

# CABINET CYNGOR GWYNEDD

## Report to a meeting of Gwynedd Council Cabinet

<b>Date:</b>	13 December 2016
<b>Title of Item:</b>	Cabinet Member for Resources Performance Report
<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

### 1. INTRODUCTION

- 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 Resources. This includes outlining the latest developments against pledges within the Strategic Plan; where we have reached with the performance measures; and the latest in terms of savings and cuts schemes.
- 2 I will remind you that all matters have already been the subject of discussions and have been scrutinised at meetings of the relevant management teams (which, for this cycle, also included representation from the Scrutiny Committee as an experiment).
- 3 On the whole, I am comfortable with the performance of the Strategic Plan and the performance measures for which I am responsible, or that relevant steps have been taken to improve performance.

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## 2. THE DECISION SOUGHT

- 2.1 To accept and note the information in the report.
- 2.2 The Cabinet is asked to send a letter to Welsh Government requesting that they ensure that any Apprenticeship Levy payments made be returned to the Council in order to employ apprentices. See further information in 5.7, 5.8 and 5.9 of this report.

## 3. THE REASON FOR THE NEED FOR A DECISION

- 3.1. In order to ensure effective performance management.

## 4. STRATEGIC PLAN PROJECTS

### *Effective and Efficient Council*

- 4.1. **C1 Implementing Ffordd Gwynedd - The purpose of this project is to lead service teams to reflect on their current working arrangements, to challenge whether they are putting the people of Gwynedd at the centre, and whether there is room for improvement.**

**By the end of March 2017, 12 service reviews will have been completed and the Ffordd Gwynedd principles will have been promoted amongst the Council's managers.**

- 4.1.1 As reported at the previous meeting the work within the Highways and Municipal Department is ongoing and this review has since reached stage 3, the stage at which the Review Team reports back on its findings. A full and separate report will eventually be submitted on this topic.
- 4.1.2 The rest of the ongoing reviews (Responsive maintenance, Homelessness, Support Services, Social Care (Alltwen), programmed maintenance, Education, and Highways and Municipal) are either at the phase where they report on the results of the experimental phase to the Unit/Units management team and the relevant Cabinet Member, or have reached the implementation phase where the remainder of the workforce transfers to the new way of working.
- 4.1.3 Training and changing the culture of Members and staff is a key part of the project and the first series of training sessions for Heads of Department and Senior Managers with Vanguard has now been completed and the initial feedback is positive.
- 4.1.4 In addition, sessions have been held over the past weeks for Managers across the Council in order to find out what their understanding is of Ffordd Gwynedd and to assess the progress. This work will continue over the next weeks and I will report on the issues raised in the next report. A number of points have so far been raised and, in response, I have asked that the team look at how we can conduct learning by doing sessions for every manager in order to ensure that they understand the principles.
- 4.2 **C2 Leaders development programme - The purpose of this project is to ensure that leaders within Gwynedd Council understand the principles of Ffordd Gwynedd, that they are aware of what they need to do in order to reinforce the Ffordd Gwynedd principles through all tiers of the establishment, and that there is a system in place to ensure that this is done consistently.**

**By the end of March 2017, we will have held a programme of personal development for every member of the Council's Management Group and the Cabinet to equip them to lead and reinforce the working culture within the Council.**

- 4.2.1 The work of developing leadership among the senior officers is ongoing. As you are aware the emphasis of the new appraisal procedure is based on an ongoing discussion with individuals throughout the years rather than it being an "annual event". We have yet not succeeded in addressing this aspect and, consequently, I have been collaborating with the Management Group to adopt a framework.
- 4.2.2 The framework will mean that ongoing evaluation will take place between the Head of Department and the member of the Management Team throughout the year (Corporate Director with the Chief Executive) whilst the two relevant Cabinet Members, in future, attend one of the annual appraisal meetings.
- 4.2.3 In order to try to assess whether leadership has improved within the Council over the past few years I have asked that the Project Leader arrange a session for the Leadership Team soon to assess whether the leadership has improved. This will enable us to take a step back and assess our position and, if there has been an improvement, to identify the steps taken to bring us to this current position.
- 4.2.4 I have also requested that the Leader consider defining what Leadership means to us as a Council so that we can measure progress and set a direction for the future.

**4.3 C6 Information Technology (IT) Strategy - The purpose of this project will be to implement the Information Technology Strategy that was drawn up in 2016.**

- 4.3.1 Since I last reported, there has been further progress in the work of the Strategy. At the end of October, Gwynedd residents were able to apply to pay for the garden bin service through the digital channel and during the first three days, 391 applications were made.
- 4.3.2 In addition, work has been undertaken to facilitate the public's ability to contact the Council and by now we are able to communicate with residents via text messages. The ban on officers using social media has also been lifted.
- 4.3.3 We have also extended the face to face support available to internal users with a member of the Help Desk Team present in the Dolgellau and Pwllheli offices once a week to provide support. Obviously, telephone support is available the rest of the time.

**4.4 C7 Electronic document and records management system (EDRMS) - The purpose of this project is to establish the EDRMS system which will ensure that the Council's information sharing arrangements are much easier and more effective.**

**By the end of 2017, at least five of the Council's departments will use the EDRMS system.**

- 4.4.1 Since I last reported, 75% of the Education Department has transferred to using the system and preparatory work has begun with the Finance Department with the aim of starting the transfer at the end of November/beginning of December.
- 4.4.2 There is some concern that all that is happening with the system is the transfer of information from one place to another, reproducing files that already exist

instead of clearing and weeding out existing files and folders and setting up a corporate structure. The Corporate Management Team will look at this in order to ensure that the project delivers what it is supposed to and I will report back on the findings in the next report.

## **Financial Planning**

- 4.5 **CA4 Further efficiencies and service provision models - The purpose of this project is to find further efficiency schemes in order to reduce the amount of cuts required in addition to researching fields where it is possible to change the current model of provision and, thus, make savings.**

**By the end of March 2017, we will have found further efficiency schemes to be achieved.**

- 4.5.1 The situation remains relative to how it was when I previously reported with £7.6m worth of efficiency schemes receiving focus and being honed so that the target of £7.25m of further efficiencies could be met and which has been laid out as part of the 2016/17 to 2019/20 Financial Strategy.
- 4.5.2 Some slippage is possible before the 2017/18 schemes have been implemented but it is anticipated that the efficiency savings will be sufficient to meet the needs of the Financial Strategy.
- 4.5.3 There was some slippage in the work to examine **An Alternative Adult Care Model** due to the Leadership Team's decision to postpone a decision until details on how the Department intends to deliver its savings has been seen.
- 4.5.4 In the case of the **Alternative Leisure Model** you will remember that we considered the interim case and approved an investment to undertake further work with the intention to submit a draft business case in March 2017.

## **5 PERFORMANCE**

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

### **5.2 FINANCE DEPARTMENT**

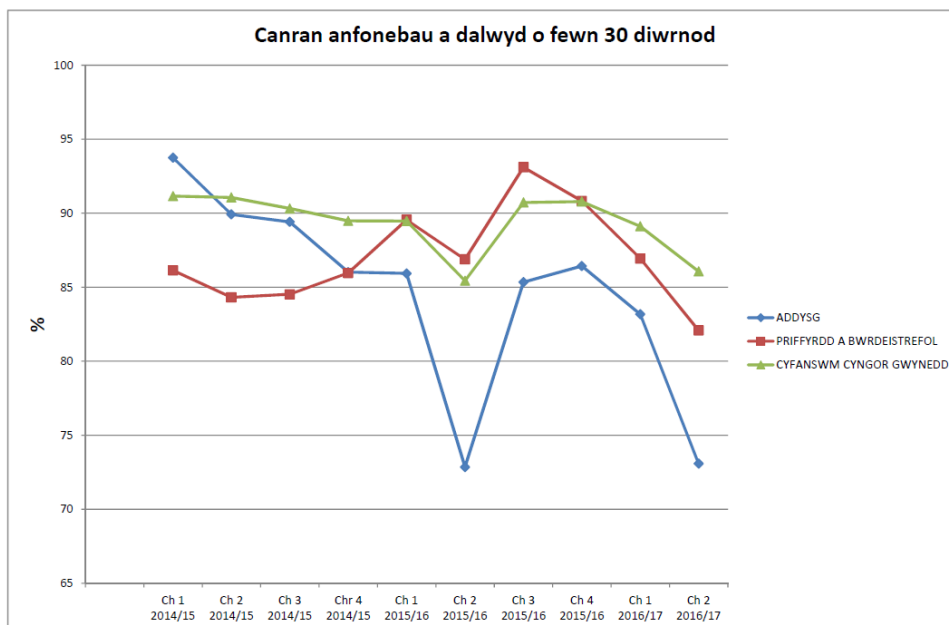
- 5.2.1 There are 11 Services in the Finance Department. I have challenged the measures of the **Risk and Insurance Service, Internal Audit, Investment and Treasury Management, Income, Tax and Benefits** and performance is currently acceptable.
- 5.2.2 The **Finance and Accounting Service** provides a service and aids and supports services to be effective and efficient. During the previous performance challenge meeting I asked that they consider whether it would be possible to measure **CD5.01 Success in keeping within the budget** (which is measured annually at present) more frequently (such as every quarter) so that the situation can be anticipated for the rest of the year and compare with previous years. This is done anyway by means of regular reporting and it is only a case of including it in the measures.
- 5.2.3 As a Council, we have a role to ensure that we pay our creditors correctly and on time and it is the **Creditors' Payments Service** that is responsible for this. It can be seen that the performance measure: **Percentage of invoices paid within 30**

**days (across the Council) (CD6.01)** has remained fairly stable during the April to September period compared with previous years (89% compared with 89% in 15/16 and 91% in 14/15 and 13/14.)

5.2.4 As you will remember from my previous reports, the Education Department's figures have been affecting the Council's performance against this measure and, as can be seen from the graph below, the case remains. It is noted that school summer holidays tend to have an effect on the figures for the second quarter.

5.2.5 Steps have now been introduced to record performance at every school in turn in order to identify those that are under-performing and target them. There is no evidence, however, that this had yet made a difference. It is also hoped that the additional support available to schools as a result of setting up the Area Offices will improve the performance of the measure over time and I will continue to monitor the situation.

5.2.6 I am also a little concerned that the performance of the Highways and Municipal Department seems to be in decline and I have asked the Unit to contact the Department in order to establish the reason why and to put steps in place if necessary.



5.2.7 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. Some progress has been seen in the **Number of cases which lead to further adaptations in salary (CD8.07)** with 147 cases during the period in question compared with 100 during the same period in 2015/16.

5.2.8 Despite noting that this figure is low considering the number of payments made (19,854 payments) I have asked the Service for an analysis of the cases in question in order to try to establish whether anything can be done and whether any steps can be taken to respond.

5.2.9 The **Information Technology Service** supports and enables all the Council's services to serve the residents of Gwynedd in an effective, flexible and safe way. It is seen that the **Percentage of network availability (TG01)** has remained fairly stable, the performance during the period in question being at 99.93% compared with 100% in 15/16, 99.87% in 14/15, and 99.9% in 13/14.

5.2.10 Likewise, the **Percentage of Public Website availability (TG02)** is at 99.64% compared with 99.98% for the same period in 15/16 and 99.94% in 14/15 and 13/14.

5.2.11 However, I am not of the opinion that the existing set of measures covers all the areas of work within the Service. I have asked them to look at ways of measuring those work elements that are not currently being measured and I will update you on any developments.

### 5.3 **CORPORATE SUPPORT DEPARTMENT**

5.4 I am responsible for the remit of five Units within the **Corporate Support Department** and having challenged the performance measures for the **Organisation Development, Learning and Development, and Support** departments, I am content with the performance of the relevant measures.

5.5 It is important that we manage absences at the Council in order to ensure that we provide the best service for the people of Gwynedd. Responsibility for gathering this information lies with **Human Resources Advisory Service** and I am a little concerned that the figure for the measure **Number of days of sickness absence (CHR/002)** has increased to 4.00 for the two first quarters of 2016/17 compared with 3.73 for the same period in 15/16, 3.63 in 14/15 and 3.76 in 13/14.

5.6 In order to establish the actual situation, I have asked the Service to split up the long term and short term sickness when reporting on the measure in future in order for us to be able to look at how to reduce short term sickness. I have also requested that they look at the possibility of re-framing what is expected of officers in respect of illness and the environment of trust that we are attempting to create whilst emphasising the implications of betraying that trust and I will report back on any developments.

5.7 Another thing that the Service has been recently considering is the **Apprenticeship levy** which will be rolled out by the UK Government on 6 April 2016. It is estimated that Gwynedd Council will be required to pay an annual levy of approximately £600,000.

5.8 Though the issue of apprenticeships is devolved, employers will need to pay the levy to the Westminster Government coffers. It is not clear what proportion of that funding will come from Welsh Government but it is understood that the intention will be to distribute this via the Barnett funding procedures.

5.9 Considering the Welsh Government's commitment to create 100,000 new apprenticeships before the end of the current Assembly I **suggest that we** write to the Government in Cardiff, requesting them to ensure that all the money we pay as apprenticeship levy be returned to the Council to be allocated to employing apprentices. Otherwise, this will be a tax on services for the people of Gwynedd without any benefits deriving from it; and, assuming that the Government does not depend on this resource, giving it back to authorities will enable us to benefit from it.

5.10 The **Health, Safety and Well-being Service** is responsible for advising how to protect the health and safety and well-being of staff and the people of Gwynedd and monitoring quality. Though the performance of the **Number of Health and Safety inspections** shows that it is low level risk that exists; looking at the list of shortcomings it was noted that no risk assessments were in place and in

some cases they had not been revised. In discussing the issue, the need for a Manager to take responsibility for Health and Safety issues was emphasised. And, I have asked that the Service consider how to raise awareness and ensure that this takes place.

## **6 FINANCIAL POSITION / SAVINGS**

6.1 76% of the **Finance Department's** savings schemes for 2016/17 have been delivered with a further 6% on the right track. This suggests that 82% of the schemes will be delivered on time. Only two schemes spanning more than one year are not on the right track or are slipping. In September, it was reported that a solution regarding the C27 scheme (Re-acquire the PSBA network) was the subject of national discourse, and the recent outlooks suggest a likelihood that the savings will be delivered but that slippage will occur until 2018/19. A slight slippage was also seen in delivering part of the C1 scheme (Revenue restructuring). With regard to 2017/18 schemes, no delivery problems have been foreseen.

6.2 The **Corporate Support Department** has delivered all of the 2016/17 efficiency and cuts schemes, and is making very decent progress towards delivering the schemes of the next two years. Only one of these plans is not on track and it is anticipated that an alternative means of delivering the saving will need to be found but the Department is dealing with this.

## **7 NEXT STEPS AND TIMETABLE**

7.1 None to note.

## **8 ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION**

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

#### **i. The Chief Executive:**

As the report states, there are no major issues of concern but the following elements are noteworthy: -

- The Apprenticeship Levy - Although the exact implications of this are not completely clear yet, there is a possibility that its impact could be very significant.
- Ffordd Gwynedd - As the Cabinet Member states, we have been holding meetings with staff recently to assess the extent to which Ffordd Gwynedd has progressed across the Council. Naturally enough, the diversity can be seen across the Council but overall the signs are encouraging bearing in mind that it is a long-term task to embed a new culture in any organization
- EDRMS - As the report notes, the Management Team has sought an assessment of the results of the project and there will be report back on this in due course.

#### **ii. The Monitoring Officer:**

Nothing to add from a propriety perspective.

#### **iii. The Head of Finance Department:**

I confirm the accuracy of the budgetary elements of the report, and I will support the Cabinet Member to achieve the relevant objectives.

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

8.2.1 Not a local matter.



8.3 **Results of Any Consultation:**

8.3.1 None to note.

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**Appendices**

**Appendix 1 - Performance Measures**