> <p>The current mental wellbeing intranet pages have been redesigned and were launched in quarter 4 of 2015/16. These pages provide improved guidance and information to managers and staff on mental wellbeing management, support, advice and guidance. They will also link all other council procedures and guidance which directly or indirectly impact on mental wellbeing.</p> <p>New mental health awareness training for managers has also been launched via e-learning, which is being promoted through attendance management groups. This will be targeted at managers to raise understanding and awareness of mental wellbeing issues and how to manage them effectively.</p> <p><b>Update – April 2017</b></p> <p>The employee health and wellbeing focus group, chaired by Interim Director Public Health, has continued to meet and has completed its initial objective in relation to design and delivery of an employee health and wellbeing survey. Further work will be undertaken via the group in terms of addressing more broader health and wellbeing challenges across the Council.</p>	<p>Head of Corporate Finance and HR</p>	<p>On-going</p>

	<p>The Council is proceeding with the registering for the Better Health at Work Award. The Better Health at Work Award recognises the efforts of employers who promote healthy lifestyles and consider the health of their employees. This award will recognise the achievements of the Council and help move forward in a structured and supported way.</p> <p>The next step is an assessment of Council activity against the bronze award criteria. The assessment identifies areas for taking work forward and building on existing activity. This includes the provision of healthy food choices, addressing employee welfare, monitoring sickness absence rates, promoting mental wellbeing and the delivery of health related campaigns.</p> <p>Some of this work has already started for example, a standalone wellbeing strategy is being developed and healthier options in the canteen are being offered. It is envisaged that the Council will move quickly through bronze and progress to silver. It is essential that progress is corporately driven and all elements of the Council are engaged and contribute. Once the Council achieves the standards for the bronze award, which is through an assessment, the award would be granted.</p>		
<p><b>Recommendation 9</b> The Working Group recommends that following implementation of the Attendance Management Policy and in the event that attendance management performance has not shown improvement following sustained monitoring, a review of all trigger points within the policy be undertaken. It is further recommended that a systematic review of the report and progress made against recommendations should be undertaken after consideration of this report by Cabinet, within six months.</p>	<p>The new Attendance Management Policy was implemented on 6 April 2016 therefore this review will be due to be undertaken when the Quarter 2 performance information is available as at 30 September 2016.</p>	<p>Head of Corporate Finance and HR</p>	<p>December 2016</p>

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## Corporate Issues Overview and Scrutiny Committee

21 April 2017



## Refresh of the Work Programme 2017-18 for Corporate Issues Scrutiny Committee

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### Report of Lorraine O'Donnell, Director of Transformation and Partnerships

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#### Purpose of the Report

1. The purpose of the report is to provide members with information contained within the Council Plan 2016-2019, relevant to the work of the Corporate Issues Overview and Scrutiny Committee. This allows the opportunity for members to refresh the Committee Work Programme to reflect the four objectives and associated outcomes and action areas identified within the Council Plan for the Council's Altogether Better Council priority theme.

#### Background

2. The current Overview and Scrutiny Committees work programmes focus on the priority areas identified within the context of the Council Plan, Cabinet's Notice of Key Decisions, Sustainable Community Strategy, Partnership plans and strategies, Performance and budgetary control data and changes in Government legislation.
3. In relation to the Corporate Issues Scrutiny Committee, Members will recall that the Work Programme for 2016-17 agreed to focus on the Medium Term Financial Plan. Further areas of focus for the Committee included a review of the Customer Relationship Management System (CRMS) and follow up of actions in relation to the review of Attendance Management.
4. It should also be noted that it has been agreed by full Council on 22 March 2017, that Corporate Issues Overview and Scrutiny Committee will merge with Overview and Scrutiny Management Board, with a new committee post-election named Corporate Overview and Scrutiny Management Board. This will take on the remits of both former committees in a new combined work programme. The refresh of the CIOSC Work Programme will enable CIOSC Members to discuss and put forward suggested items for the work programme of the new committee.

#### Council Plan 2016-2019

5. The Council Plan is the overarching high level plan for the County Council. The plan sets out the corporate priorities for improvement in delivering the long term goals in the Sustainable Community Strategy (2014-2030). Attached at Appendix 2 is the Altogether Better Council section of the Council Plan for members' consideration.

6. The Council's Altogether Better Council priority theme links to the work of the Corporate Issues Overview and Scrutiny Committee containing the enablers that allow the council to effectively manage change and deliver improvement across the other themes within the Council Plan. It is imperative that delivery is made against these objectives which are increasingly important in times of significant change.
7. To help improve the performance of the Council, there are 4 objectives for an Altogether Better Council, underpinned by 11 outcomes:
  - Putting the customer first:
    - A range of access routes to services
    - Responsive and customer focused services
    - People are treated fairly and differences respected.
  - Working with our communities:
    - Communities and stakeholders are engaged and communicated with
    - Effective partnership working
    - Responding to effects of poverty and Welfare Reform.
  - Effective use of resources
    - A balanced three year financial plan that reflects council priorities
    - Making the best use of our assets and managing information
    - Efficient and effective services.
  - Support our people through change:
    - Employee and member well-being
    - A strategic approach to organisational development.

### **Current Work Programme**

8. During 2016/17, Corporate Issues Scrutiny Committee has undertaken budgetary and performance monitoring, in-depth Scrutiny Reviews, and overview presentations in relation to the following areas:

#### **In depth and light touch Scrutiny Reviews**

- Budget and MTFP process  
*(Objective: Effective use of resources: A balanced three year financial plan that reflects council priorities ABC 7)*
- Customer Relationship Management System (CRMS)  
*(Objective: Putting the Customer First – A range of access routes to services ABC 1; Responsive and customer focused services ABC 2)*

#### **Areas of Overview Activity**

- Regulation of Investigatory Powers Act 2000  
*(Objective – Effective use of resources)*
- Overview of Creditor Payment Performance (via performance reports)  
*(Objective: Effective use of resources – Efficient and effective services ABC 9)*

- Overview of Attendance Management Performance (via performance reports and systematic review of recommendations of the review of Attendance Management 2015)  
*(Objective: Support our people through change – Employee and member wellbeing ABC 10)*
- Customer Feedback: Complaints, Compliments and Suggestions Reports  
*(Objective: Putting the Customer First – Responsive and customer focused services ABC 2; People are treated fairly and differences respected ABC 3)*
- CAS Service Statutory Annual Representations Report  
*(Objective: Putting the customer first – Responsive and customer focused services ABC 2; People are treated fairly and differences respected ABC 3)*

### **Budgetary and performance monitoring**

- Quarterly budgetary monitoring for T & P/ACE and Resources.  
*(Objective: Effective use of resources - A balanced three year financial plan that reflects council priorities ABC 7)*
- Quarterly performance monitoring for Altogether Better Council theme.  
*(Objective: Effective use of resources – Efficient and effective services ABC 9)*

### **Areas for consideration in the Corporate Issues Overview and Scrutiny Work Programme**

9. Having considered the Altogether Better Council section of the Council Plan for 2016 – 2019, it is suggested that the following action areas could be considered in the update of the Corporate Issues Scrutiny Committee work programme (where they already link to the current work programme this is highlighted):

#### **Putting the customer first:**

- A range of access routes – the review of the Customer Relationship Management System (CRMS) addressed functionality of the system for both Members and customers, including more online options and self-service facilities.
- Responsive and customer focused services - Customer feedback - CIOSC receives quarterly Customer Feedback reports, and the Children and Adult Services (CAS) Annual Representations report.
- Treat people fairly through ensuring that any changes to the way we do things are properly assessed (equality and diversity) – CIOSC has input into the overall MTFP planning process including equalities impact assessment.
- ICT Strategy 2016/19 – there may be a need for further consideration in 2017/18 linked to the Council’s Transformation Programme.

### **Working with our communities:**

- Support the Durham Ask Programme - to transform the delivery of services through supporting organisations interested in running local facilities.
- OSMB receive regular County Durham Partnership updates.
- OSMB also receives updates on the Council's welfare reform and poverty issues and policy updates.

**Effective use of resources.** It is imperative that we utilise all available resources both efficiently and effectively; this is especially the case when faced with unprecedented reductions in government funding:

- The Council will produce a rolling four year financial plan – CIOSC working with OSMB, lead scrutiny on the financial plan every year.
- Robust assurance of detailed saving plans - regular delivery updates on the Medium Term Financial Plan are presented to CIOSC. In addition quarterly corporate performance reports are also presented. These are rolling items on the CIOSC work programme.
- The Transformation Programme – making sure it is driving efficient and more modern ways of working, such as better use of technology.
- Ensure that the highest standards of Information Governance are being adhered to including in relation to personal data and public access to information. CIOSC receive updates on FOI performance.
- Review our Council Plan and Sustainable Community Strategy – CIOSC generally consider any refresh of key corporate plans linked to the scrutiny of the MTFP.

### **Support our people through organisational change:**

- CIOSC have had input into the health, safety and wellbeing of employees in the review of Attendance Management. This provided recommendations and input into DCC's Attendance Management policy.
- CIOSC at the January meeting discussed a possible review of the appraisal process.

### **Next Steps**

10. The current Committee work programme is devised annually and this is an opportunity for the Corporate Issues Scrutiny Committee to consider refreshing its work programme for 2017-2018 within the context of the Council Plan.
11. The Corporate Issues Overview and Scrutiny Committee is asked to consider the appropriate section from the Council Plan, Appendix 2 (copy attached) to inform the Committee work programme for 2017-2018, reflecting on the current work programme detailed in paragraph 7.
12. Members will receive a further report at the Corporate Overview and Scrutiny Management Board (COSMB) on 23 June 2017 confirming/agreeing the Committee's work programme for 2017-2018 based on today's discussion and agreement.

## Recommendations

13. It is recommended that:
- a. CIOSC Members note the information contained in the Council Plan 2016-2019, Altogether Better Council theme (copy attached at Appendix 2);
  - b. CIOSC Members make suggestions for the work programme for 2017-18 of the new committee (Corporate Overview and Scrutiny Management Board) by discussing and considering those actions identified under the Altogether Better Council priority theme of the Council Plan, as in paragraph 8;
  - c. Corporate Overview and Scrutiny Management Board at its meeting on 23 June 2017 receives a further report detailing the Committee's work programme for 2017-2018.

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## Appendix 1: Implications

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**Finance** - The Council Plan sets out the corporate priorities of the Council for the next 3 years. The Medium Term Financial Plan aligns revenue and capital investment to priorities within the Council Plan

**Staffing** - The Council's strategies are being aligned to achievement of the corporate priorities contained within the Council Plan.

**Risk** - Consideration of risk is a key element in the corporate and service planning framework with both the Council Plan and Service Plans containing sections on risk.

**Equality and diversity/Public Sector Equality Duty** - The cumulative impact of all savings proposals in total has also been presented to Council and will be updated as savings proposals are further developed. In addition a full impact assessment has previously been undertaken for the Council Plan. The Council Plan includes specific issues relating to equality and aim to improve the equality of life for those with protected characteristics. The Plan has been influenced by consultation and monitoring to include equality issues.

**Accommodation** - The Council's Corporate Asset Management Plan is aligned to the corporate priorities contained within the Council Plan.

**Crime and disorder** - The Altogether Safer section of the Council Plan sets out the Council's contributions to tackling crime and disorder

**Human rights** – None

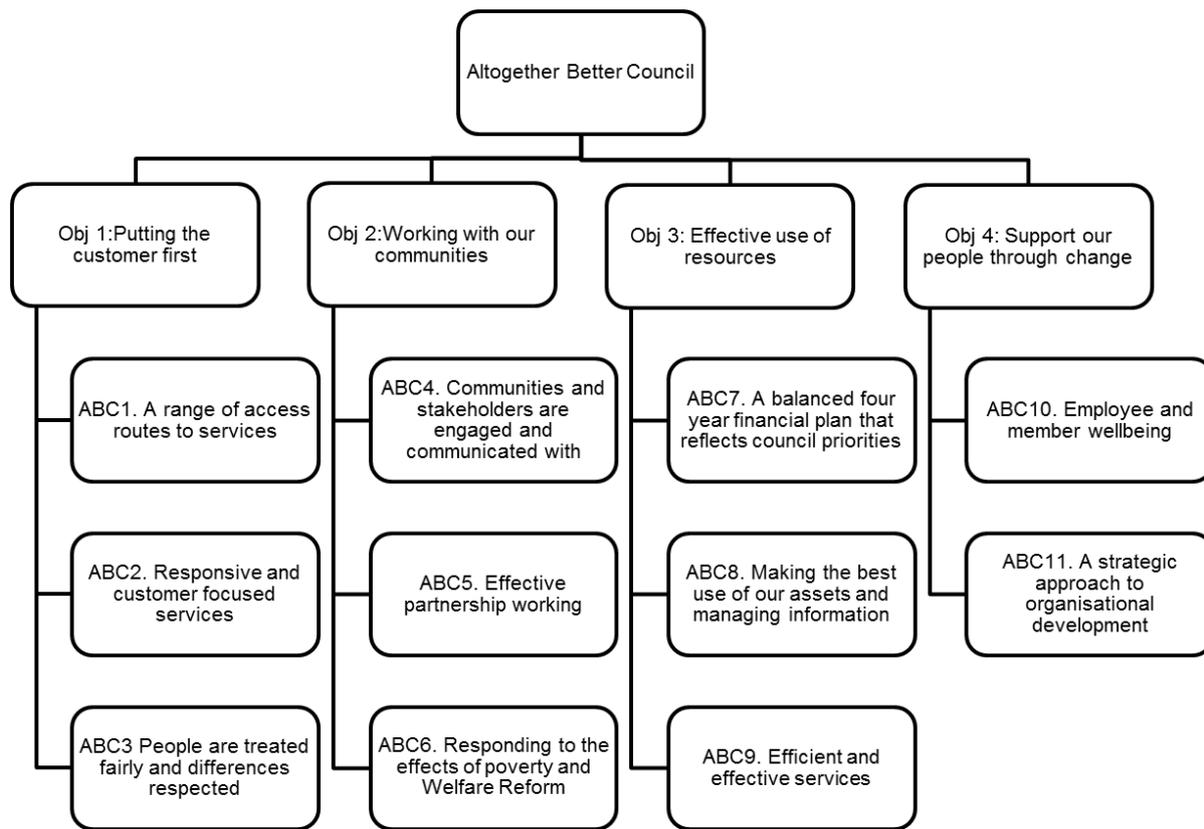
**Consultation** - Council and partnership priorities have been developed following an analysis of available consultation data including an extensive consultation programme carried out as part of the development of the Sustainable Community Strategy and this has been reaffirmed by subsequent consultation on the budget. Results have been taken into account in developing our resourcing decisions

Procurement - None

**Disability Issues** – None

**Legal Implications** - None

**ALTOGETHER BETTER COUNCIL**



## Priority Theme **Altogether Better Council**

The Altogether Better Council theme is about how we manage our organisation internally. Like much of the public sector, Durham County Council faces two competing problems of rising demand for many of its services but also reducing resources available to help deliver them. The future for local government therefore involves investigating new ways to manage demand such as providing self-service options for some of our simpler services and looking at new models of service delivery, often together with our communities. We also owe it to our taxpayers to ensure that our services are operating as efficiently as possible and that both our service performance and finances are effectively managed. The local authority of tomorrow is likely to look very different to our current arrangements. It is therefore important that we have strategies in place to make sure that our organisation develops and that this transformation is made smoothly.

### Achievements 2015-2016

- Delivered £153.2 million of financial savings since the beginning of austerity.
  - A new website which is quicker and easier to use was launched last year which is also better to use with tablets and mobile phones.
  - Procurement of new customer system to more effectively track and manage communications with and improve the customer experience.
  - Improved our customer complaints process to respond to complaints more quickly and efficiently.
  - More self-serve facilities have been introduced which allow people to access services through our website on a 24/7 basis.
  - Managed a successful Parliamentary election in May 2015.
  - Received £1.4 million from the Government's Transformation Challenge Award fund to help achieve the Durham Ask ambition. This is an exciting opportunity we are offering to local communities to take over the management and delivery of council services and facilities by transferring assets to local community control.
- Secured £90,000 of 'Delivering Differently' funding to work with town and parish councils on clean and green services.
  - Nearly 11,000 residents and businesses have registered to access and manage their council tax, business rates or housing benefits payment accounts online.
  - Community Buildings Strategy, one of the biggest and most ambitious asset transfer programmes in the UK:
    - 97 centres have been maintained for community use through this initiative
    - shortlisted for two 2016 LGC Awards
    - Local management groups have already accessed £639,000 external funding not available to the council and have bid for a further £5.2 million



# Priority Theme **Altogether Better Council**

## Issues to address

- The county has a very diverse mix of types of community ranging from some of the most sparsely populated rural areas in the country through to the larger towns and Durham city, each area with its own needs and aspirations (Figure BC1).
- The council will need to make a further £104 million savings between 2016/17 and 2019/20 bringing total savings required since the beginning of austerity to almost £258 million.
- To achieve this savings target will require further downsizing of our workforce. We also have an ageing profile of employees (Figure BC2).
- Around 95,000 households are affected by changes to the benefits system introduced by the Welfare Reform Act.
- 46% of the county population live in areas with high levels of income deprivation. 22.5% of children live in low income families<sup>1</sup> in County Durham and it is estimated that around 11.5% of households in the county are in fuel poverty<sup>2</sup>.
- The council decided in principle to free up regeneration opportunities at Aykley Heads and facilitate job creation. Work is underway to explore the potential opportunities, including how we can work differently in a more modern workplace.

Figure BC1.

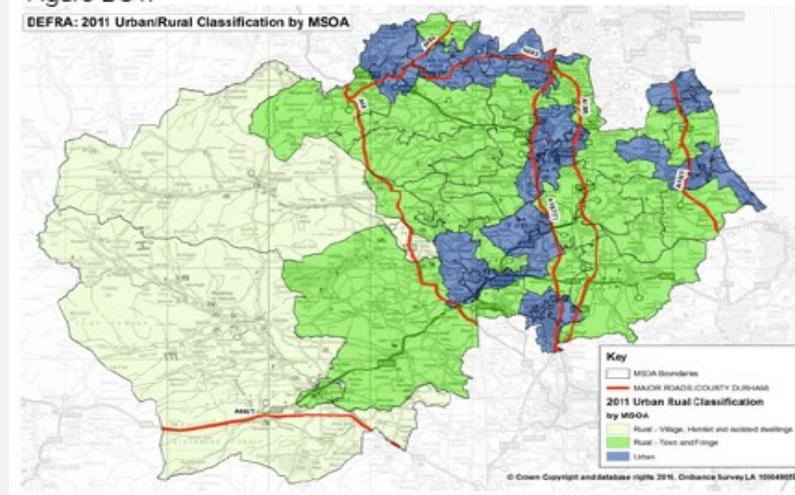
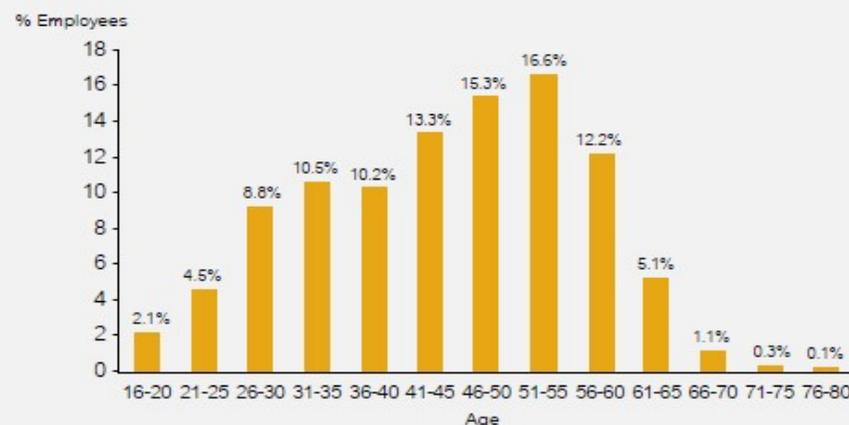


Figure BC2.

**Durham County Council Employees - Age profile at 31 March 2015**



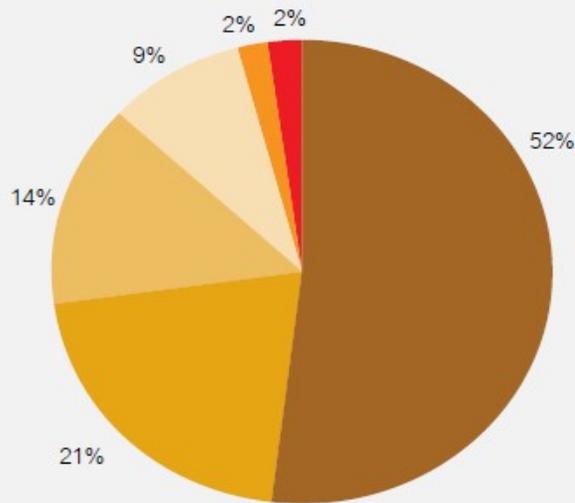
<sup>1</sup> Proportion of children living in families wither in receipt of out-of-work benefits or in receipt of tax credits with a reported in come of less than 60 per cent of the national median income

<sup>2</sup> Households that require fuel costs that are above average (national median level) and were they to spend that amount, would be left with a residual income below the official poverty line.

# Key Facts and Figures

Figure BC2.

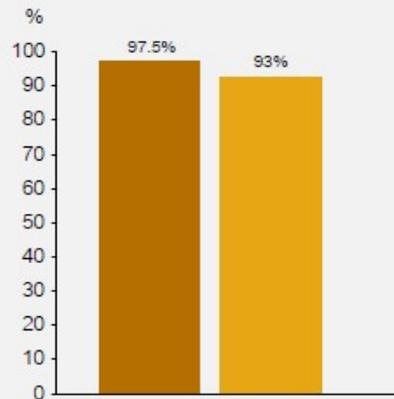
Financing of 2015/16 gross expenditure budget of £862 million



	£million	
Service Income	450	52%
Council tax	185.8	21%
Business Rate Retention	120.1	14%
Revenue Support Grant	77.1	9%
Other Grants	15.7	2%
Use of One Off Funds	13.9	2%

Figure BC3.

Customer Services response times 2014 -2015



Telephone calls answered within 3 minutes	97.5%
Customers seen within 15 minutes at a Customer Access Point	93%



- 219,756**  
face to face customer contacts at our Customer Access Points 2014/15
- 989,422**  
telephone customer contact 2014-2015\*
- 16,886**  
web forms submitted for any service area 2014-2015
- 49,827**  
e-mails from customers 2014-2015
- 240,317**  
domestic chargeable properties in County Durham with a gross Council Tax liability of £280 million and 85% of these are in Bands A to C
- 101**  
employers and
- 18,011**  
members contributed to the council's pension fund at the end of 2014/15

\* for agreed telephone lines



# Moving Forward - Key Areas of Focus for 2016-2019



## Moving Forward - Key Areas of Focus for 2016-2019

Objective 1 Putting the customer first	Objective 2 Working with our communities	Objective 3 Effective use of resources	Objective 4 Support our people through change
<p><b>A range of access routes</b> We will:</p> <ul style="list-style-type: none"> <li>• Introduce more self-service facilities</li> <li>• Introduce more online options for customers.</li> <li>• Make our website easier to use and develop it further.</li> <li>• Use social media more widely.</li> </ul> <p><b>Responsive and customer focused services</b> We will:</p> <ul style="list-style-type: none"> <li>• Be clear on how you can expect services to be delivered and by when.</li> <li>• Take your views into account when you give us feedback on your experience.</li> <li>• Gather information on your needs to improve the way we deliver services</li> <li>• Ensure our communications are as clear as they can be; ensuring forms and letters are easy to read.</li> </ul> <p><b>People are treated fairly and differences respected</b> We will:</p> <ul style="list-style-type: none"> <li>• Treat people fairly by making sure any changes to council policies and the way we do things are properly assessed.</li> <li>• Publish how we use the information we gather about equality to help us make decisions, provide services and employ people.</li> <li>• Work with partners to support the UK's response to the Syrian refugee crisis</li> <li>• Run a referendum on whether or not to remain a member of the European Union.</li> </ul>	<p><b>Communities and stakeholders are engaged and communicated with</b> We will:</p> <ul style="list-style-type: none"> <li>• Commemorate World War 1 by placing paving stones for Victoria Cross winners in County Durham.</li> <li>• Support organisations interesting in running local facilities and services through the Durham ASK programme.</li> </ul> <p><b>Effective partnership working</b> We will:</p> <ul style="list-style-type: none"> <li>• Refresh our Sustainable Community Strategy.</li> <li>• Continue to maintain our 14 Area Action partnerships to involve local communities in influencing priorities and decision making.</li> <li>• Review our County Durham Partnership arrangements to improve outcomes for our communities.</li> <li>• Provide welfare rights advice as part of the County Durham partnership.</li> </ul> <p><b>Responding to the effects of poverty and welfare reform</b> We will:</p> <ul style="list-style-type: none"> <li>• Work to respond to the effects of poverty in county durham, including child poverty.</li> <li>• Review the Local Council Tax Reduction Scheme, which helps you pay council tax if you're on a low income.</li> <li>• Tackle challenges that the welfare reform changes may give our communities through AAPs by working with partners to look at supporting people into employment.</li> </ul>	<p><b>A balanced four year financial plan that reflects council priorities</b> We will:</p> <ul style="list-style-type: none"> <li>• Produce a four year financial plan to include council priorities, government funding reductions and budget pressures and the savings we are require to make.</li> <li>• Carry out robust assurance and monitoring on our detailed savings plans.</li> </ul> <p><b>Making the best use of our assets and managing information</b> We will:</p> <ul style="list-style-type: none"> <li>• Continue with our office accommodation programme and make sure it is supported by more modern ways of working such as mobile working.</li> <li>• Make sure we have high standards of information governance through data protection and transparency to keep your data safe and ensure public access to information.</li> <li>• Modernise our archives and record office services to move towards a digital service.</li> </ul> <p><b>Efficient and effective services</b> We will:</p> <ul style="list-style-type: none"> <li>• Improve monitoring of performance arrangements to ensure clear progress reporting and high quality information</li> <li>• Review our Council Plan and Sustainable Community Strategy.</li> <li>• Continue to undertake programme and project management of the MTFP and key corporate projects.</li> </ul>	<p><b>Employee and member wellbeing</b> We will:</p> <ul style="list-style-type: none"> <li>• Undertake a programme of employee engagement.</li> <li>• Ensure the health, safety and wellbeing of our employees through our policies, practices and systems.</li> <li>• Review the Local Government Pension Fund in line with national guidance.</li> </ul> <p><b>A strategic approach to organisational development</b> We will:</p> <ul style="list-style-type: none"> <li>• Make sure our organisational development strategy supports our office accommodation plans and modern ways of working, taking advantage of emerging technology.</li> <li>• Identify critical roles and occupational groups and put plans in place to make sure that we have more opportunity to recruit in these areas.</li> <li>• Deliver training to the new Councillors following the 2017 elections.</li> </ul>