

 COTSWOLD DISTRICT COUNCIL	COTSWOLD DISTRICT COUNCIL
Report Number	AGENDA ITEM 12
Subject	FINANCIAL, COUNCIL PRIORITY AND SERVICE PERFORMANCE REPORT – 2021-22 QUARTER ONE
Wards affected	ALL
Accountable member	All relevant Cabinet Members
Accountable officer	Robert Weaver, Chief Executive Tel: 01285 623607 Email: robert.weaver@cotswold.gov.uk
Summary/Purpose	To provide an update on progress on the Council's priorities and service performance To provide information on the Council's financial position
Annexes	Annex A – Changes to the performance indicator set Annex B - Council Priorities report Annex C - Performance indicator report Annex D - Revenue Summary and Variances Annex E - Summary of gross capital expenditure
Recommendation/s	That the Committee: a) reviews overall progress on the Council priorities, service delivery and financial performance for 2021-22 Q1; b) considers the proposed changes to the performance indicator set and provides feedback to the Cabinet.
Corporate priorities	Deliver services to the highest standards Respond to the climate crisis Provide socially rented homes Make our Local Plan green to the core Support health and well-being Enable a vibrant economy
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

1. BACKGROUND

- 1.1. In September 2019, the Council adopted the high level council aim and priorities in lieu of a full Corporate Plan. The more detailed work was partly delayed by the impact of Covid-19 but presented an opportunity to re-examine the Council's priorities as part of the Covid-19 recovery work. The recovery work has been embedded within the new Corporate Plan 2020-24 which was adopted by the Council in September 2020.
- 1.2. To support the new plan a new Performance Management Framework has been developed and is a much broader framework than previous frameworks. It sets out six key strands of information on which assurance needs to be provided and represents a shift in focus from performance monitoring to performance management:
 - Business analytics and service assurance
 - Place based measures and comparators
 - Business Plan strategic actions
 - Council Plan priority actions
 - Project and programme management assurance
 - Risk and opportunity management
- 1.3. The quarterly performance report will evolve in line with the Performance Management Framework as well as feedback from senior officers and Members.
- 1.4. In line with normal practice at the end of 2020-21, services reviewed their indicators to ensure that they remain appropriate and relevant. Some revisions have been proposed to the indicator set to reflect how services have changed and current thinking especially around customer services indicators. For example, on reviewing the indicator to achieve '70% of telephone calls within 20 seconds', the findings concluded that 20 seconds was set at a time when the service was a simple phone answering service rather than advisors attempting to resolve calls at first point of contact. Similarly, the abandoned call rate and target of 5% was originally based on the premise that if a call is abandoned, the service has performed poorly; this is not the case as call waiting messages are used to provide alternative ways of accessing the Council's service including the website. Therefore, it is proposed that performance in this service should focus on customer satisfaction and the ability to provide more options for accessing the Council's services including the potential for channel shift to quicker and more cost effective methods of communication where possible, such as the website. Over the next few months, officers will be developing a framework for measuring digital take-up so that we can better understand the impact of digitisation on demand for customer services. A list of changes to the indicator set is attached at Annex A.
- 1.5. A selection of publicly available benchmarking data for the most recent period at that time (2019-20) was included in the 2020-21 Q4 Performance Indicator report on a trial basis. Some of the 2021-21 data has started to be released with the majority available by the end of December 2021. It is proposed that the benchmarking data is updated and reported on an annual basis.
- 1.6. A high level commissioning statement was approved by Cabinet in January 2020 which sets out the relationship between Publica and the Council and their respective responsibilities. Publica must ensure that it provides the necessary information to the Council so it can assess whether the commissioned services are being delivered in accordance with the agreed quality and standard. The Council's Chief Executive is responsible for reviewing and approving the information provided in this report prior to its publication.
- 1.7. The Council's Chief Executive has received a report on progress towards achieving the Council's priorities and service performance. He has assessed performance in line with the

high level commissioning statement. He has noted the progress that has been made to deliver the actions in the Corporate Plan; and where a reduced level of operational performance has been identified, the actions that are being taken to improve performance. He has drawn particular attention to the following:

- In February 2021, the Government set out its 4 stage roadmap out of lockdown with the lifting of all restrictions on 21 June, which was delayed until 19 July. As infection rates have been high over the last few weeks, staff are being encouraged to continue to work from home;
- There were over 106,000 visits to the Council's leisure facilities in Q1 which is encouraging. The Council's leisure centres re-opened on 12 April (Stage 2), with most activities and classes re-starting on 17 May. Some government grant funding has been made available to cover Council losses from waiving management fees, as well as costs incurred by leisure operators during the lockdown, and to support re-opening. The Museum re-opened on 17 May in line with stage 3 of the roadmap, and has welcomed 6551 visitors (to end of Q1);
- A number of services have continued to support businesses to access grants, and carrying out 'test and trace'. Between the November 2020 lockdown and the end of Q1, around £33,145,000 has been distributed in both mandatory and discretionary grants to 2099 businesses across the District. These schemes ended on 30 June 2021, with final payments to be made by the end of July 2021. However, the 'test and trace' work carried out by the Benefits team has been extended to the end of September;
- The Council's business rates collection figure (in year) continues to be affected by the impact of Covid-19 on businesses, as is the case with other councils throughout the country. The Government supported certain businesses with 100% business rate relief last year, but there are still businesses which are struggling financially. At the end of June 2021, the relief was reduced to 66% which will run until the end of the financial year.

2. COUNCIL PRIORITY REPORT

2.1. Progress on actions in the Corporate Plan include:

- The second phase of the cashless parking project has been completed with the change to cashless payment methods implemented at car parks at the Abbey Grounds, Old Station and the Leisure Centre from June 2021. This project will deliver multiple benefits including supporting the Council's carbon reduction commitment and reducing cash collection costs. As use of the Council's Rissington Road Car Park in Bourton-on-the-Water has increased, the Council has received some complaints regarding the ability to pay for car parking by payment card at the payment machines. Some customers have also experienced problems with downloading the pay by phone application on to their mobile phones due to poor mobile phone signal strength in the car park. There were 33 complaints made in June. Officers have been working with the supplier to improve the performance of the payment machines by installing an antenna to boost the mobile phone signal strength. The machines will also be upgraded to use "roaming sims" which will utilise the strongest mobile phone signal rather than being limited to one mobile network provider. Officer resources have been made available to provide support to car park users at peak demand time. A survey of mobile signal strength is being carried out at all car parks prior to the roll out of further phases of the cashless car parking project to minimise the risk of similar issues occurring. A

pragmatic approach has been taken to the implementation of further phases of the project with phase 3 delayed by a month until the end of September 2021;

- The Council completed the procurement of a contractor, and design work has commenced to install energy efficiency and carbon reduction technologies at Cirencester and Bourton-on-the-Water leisure centres, Moreton-in-Marsh Area Centre and the Museum Resources Centres at Northleach. The carbon reduction measures will be funded from the Public Sector Decarbonisation Scheme operated by the Department of Business, Energy and Industrial Strategy (BEIS);
- Following the adoption of the Electric Vehicle Charging Point delivery plan in January 2021, an electric vehicle charge point installer was procured in April; and design work is underway starting with Council-owned public car parks and Council offices. This project is therefore on track and progressing;
- In May 2021, the Cabinet approved the Local Development Scheme, and the Draft Cotswold District Green Infrastructure (GI) Strategy for public consultation. The GI Strategy forms part of the Local Plan evidence base; and responds to the Council's Climate and Ecological emergencies and corporate priorities to improve health and wellbeing. The purpose of the GI strategy is to assist in the creation of sustainable places to live, which are resilient to climate change and the challenges it brings.
- There has been a great deal of interest in the Crowdfund Cotswold platform (the Council's new approach to community grants). In late May, the Council determined its first set of pledges, agreeing to support 13 projects with pledges to the value of around £72,000.
- The Council has been awarded nearly £73,000 from the Department of Work and Pensions (DWP) to improve employment outcomes or prospects of future employment outcomes for long-term unemployed young people and groups facing the most complex and intractable barriers to work.

2.2. The Council Priority report is attached at Annex B.

3. SERVICE PERFORMANCE REPORT

- 3.1. Over the last two quarters, performance has been mixed. The nation started to emerge from the third lockdown in March 2021 with the lifting of restrictions over four stages; however in line with government advice the majority of staff have continued to deliver services from home. This has presented challenges to some services most particularly in respect of the planning service.
- 3.2. In response the service has been piloting a hybrid working solution over recent months which should help improve the efficiency of the service (whilst still respecting social distancing to protect staff). However, the time taken to complete statutory consultations has also created delays due to the working arrangements of consultees. The recent ending of the 'work from home' directive has already started to improve this position.
- 3.3. The Council has agreed additional resource to increase the number and grading structure of planning officers to better balance workloads and resources. Other service pressures are considered in detail below.
- 3.4. Some of the performance indicators that are falling short of their targets are considered below together with rectifying actions:
- The average call waiting time has increased over the last six months; the average was 146 seconds for Q1, which has since reduced to 71 seconds in July. Although the

average call waiting time is higher than has been achieved historically, it is still considerably lower than the three minutes that GovMetric has indicated to be a good level of service for local authorities. The fourth quarter of 2020/21 was challenging due to the high call volumes related to annual council tax and garden waste billing processes and Covid-19, as well as staff turnover in the Customer Services team.

Resolution: Although the staffing issues were resolved in Q1, it takes time for new staff to be fully trained up by the more experienced staff; and a further recruitment drive has commenced as the turnover in this service tends to be high as staff take opportunities to progress in the organisation. Work has also started on understanding if there are any other reasons for the increase in call waiting time.

- The average days to process Council Tax Support new claims have increased over the last six months from 27.75 days to 45.75 days, and Council Tax Support changes have increased over the last quarter from 6.78 days to 30.93 days. This was primarily due to high workloads related to the increase in Universal Credit claims since the start of the pandemic (with much of the New Claims time delays beyond our control), the implementation of the new revenues and benefits system, Covid-19 business grants work, as well as providing welfare support to the most vulnerable residents in the District.

Resolution: The service is managing its workload with support from an external provider. As mentioned above, the processing times for new claims and changes is not wholly dependent on the actions of the service and frequently the service needs to wait for information or evidence from either the DWP (Universal Credit) or the client, which can create lengthy delays in completing the claim or change. An analysis of the data is planned to provide an accurate picture of the 'down time' and to find solutions for addressing any delays for which the service is responsible.

- Similarly, the average days to process Housing Benefit changes of circumstances also increased over the last quarter, from 5.27 days to 16.95 days. Following the implementation of the new Benefits system, a software failure on the facility for automatically uploading changes of circumstances and applying them to system records has stopped functioning. Around 80% of changes are applied in this way.

Resolution: A software fix has now been applied and the automation reinstated which should be reflected in an improvement in performance in the second half of Q2.

- The percentage of planning applications determined within timescales has been falling since summer 2020 when the number of applications (in particular 'Other' applications which include householder applications) coming through started to increase in line with the national trend. This increase is now projected to continue to rise. This increase in demand has coincided with reduced capacity due to staff turnover creating a backlog of work.

Resolution: Given the anticipated ongoing nature of increased workloads, the Council has agreed additional resource to support the team and provided an improved career structure to support the recruitment and retention of planning staff. The planning improvement programme has already addressed the build-up of applications awaiting validation (cutting validation times by 75%) and is seeking to improve other workflows within the system.

- 3.5. In spite of the challenges this quarter, there have been a number of areas where indicators have improved or are noteworthy:

- The council tax collection rate appears to have rebounded. The service collected 33.5% of the council tax due in the year compared to 29.81% a year ago;
- Thirty-five affordable homes were delivered in the quarter including the final three social rented homes at Bath Road, Tetbury, 14 rented and shared ownership homes in South Cerney (including two social rent), the first six affordable rented homes at the Dyers Lane site in Chipping Campden, and 12 new shared ownership homes in Moreton in Marsh;
- The Council's customers are highly satisfied with services delivered by phone, with over 95% of customers responding positively. The Building Control service commenced a new satisfaction survey a year ago, and although the sample size is relatively small, the majority of customers were fully satisfied with the service provided based on helpfulness of staff, quality of technical advice and other information, responsiveness, and value for money;
- The number of missed bins per 100,000 achieved its target comfortably despite some staffing issues related to positive Covid-19 cases, when crew members working within the same bubble had to then self-isolate. Unfamiliar routes contribute to higher misses, however, the crew was supported by In-Cab technology which was implemented in April, and is still undergoing improvements. Evidence has been seen elsewhere of missed collection reducing by 30% when In-Cab is introduced. In addition, performance is expected to improve from 16 August when crews will not have to self-isolate if double jabbed following contact with a positive Covid case, although they are advised to take a PCR test.

3.6. The waste management data for May and June are still being processed, and we expect to be able to provide a full update in the Q2 report.

3.7. A full report is attached at Annex C.

4. FINANCIAL PERFORMANCE

Financial Performance (Revenue)

4.1. This report sets out the profiled income and expenditure variances for the period April to June 2021 against the Council's budget.

4.2. At 30 June 2021, the Council had spent £3,396,716 against its net profiled budget of £3,628,567. After taking account of lower than expected income from Government grants of £77,223, which is related to the sales, fees and charges income compensation scheme, the overall underspend against the budget at the end of the first quarter was £154,268.

4.3. The continuing impact of the pandemic has meant that demand has continued to be lower for some of the Council's income generating services, especially car parking and the leisure management fee whilst planning and green waste demand has improved. In addition, the Council has continued to face pressures on its expenditure budgets. In particular, continuing to provide emergency accommodation for individuals and families facing homelessness, collecting additional waste and recycling materials and providing financial support to the Council's leisure contractor to enable the district's Leisure Centre and Corinium Museum to open to the public whilst complying with social distancing restrictions in the first quarter of 2021/22.

4.4. A full list of all cost centres and budget variances is attached to this report at Annex D and includes commentary against the most significant variances. This report highlights a number of budget variances across a range of service areas; excluding those where the income and expenditure variance are comparable and offset each other (net nil variance).

Income

- 4.5. Income from car park fees, fines and permits was significantly impacted by Covid-19 with the 2020/21 outturn position being only 38% of original budget for the year. In Q1 this trend has continued with performance to budget sitting at 58%, £315,000 less than budget. The impact of this is partially offset by the Government's sales fees and charges compensation grant as detailed at 4.2. In July, as lockdown restrictions have eased, income has improved to 85% of the monthly budget and further improvement has been achieved in August.
- 4.6. Conversely, at the end of the first quarter £110,000 more income has been received in respect of green waste annual subscriptions in comparison to the full year budget as a result of higher take up than anticipated.
- 4.7. The Government has confirmed it will continue to reimburse authorities for 75% of Covid-19 related income losses for the first quarter of 2020/21 (after the first 5% of losses is absorbed by local authorities). To qualify, income losses must be related to the delivery of services. The compensation scheme excludes commercial and rental income. The Council is estimated to receive £278,000, reducing the impact of Covid-19. This is £77,000 less than estimated due to income losses being lower overall than budgeted.

Expenditure

- 4.8. Repairs and maintenance expenditure in relation to Council buildings have remained below budget with an expenditure underspend at the end of June 2021 of £26,000 across the Trinity Road, Moreton-in Marsh Offices and Corinium Museum repair and maintenance budgets.
- 4.9. Homeless expenditure has continued to exceed budget but is matched by an increase in grant funding which is expected to be utilised during the financial year. The overall favourable variance of £61,000 across the Revenues and Housing services will reduce over the year as the grant received is matched to operational expenditure.
- 4.10. There were no significant planning appeals during the first quarter of the financial year, resulting in an underspend in the appeals costs budget of £21,000.
- 4.11. The Council has continued to work with SLM to manage the financial impact of Covid-19. Council approved a further financial support package for SLM for the period April to July 2021 at a total capped cost of £280,403. This has been paid on an open book basis and has resulted in expenditure of £119k for the period to 30th June 2021. This is to be funded from the 2020/21 underspend on support for SLM and grant funding of £104,000 received from the National Leisure Recovery Fund.
- 4.12. The management fee payable by SLM was also waived as part of the financial support package for SLM agreed for the period April – July 2021. 71% of this fee will be recoverable via the Government sales, fees and charges income compensation scheme. With the remainder funded through the 2020/21 underspend on support for SLM and grant funding. At Q1 this results in an underachievement of income against budget of £26,000.
- 4.13. Discretionary pension payments paid to Gloucestershire LGPS in Q1 were £25k less than budgeted.

- 4.14. The 2021/22 budget includes contingency funding for expenditure related directly to the impact of Covid-19 and reduced income from fees and charges. The contingency budget is funded from Government Covid-19 grants. The largest expenditure impact is from the Council's contract for environmental service provision with Ubico Ltd. As Ubico Ltd is a wholly local authority owned company, the Council pays for the actual cost of service delivery. Due to a combination of additional waste being presented by households for collection and Ubico Ltd needing to protect its own employees in response to Covid-19 health and safety requirements, Ubico Ltd incurred unavoidable additional costs. These costs including: agency staff, hire vehicles and personal protective equipment have amounted to £111,000 in the first quarter of the year.
- 4.15. The net variance in respect of the Contain Outbreak Management Fund (COMF) is currently £147,000, due to the receipt of unbudgeted grant income. This is expected to reduce in future periods as plans are firmed up to utilise the grant income received from both Gloucestershire County Council and the Department of Health and Social Care.

Capital Activity

- 4.16. The Council's capital budget for 2020/21 is £26,060,000. A total of £276,096 has been spent against these schemes at the end of Q1 with a further £1,133,940 committed.
- 4.17. The most significant variances include £15.2m (Recovery Investment Strategy), opportunities and options are being explored by officers, and detailed reports seeking approval will be presented to Cabinet and Council as appropriate.
- 4.18. A further variance of £4.3m (nil expenditure against budget) is reported in relation to the 'Investment in Strategic Property Acquisition'. Discussions with landowner are on-going.
- 4.19. A variance of £1.5m (nil expenditure against budget) has been reported in respect of the BEIS decarbonisation project, a contractor has now been appointed with work expected to commence in Q3. It is expected that the project will complete by the end of the financial year.
- 4.20. A full list of expenditure and explanation for variances against budget is attached to this report at Annex 'E'.

Capital receipts and disposals

During Q1 a £10k capital receipt was received from a claimant who had received a Disabled Facility Grant having sold the property on which the property adaptations were made. This receipt will be transferred to reserves at end of year.

- 4.21. There were no disposals during the first quarter of the financial year.

5. LOCAL GOVERNMENT OMBUDSMAN (LGO) ANNUAL REVIEW 2020/21

- 5.1. The latest Annual Review Letter sets out the complaints that were made against the Council in 2020/21, as well as the outcome of those complaints.
- 5.2. During the first wave of the Covid-19 outbreak, the LGO temporarily paused its casework for three months to allow authorities to concentrate efforts on vital frontline services. This reduced the number of complaints the LGO received and decided in the 2020-21, and should be considered when comparing data from previous years.
- 5.3. In total, the LGO received eight complaints/enquiries about this Council, half of these related to Planning and Development. The other complaints related to Benefits and Tax (two), Corporate and Other services (one), and Environmental services and Public Protection (one). In the previous year, the Council received six complaints/enquiries, of which four related to Planning and Development.

5.4. Five decisions were made by the LGO in 2020/21; three complaints were closed after initial enquiries, one complaint was referred back to the Council for a local resolution; and one complaint was investigated in detail.

5.5. The complaint that was investigated related to Environmental services and Public Protection, and more specifically, a Health and Safety in the workplace case. The Ombudsman found no fault with the Council's enforcement process; the case was not upheld.

6. CABINET

6.1. This summary performance report will be reviewed by the Cabinet at its meeting on 6 September; and any comments from this Committee will be reported to the Cabinet.

7. FINANCIAL IMPLICATIONS

7.1. As described in Section 4 of the report

8. LEGAL IMPLICATIONS

8.1. None

9. RISK ASSESSMENT

9.1. Contained in this report

10. ALTERNATIVE OPTIONS

10.1. None

11. BACKGROUND PAPERS

11.1. None

(END)