

# GWYNEDD COUNCIL CABINET

<b>Date:</b>	22 January 2019
<b>Title of Item:</b>	Performance Report of the Cabinet Member for Finance
<b>Purpose:</b>	To accept and note the information in the report
<b>Cabinet Member:</b>	Councillor Peredur Jenkins
<b>Contact Officer:</b>	Dilwyn Williams, Chief Executive

## Report for a meeting of Gwynedd Council Cabinet

### 1. INTRODUCTION

- 1.1 The purpose of this report is to update my fellow members on what has been happening in the fields within my remit as Cabinet Member for Finance. This includes outlining the progress against the pledges within the Council's Plan; the progress of the performance measures; and the latest in relation to the savings and cuts schemes.
- 1.2 The matters noted in this report have already been the subject of discussions and have been scrutinised at a meeting of the Finance Department management team, which also included representation from the Audit and Governance Committee, who is undertaking the scrutiny role in this field.
- 1.3 On the whole, I am comfortable with the performance of the project and performance measures for which I am responsible, or that relevant steps have been taken to improve performance.

**Contact:**  
01286 679868  
01286 679490  
cabinet@gwynedd.llyw.cymru



## **2. THE DECISION SOUGHT**

- 2.1 To accept and note the information in the report.

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

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

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#### **FfG5 - Information Technology Strategy (IT)**

- 3.2 As the current Information Technology Strategy is ending, we have commenced internal discussions in order to devise a new Strategy. When ready, I will bring it to the attention of the Cabinet for discussion.
- 3.3 **Digital Channel and Facilitating Contact with the Council:** 'ap Gwynedd' was released in September and it has been downloaded 285 times so far. The work of improving and increasing services available through the 'app' continues in accordance with the project's work programme.
- 3.4 **Innovation:** The IT Service has recently been examining LoRaWAN technology. This technology enables wireless networks across broad areas. A pilot has been established on a joint basis with Gwynedd Consultancy to monitor water levels of streams that feed the river Gwyrfa. Information fed from sensors will enable flooding teams to make decisions based on robust data should there be a flood risk.
- 3.5 **Education Information Technology Strategy:** The Department officers are working with officers from the Education Department to develop a new Strategy that will focus on providing the best IT support system for Gwynedd schools.

#### **C7 Electronic document and records management system (EDRMS)**

- 3.6 The work of disseminating the use of the system to Council departments is nearly concluded. The work was programmed for completion by May 2019, but there is a risk that staff absence and turnover will result in delay. Although resources are limited, the development work continues with a view to make the most of the investment in the system by making use of templates, workflows and improving the departmental intranets.

## 4. PERFORMANCE

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

- 4.1 The purpose of the **Risk and Insurance Service** is to protect the interests of taxpayers by ensuring appropriate insurance arrangements and deal with claims. I have challenged service performance and I am satisfied with 90% of public accountability claims successfully defended by the unit, and 73.3% by insurers, in the period since the last performance report. I wish to note that the work of this service delivers an important role to ensure that the Council arrangements are robust in order to enable us to minimise harmful incidents. By defending claims, the service scrutinises the action taken by the service in which the claim was made against, and provides feedback in order to improve and do what is required to protect Gwynedd residents.
- 4.2 The **Internal Audit Service** gives confidence to the citizen and the Council on the Council's control environment and governance arrangements. Out of 16 final reports produced, only one audit was given a 'Restricted' opinion. Reports received the attention of the Audit and Governance Committee on 27 September and 29 November. As part of adding value and attracting additional income, the service has been offering an audit service to Town and Community Councils, and has audited 57 Councils in Gwynedd and 10 in Anglesey. This additional work generated £14,000 in extra income, and it is noted that some Councils have already returned to the Service for an audit in 2018.19.
- 4.3 The purpose of the **Payroll Service** is to pay staff correctly and on time, whilst maintaining relevant accounts for paying external bodies such as HMRC. In quarter 2, 100% of payments were submitted accurately and within the time limit for external bodies. No significant incidents in quarter 2 affected salary payments, and although the number of cases which led to further adaptations in salary (CD8.07) and the number of workers contacting about any shortcoming in the salary payment process (CD8.08) was slightly higher than the average of quarters since April 2018, they were within usual margins.
- 4.4 The **Creditors' Payments Service** ensures that the Council's creditors are paid promptly and correctly. It is noted that an increase in seen in the number of adaptations to previous payments by the Council from 4 in period 1 to 8 in period 2. After I challenged this increase, the Service noted that errors had occurred in busy periods. It was also noted that no duplicate payments had been made and staff had been reminded to take care when processing payments. The service now receives more information electronically, which facilitates the work of the service.
- 4.5 The Council's performance on measuring the 'percentage of invoices paid within 30 days' has recently reduced, compared to the beginning of 2018/19. However, it should be noted that performance trends are improving, especially the performance of the Environment Department which has substantially improved from 73% to 84% during 2018/19.
- 4.6 The **Information Technology Service** supports and enables all Council services to serve the residents of Gwynedd in an effective, flexible and secure way.
- 4.7 On the whole, the performance measures demonstrate consistent performance and a high satisfaction level across all units.

- 4.8 Following difficulties experienced earlier this year, upgrading work was undertaken on the server room in order to protect the resilience of Council systems in future.
- 4.9 It has become increasingly apparent that discontent with the time it takes to complete projects is at the root of most negative feedback received by the Information Technology Service. The Service has to make effective use of scarce resources, which leads to strict prioritising of their work. This has increased at a time when a number of Council units are reviewing their working arrangements as a result of the Ffordd Gwynedd challenging work. The side effect of this is delay or developments that would lead to better provision and efficiency of Council services. In an attempt to mitigate the situation, I have asked the Service to draw up a case for the provision of more resources for consideration of the Cabinet.
- 4.10 The **Pensions Service** administrates the Local Government Pension Scheme on behalf of over 40 employers in order to calculate and pay pensions promptly and accurately. In terms of measuring **Average number of work days taken to send a letter notifying the value of retirement benefits - estimate (CD9.03)** there was a small growth again in the average time since the first quarter of 2018/19 (4.2 working days compared to 3.5 working days). Despite this, it is an improved performance from 9.70 days in 2016/17.
- 4.11 The Service also continues to work to promote self-service provision; approximately 10,000 users have now logged into the On-line Pension service.
- 4.12 The purpose of the **Finance and Accounting Service** is to provide a finance and accounting service, and help and support services to be effective and efficient. The service delivery measure is success in staying within the budget and it is anticipated to do so from 0.11% in 2018/19. This performance is lower than the 0.36% in 2017/18 and 0.28% in 16/17, but it reflects the financial challenges facing the Council.
- 4.13 As the statutory requirements have changed recently, the Service is currently changing arrangements in an attempt to close accounts sooner, and therefore, it enables them to provide more assistance and support for Council departments and services.
- 4.14 The purpose of the **Income Service** is to process income and collect the Council's debts promptly and efficiently to maximise income, whilst being sympathetic to the departments' needs and operating sensitively to debtors' financial circumstances.
- 4.15 It is noted that **Total value of various debts over six months old (with the exception of deferred payments and debt referred to other services for further action) CD7.02** has continued to increase, with a higher total value of debts over six months old on 30 June 2018 compared to 30 June 2017. The Service also noted that the Health Board had a debt of £438,000 to the Council, and that the Service was working with the Health Board in order to find a way forward to solve the problem.
- 4.16 The purpose of the **Benefits Service** is to process Housing Benefits and Council Tax Reduction Scheme applications promptly and accurately, to assist to the citizens of Gwynedd to pay their rents and Council Tax bills. It is noted that **Average time taken to process a new benefit application (CD12.03)** has deteriorated from 18.77 days in quarter 1 to 21.14 days in quarter 2. In response, the Service noted that

changes in school uniform grant rules and arrangements had led to unexpected additional work. In addition, the Service lost two staff members in the same period with one on sickness absence and the other retiring, which had contributed towards the deterioration in Service performance. By getting staffing levels back on track, it is anticipated that performance will also improve.

- 4.17 In December 2018, full Universal Credit became operational across the whole of Gwynedd. We have been taking note of what has occurred in other authorities when it was introduced and I am concerned regarding the impact on Gwynedd residents. We will do our best to assist Gwynedd Residents with any difficulties they will face although it must be noted that people will be referred to the citizens' advice bureau as the available resource for assistance.
- 4.18 I am satisfied with the performance of the **Tax Service** but I would like to draw your attention to one matter that we are monitoring in light of information gathered on the non-domestic tax collection rate. We are aware of transfers from the Council Tax to the Non-domestic Rate. This means that there is considerable loss to the public purse in Wales, at a time when public funding is scarce. We anticipate a loss of over £1m to the public purse in 2018/19 in Gwynedd alone resulting from transferring houses to the non-domestic system.
- 4.19 Work is ongoing with the Welsh Local Government Association's Rural Forum to try to ensure the support of other rural authorities to change national policy in this field.

## **5. FINANCIAL POSITION / SAVINGS**

- 5.1 The department have achieved all the savings asked of them.

## **6. NEXT STEPS AND TIMETABLE**

- 6.1 None to note.

## **7. ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION**

### **7.1 Views of the Statutory Officers:**

#### **i. Monitoring Officer:**

No comments in terms of propriety

#### **ii. Head of Finance Department:**

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

### **7.2 Views of the Local Member:**

Not a local matter.

### **7.3 Results of Any Consultation:**

None to note.

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## **Appendices**

### **Appendix 1 - Performance Measures**