



POLICY AND RESOURCES SCRUTINY COMMITTEE – 2ND OCTOBER 2018

**SUBJECT: YEAR END PERFORMANCE REPORT FOR CORPORATE SERVICES
2017/18**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE
SERVICES**

1. PURPOSE OF REPORT

- 1.1 To provide Members with a performance update for Corporate Services. This involves taking a look back over the last twelve months of our performance highlighting the exceptions and then looking forward i.e. future challenges, setting out our key objectives/priorities for the next twelve months and identifying areas for improvement.

2. SUMMARY

- 2.1 During 2017/18 there was evidence of excellent performance, but also areas of poorer performance. Members are reminded that it is important for officers to take an honest approach to this process to ensure areas that require improvement are identified and supported.

3. LINKS TO STRATEGY

- 3.1 Corporate Services provide direct and indirect support to all of the Corporate Priorities and Well-Being Objectives.
- 3.2 The Well-Being of Future Generations (Wales) Act 2015 places a number of legal duties on public bodies in Wales to meet the legally binding 'common purpose' for 7 National Well-Being goals. This report links into each goal as follows (this has been based on an incremental approach/view):-
- A sustainable Wales – delivering services in accordance with available resource. Reducing assets to a sustainable level. Maximising income collection to support service provision. Ensuring the most appropriate use of our third party spend to address sustainable alternative goods and material whilst developing and enhancing local supply chains.
 - A prosperous Wales – prompt processing of Council Tax and Housing Benefits, ability of residents to access key services and support either digitally or face-to-face via customer contacts. Effective use of third party spend to foster engagement of local supply chains which will facilitate regeneration opportunities in and around the borough. Effective use of appropriate Community benefits will support jobs and community engagement.
 - A Healthier Wales – no direct links to Corporate Services, although support is provided to those front line services that deliver this goal. Ensure where appropriate all contracts reflect requirements which contribute to the Healthy Wales agenda.

- A more equal Wales – ensuring all groups including vulnerable and hard to reach have access to the Authority. Procurement, Customer Services and IT play a key role.
- A Wales of cohesive communities –Corporate Services facilitates the delivery of this goal via front line services.
- A Wales of vibrant culture and thriving Welsh language – compliance with Welsh language standards.
- A globally responsible Wales – rationalisation of assets should reduce carbon footprint. Developing sustainable supply chains who are globally and socially responsible will assist with the overarching principles.

4. THE REPORT

4.1 A summary is provided for each service area of Corporate Services below.

4.2 Corporate Finance

4.2.1 Overview

The services provided by Corporate Finance are essentially twofold. The Council Tax/Business Rates, Housing Benefit/Council Tax Reduction and Income Sections provide front-line services to the public. In addition to this, a range of support services are provided to every Directorate of the Council and these include Accountancy, Treasury Management, Payments, Insurance & Risk Management and Internal Audit.

Corporate Finance has 167 full-time equivalent (FTE) staff, split 81 FTE frontline and 86 FTE support services. Some staff are based in the larger Council Directorates enabling the delivery of some financial services to be devolved.

4.2.2 What Went Well?

- The various teams within Corporate Finance continued to perform well during the 2017/18 financial year and all statutory targets were met. This has been achieved against a backdrop of continuing downsizing in many teams to address budget cuts.
- The various Corporate and seconded Accountancy Teams have played a pivotal role in supporting Heads of Service to identify and develop savings proposals to support the Council's Medium-Term Financial Plan (MTFP). This working relationship has been crucial in recent years due to the need to respond to unprecedented cuts in funding.
- Effective financial planning and robust budget monitoring arrangements have helped the Authority to manage its financial affairs. We have continued the trend of delivering balanced budgets and identifying some savings in advance of need. However, this is becoming far more challenging as the programme of austerity continues.
- The following table provides a summary of the key performance measures for Corporate Finance: -

Description	2015/16		2016/17		2017/18	
	Target	Actual	Target	Actual	Target	Actual
Percentage of total Council Tax due for the financial year received by the Authority.	96.8%	97%	97.1%	97.1%	97.2%	96.9%
Percentage of total non-domestic rate (NNDR) due for the financial year received by CCBC.	97.2%	97.7%	97.9%	97.9%	98.0%	97.7%

Average time taken in days to process housing benefit change events and new claims (lower is better).	14	12.54	12	10.46	12	7.64
The number of housing benefit interventions completed per annum as a percentage of total caseload (higher is better).	20%	21.97%	20%	13.75%	20%	34.69%
Percentage of undisputed invoices which were paid within 30 days (higher is better).	95%	94.01%	95%	94.88%	95%	94.31%
Average number of calendar days to make payment of undisputed Invoices to SME's (lower is better).	13	13.93	13	12.97	13	12.55
Sundry debtors collected within 3 months as a % of amounts due.	96%	97.7%	96%	99%	96%	99.5%

- e) 2017/18 was a difficult year for the Council Tax & NNDR Teams mainly due to unprecedented staff turnover. Nevertheless, 96.9% of the Council Tax due in the year was collected in full and a Council Tax surplus of £1.61m was generated, which exceeded the £1.4m target. The Council Tax Team also proactively pursues Council Tax arrears and over a typical 3-year period the collection rate rises to 99.5%, which means that the vast majority of residents do pay in full.
- f) In spite of the staff turnover issues, Council Tax and NNDR in-year collection reduced only slightly by 0.2% on the previous year.
- g) During 2017/18 the NNDR Team successfully implemented the High Street Rate Relief Scheme resulting in 323 ratepayers receiving a total of £178k relief. This was the first year of such a scheme.
- h) The average time taken to process housing benefit change events and new claims was 7.64 days in 2017/18, which is an improvement on the 10.46 days reported for 2016/17. The number of housing benefit interventions completed per annum as a percentage of total caseload also shows a significant improvement at 34.69% (13.75% in 2016/17). Interventions target high risk claims where there may be a change in circumstances that could result in overpayments or underpayments being made.
- i) The percentage of undisputed invoices which were paid within 30 days during 2017/18 was 94.31%, which is marginally lower than the 94.88% achieved in 2016/17. During 2017/18 the average number of calendar days to make payment of undisputed invoices to SME's showed further improvement at 12.55 days (12.97 days in 2016/17 and 13.93 days in 2015/16).
- j) Sundry debtors collected within 3 months as a percentage of amounts due stood at 99.5% for 2017/18, which is an improvement on 99.0% for 2016/17 and 97.7% in 2015/16. The Sundry Debtors Team has also increased the number of Direct Debits collected each month, which is by far the most economical and efficient method to collect payments. £7.4 million is currently being collected each month, compared to £6.5 million in 2015/16.

- k) From the 2020/21 financial year the statutory deadline for the production of the Council's Draft Accounts will be reduced by one month from the 30th June to the 31st May. Furthermore, the statutory deadline for the completion of the external audit of the Draft Accounts and subsequent Council approval will be reduced by two months from the 30th September to the 31st July. These changes will be phased in from the 2018/19 financial year and they present significant challenges in terms of maintaining the quality and accuracy of the financial accounts. The Council's Corporate Accountancy Team is being proactive in dealing with this change and has been working closely with the External Auditor (Grant Thornton) to achieve the revised statutory deadlines. It is pleasing to report that the Financial Statements for both 2016/17 and 2017/18 were approved by Council by the end of July, well in advance of the implementation of the revised statutory deadline in 2020/21.

4.2.3 Future Challenges/Areas that need improvement as they did not go well

- a) The ongoing austerity programme will require further significant savings to be delivered. In addition to savings of £88.9m already delivered across the Council since 2008/09, it is currently anticipated that further savings of circa £34m will be required for the four-year period 2019/20 to 2022/23.
- b) There will be significant demands on finance staff arising from the need to support Heads of Service and Service Managers to identify and cost potential savings. The delivery of approved savings will also need to be closely monitored and due to the financial position becoming ever more challenging, the need for accurate and reliable budget monitoring information will be greater than ever. In addition to these demands we will still need to ensure that core financial functions are delivered and that statutory deadlines are met.
- c) At its meeting on the 24th July 2018, the Audit Committee was presented with the External Auditor's 'Audit of Financial Statements Report' for 2017/18. Whilst this report confirmed that it was the Auditor General's intention to issue an unqualified audit report on the Financial Statements, the report did contain a number of recommendations in respect of the Council's Internal Audit Service, including the following: -
- Providing further details in the Annual Audit Plan in relation to the specific risks associated with audits to be undertaken.
 - Providing more detail in the annual Internal Audit Outturn Report and the Mid-Year Progress Report in relation to specific audits undertaken, ratings and the number of recommendations made.
 - Providing further details to the Audit Committee in relation to findings that are 'not satisfactory' or 'in need of improvement'.
 - Recommendations in relation to the overall internal audit opinion in the Annual Governance Statement and the inclusion of an overall conclusion.
- d) Senior management have responded to the External Auditor's recommendations and an action plan has been produced to ensure that the recommended improvements will be put in place.
- e) Further reductions in the Department for Work & Pensions (DWP) grant for Housing Benefits administration coupled with uncertainties in relation to New Burdens Funding continue to make it difficult to plan financially for this service area. The introduction of Universal Credit Full Service in September 2018 will potentially increase workload and impact on our current processes and procedures.

4.3 People Services

4.3.1 Overview

PA support to Corporate Management Team has now recently joined the portfolio of People Services. The teams are managed by the Head of People Services and together as a service, remain committed to support the Council with difficult change agenda ahead.

Staff are allocated as follows:

Communications	17.41 FTE
CMT support	3.39 FTE
Health and Safety	23.40 FTE
Human Resources	55.52 FTE
Total	99.72 FTE

4.3.2 What Went Well?

- a) Each of the teams continued to perform well during 2017/18. Directorates have been provided with the same levels of service, despite the loss of staff in each team to meet the required budget cuts of the MTFP.
- b) Each of the teams has continued to support Heads of Service to manage various risks within their service areas, whether that relates to people, buildings, or reputation.
- c) All Schools buy the Health and Safety, Human Resources and payroll SLA's. Last year all Schools were offered the opportunity to purchase an SLA for the Communications team and most chose to do so.
- d) The Council continues to lead the way in Wales with its successful use of social media and other digital channels to engage and communicate with residents and other key stakeholders. The Communications team has continued to play a strategic role in leading the Authority's public consultation and engagement agenda on major pieces of work.
- e) The Communications Unit continues to work hard to promote and protect the reputation of the council. The team has adopted a much more proactive approach to its communication activity over the past 12 months – especially around 'setting the record straight' and addressing common misconceptions about the council and the services we provide.
- f) The team has also worked at a strategic level alongside Cabinet and CMT to help shape the vision and values of the organisation and has facilitated a series of staff roadshows, as well as a major employee survey, to capture feedback and ideas from employees at all levels across the Authority.
- g) Payroll processed 101,682 payments through the payroll in 2017 / 18 in comparison with 101,520 in 2016 / 17 and 104,888 in 2015 / 16. The reduction in numbers is to be expected following the reduction in number of employees in these 3 years. Payroll continue to submit accurate information to the various regulators on time.
- h) HR have continued to support Heads of Service to successfully manage changes to service delivery and staffing requirements to meet their own MTFP targets, resulting in 10 compulsory redundancies as detailed below for 2017 / 18. A comparison to the previous 2 financial years is included for information. The projected future austerity provides an inevitability that it is going to become far more challenging to maintain low numbers of redundancies in future years.

Number of compulsory redundancies	2017/18	2016/17	2015/16
Service related	4 (includes 2 in schools)	28 (includes 19 in schools)	9 (includes 7 in schools)
End of fixed term contract	6 (includes 4 in schools)	9 (includes 5 in schools)	27 (includes 13 in schools)

- i) HR continue to manage the Council's redeployment pool successfully. The Council has been advertising more posts on a fixed term basis for a number of years due to the review of service provision by each Head of Service. Consequently, the number of permanent redeployment opportunities that HR have supported are lower due to there being less permanent posts advertised. See details below:

	2017/18	2016/17	2015/16
Number of staff permanently redeployed	10	10	11

- j) HR also continually support staff to be redeployed in to fixed term posts. The table below details the number of employees in the redeployment pool as at 31 March 2107 and the previous 2 years for comparison:

	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
Number of employees in the redeployment pool	110	130	81

Performance information is as follows for 2017/18: -

Communications

Over 600 proactive media releases were generated by the team in 2017/18, which led to 2,266 separate articles in the local press and media. This clearly demonstrates that each positive article issued by the council is used multiple times by various media outlets. The team continues to closely monitor the performance of its media releases by applying a scoring system to provide improved analysis of coverage.

The Council's Facebook page currently has over 14,000 followers and the Council's Twitter account has over 13,000 followers. These channels have become a crucial way for the authority to engage and communicate with a wide network of people from all sections of the community. It is also increasingly becoming the preferred channel for residents to contact the council – especially in terms of making service requests and reporting issues, so the team is working closely with colleagues on Customer Services to ensure there is a co-ordinated approach. It is also pleasing to note that Caerphilly continues to have the highest Facebook following of all local authorities in Wales thanks to the proactive way we engage residents using social media.

Over 47,000 users have subscribed to GovDelivery, which is an email marketing platform allowing the council to send news, information and advice direct to subscribers. This is a relatively new communication channel for the authority and we are still looking to fully maximise its benefits, but performance is exceeding initial estimates and this continues to grow.

Health and Safety

The table below provides a sample of information relating to some of the activity of the team and a comparison with the previous 2 financial years: -

	2015/16	2016/17	2017/18
Number of Health and Safety training courses attended by employees	2,614	3,934	2,493
Number of fire risk assessments of Council premises	135	141	52*
Number of asbestos surveys of Council premises	37	36	30
Number of asbestos removal projects	21	29	61

*The number of fire risk assessments have reduced because they are now taking longer to produce.

Human Resources

The table below provides some of the activity that the team has supported to assist Heads of Service to manage their services and a comparison with the previous 2 financial years:-

	2015/16	2016/17	2017/18
New starters to the Council	648	831	832
Number of job applications received	6,910	7,803	5,997
Leavers	979	925	942
Early retirement by mutual consent	25 (includes 13 in schools)	23 (includes 18 in schools)	13 (includes 10 in schools)
Voluntary severance	54	10	19
Flexible retirement	7	3	6
Voluntary redundancy	2 (both in schools)	6 (all in schools)	11 (all in schools)

4.3.3 Future Challenges/Areas that need improvement as they did not go well

- a) Budget pressures affecting the whole service, which will have to continue to down size and the impact this may have on service delivery and support for the wider organisation.
- b) Reputational risks associated with key challenges facing the authority over the next 12 months – e.g. significant MTFP savings requirements and the Sport and Active Recreation Strategy consultation.
- c) Supporting the reduction of sickness levels across the Authority.
- d) Changes to legislation that may impact on the business of each team

4.4 Property Services

4.4.1 Overview

Property Services provides day to day and strategic management, maintenance, project design and project management services in relation to the Authority's buildings portfolio which comprises some 800 buildings over 400 sites – the 4th largest public building portfolio in Wales. The team comprises 67 full time equivalent staff and is sub-divided into Estates, Energy, Facilities, Maintenance and Projects (Building Consultancy) functions. The team manages building operational and maintenance budgets totalling £4.3m and delivers capital projects with a project cost of up to £23m.

4.4.2 What went well?

- a) Islwyn High School was completed and occupied from July 2017. The building was designed in house by the Property Services Projects team. The design delivers excellent quality via a very efficient orthogonal layout and the result is recognised as one of the most cost efficient secondary schools delivered in Wales in recent years.

The recently completed £23m Islwyn High School – Designed by Property Services



- b) The new Idris Davis lower school was completed in December 2017. This £7m project was designed and project managed in house and delivered on time and within budget.
- c) A tenant for the vacant Ty Dyffryn building was secured on a ten year lease. The tenant is a start-up company with good job creation potential. The revenue benefit of this is a rental income of £400,000 per annum after year two together with a standing cost saving of £106,000 per annum.
- d) The Bedwelty School site and the vacant Abertysswg and Pontllytyn schools were marketed and sold for £721,000, £121,000 and £221,000 respectively. The latter subject to contract.
- e) The demolition of Pontllanfraith House was completed in 2018 and the demolition of Oakdale Comprehensive School is all but complete. A strategy for the sale of these two sites plus prime residential land at Ty Darren, Bedwelty Fields and Pontllanfraith Comprehensive School has been proposed and will be considered by Cabinet in October 2018.
- f) The 2018 Property Review Report was approved by Cabinet and published.
- g) Significant progress has been made in relation to the safety of our built assets. Property Services chairs Statutory Maintenance Group (SMG) meetings and the group has a zero tolerance approach to statutory testing and the associated remedial tasks. The decision to progress remedial works has been taken away from building managers and, in most cases, is now vested with Property Services and this has led to significant improvement. The overarching target for the SMG is 100% testing compliance with no outstanding remedial tasks. This remains work in progress but improvement is particularly marked in relation to outstanding electrical tasks which totalled 1,315 in September 2017 but only one task is outstanding in August 2018.
- h) Property Services staff have worked closely with education colleagues to define and develop the proposed £72m 21st Century Schools Band B programme and have commenced scoping works on four of the projects.

- i) The Energy team trialled LED light fittings, which are both light and movement sensitive, in the one wing of Ty Penallta. The trial was an overwhelming success and it is now proposed that these new fittings are rolled out throughout the building utilising the invest to save Local Authority Energy Fund. The new fittings will use less than a quarter of the energy consumed by the current fitting and the projected energy saving for the completed scheme is 188,000 kWh per annum which equates to a saving of around £23,000 per annum at the current buy rate.
- j) Reducing sickness absence has been a key objective and rigorous management, including dealing with issues at an early stage, has led to significant improvement. The sickness absence for the preceding 12 months stood at 6.7% in June 2017. The same measure was 2.9% in June 2018.

Benchmarking

The Projects team charges 11.25% of Project Cost for a full service from inception to completion irrespective of project cost. Comparative private sector providers would charge at least 12.15% for larger schemes but their fee percentage would increase for lower value projects. Additionally the build costs of the capital projects delivered by Projects are compared to those delivered by other authorities. The build cost of the schools delivered in house is amongst the most economic in Wales and Islwyn High School is seen as an exemplar for cost effective design.

FM salary costs have been compared with those in similar public services such as the Local Health Board (LHB) and were found to be very competitive. Similarly Asset Management has compared its salary base with the District Valuer's office and found it to be competitive.

4.4.3 Future Challenges/Areas that need improvement as they did not go well

- a) Property Services continues to contribute to the wider MTFP savings targets and several vacant posts will not be filled. The Property Services budget includes over £4m of building management and maintenance costs and vacating some of these buildings, particularly those leased in, presents an excellent opportunity to offer up further savings. Service Area Asset Management Plans (SAAMPs) will help inform decisions around these buildings and an Asset Management Co-ordinator has been appointed on a two year fixed contract to work with service areas to help progress these SAAMPs.
- b) The proposed £78m 21st Century Schools Band B programme involves multiple new build and refurbishment projects. Resource profiling has highlighted that the workload will exceed the capacity of the current team from Q1/2020 onwards. Helping ensure the Authority can deliver the Band B programme of work will be a key priority for Property Services and workforce planning has commenced.
- c) The capital receipts from the sale of surplus land and buildings are required to assist in the funding of the 21st Century Schools Band B programme and other capital projects and there is also a requirement to release land for residential development. Property Services will lead the disposals.
- d) Whilst statutory testing compliance has improved significantly during 2018/19 the challenge now is to close out the remaining residual issues. Property Services will lead on this but the support of numerous service areas and officers is crucial if the target is to be achieved.
- e) We are now aware that some of our tenants are not adequately maintaining the buildings they lease from us and in many cases current statutory testing certification is not in place. Whilst this is, and will remain, the tenants responsibility Property Services will continue to proactively seek proof of building related certification with the objective of ensuring all our leased out buildings have current certification. A Management Surveyor has been appointed and will join Property Services in Autumn 2018 and will be responsible for all Authority leased out buildings.

4.5 Procurement Services

4.5.1 Overview

The award winning function has 12 FTE and 1 fixed term employee, who provide a full range of services related to Strategic Procurement, eProcurement systems (including support) and Supplier Relationship Management. The Council recognises the value of using Procurement to support its wider Cultural, Social, Economic and Environmental objectives, in ways that offer real long-term benefits to the community it serves and the people of Wales, whilst balancing the issues of value for money and affordability.

The latest Welsh Government Fitness Check described the function as “mature, moving towards advanced”. This places the Council as one of the top 5 performing Procurement functions within Local Government in Wales. We are currently awaiting a new Fitness Check process to be agreed by Welsh Government.

4.5.2 What Went Well?

- a) The function continues to actively support local businesses and SMEs and the statistics, comparators and KPIs continue to demonstrate good success in supporting the local economy through the work undertaken by the team whilst meeting the challenges of the MTFP as demonstrated below:

Title	16/17	17/18
% of Contracts tendered electronically across the Council	58	95
% of 'Local Suppliers' Awarded Contracts (former 'WPC' definition) <i>Source Decision and Information Page</i>	90	94
e-Invoicing – Number of Suppliers Participating	31	34
e-Invoicing – Value of Transactions	£1,516,811	£5,546,367
Amount of annual Corporate Spend (incl. Schools) with Procurement Cards	£1,079,102	£1,258,984

- b) The Council has the agreed definition of local as “suppliers within the region of the old Welsh Purchasing Consortium area” (the Old WPC area consists of Caerphilly, Bridgend, RCT, Merthyr, Monmouth, Torfaen, Blaenau Gwent, Vale of Glamorgan, Swansea, Cardiff, Neath Port Talbot, and Newport). However consideration will be given to align the definition to the ‘Cardiff Capital Region (City Deal)’. Using our ‘Spend Analysis Tool’ the Council can breakdown and compare expenditure across different criteria as demonstrated in the following Tables:

Title	16/17	17/18	% of Total Spend (£196m)
spend with Caerphilly based Suppliers	£46m	£50m	26%
spend with definition of local 'WPC' Suppliers	£105m	£116m	59%
spend with 'City Deal' based Suppliers	£98m	£112m	57%
spend with Suppliers across Wales	£107m	£120m	61%
Total Spend (source Spikes Cavell)	£188m	£196m	n/a

- c) The function continues to support the Council's WHQS programme with 70 Contracts Awarded as at the end 2017/18 with an est. value of £32.6 million. A particular success is the Dynamic Purchasing System (DPS) for the provision of General Builders:
- 80 Contractors on the DPS, 72 Contractors are defined as local (WPC);
 - Out of 72 Contractors 24 are Caerphilly based;
 - 28 Contracts with an est. pre tender estimate value of £25.7 million awarded to Welsh Contractors and 5 awarded to Caerphilly based Contractors.
- d) The above-mentioned DPS demonstrates that the Council continues to take advantage of the new flexibilities of the UK Public Contract Regulations 2015 and have implemented and are considering future DPS for Transport Services, particular Waste Streams, Reactive & Planned Maintenance and Grounds Maintenance Services in 2018/19. In essence this is a Passport to Trade initiative which endeavours to reduce duplication for suppliers together with a standardised and streamlined approach to the procurement process.
- e) Officers from within function continue to be Procurement leads on collaborative arrangements across a variety of commodities such as:
- Provision of a Regional Advocacy Service, Torfaen, Blaenau Gwent, Newport, Monmouth and Aneurin Bevan University Health Board (ABUHB), est. value **£2.2million**;
 - County Surveyor Society for Wales ('CSSW') which includes all 22 Councils and Welsh Government for the provision of highway asset management planning, est. value **£1.1million**; &
 - Laundry and Dry Cleaning with Merthyr and RCT, est. value **£56K**.
- f) Community Benefits are considered on all appropriate Contracts as an example the construction of Islwyn West High School delivered Targeted Recruitment and Training (TR&T) a total of 1374 weeks of employment delivered, which can be broken down as follows:
- Long term unemployed – 402 weeks
 - Apprentices – 725 weeks
 - Work experience – 79 weeks
 - Trainees – 168 weeks
- Supply Chain – 100% procurement by SME's
- 5% of new SME's taken on as part of project
 - 84% of procurement from Welsh SME's
 - 92% workforce from Wales
- Education Initiatives – 570 student interactions
- Community Initiatives – 429 donated hours on Community Legacy Projects.
- g) In November 2017 the Council 'signed up' to Welsh Government's Code of Practice ('CoP'), Ethical Employment in Supply Chains and have an action plan to meet the requirements of the 'CoP'. Procurement Officers are CIPS Ethical Procurement and Supply certified and this is monitored as part of quarterly 121s and annual PDRs.
- h) Officers have been instrumental and play an active role in supporting the work with the National Procurement Service, WLGA and Regional Heads of Procurement Forums together with a number of other public sector Procurement agencies across Wales.
- i) Continue to implement e-tendering across the Council in preparation of future legislative requirement of full electronic procurement by October 2018. The implementation of e-Tendering also supports other initiatives such as, but not limited to the reduction in the use of paper, ease of access for all suppliers and a clear auditable approach to Procurement. This is now business as usual for Engineers and Building Consultancy.

- j) Continued use of the Council's Contracts Management Module (CMM) across the Council.
- k) Continued development of the Directorate Plans and Forward Work Programmes.
- l) Bespoke Procurement training/ seminars arranged for Officers across the Council who have a responsibility for undertaking the Procurement discipline.

4.5.3 Future Challenges/Areas that need improvement as they did not go well

- a) Unable to recruit to 2 fixed term positions covering the WHQS programme. The service will now look to engage with Local Universities and support work placement programme for procurement and Supply chain students.
- b) Continued efforts to expand the use of electronic invoicing across the supply base in anticipation of forthcoming regulation mandating this within the Public Sector. The uncertainty of the future approach and strategy by Welsh Government (NPS) is impacting progress.
- c) Contract visibility is proving a challenge therefore Officers will embark on a training programme to ensuring Officers across the Council input Contracts within the CMM in line with policies and procedures.
- d) To ensure we able to monitor contractor commitment to Social clauses we aim to adopt an appropriate recording and monitoring system that ensures where social benefits are being included in Contracts they are being delivered e.g. TOMS methodology (or equivalent).
- e) Council approach to reviewing long term Contracts, challenging terms and conditions where appropriate with a view of reducing the cost of the provision and understanding the risk associated.
- f) To provide more flexibility to service areas we will continue with the Implementation of 'Quick Quotes' for all Band A processes.
- g) As we take forward the recently agreed Programme for Procurement the Council will need to tackle critical areas such as sustainability, reduction of plastics within the supply chain and ensure all contracts deliver on our commitment to the Wellbeing of Future Generations (Wales) Act 2015. This will have tensions with the need to reduce costs.

4.6 Corporate Customer Services

4.6.1 Overview

The Customer Services Team currently consists of 36.7 full-time equivalent staff (FTEs) following significant reductions in recent years (53 FTEs in 2016/17). The Corporate Customer Services Unit sits within the Customer & Digital Services Division. The service is responsible for the Customer Service Strategy, the collection of £26.8 million of the Councils income, the Blue Badge Service and the operational delivery of a large part of the Councils customer contact through the Contact Centre, six (6) Customer Service Centres, Newbridge Payment Office. The Ty Penallta Reception Service is the first point of contact for visitors to the Councils civic building and manages the room booking process.

In Person Services

The six Customer Service Centres offer 'in-person' services in main towns across the County Borough. Four (4) Centres and one cash payment facility are Co-located with Libraries and there are two standalone centres:

Co-located Centres:

- Caerphilly Library and Customer Service Centre
- Blackwood Library and Customer Service Centre
- Hanbury Chapel, Library and Customer Service Centre
- Risca Palace, Library and Customer Service Centre
- Newbridge Payment Office, Newbridge Library.

Standalone Centres:

- Ty Penallta
- Pontlottyn Customer Service Centre

Reception Services:

- Ty Penallta

4.6.2 What Went Well?

Performance 2014/15 - 2017/18

	Year / Footfall	Revenue Collected	Trend
In Person Payments	14/15 229,400 15/16 213,700 16/17 207,100 17/18 159,000	14/15 £26,900,000 15/16 £25,300,000 16/17 £24,500,000 17/18 £20,000,000	<p>Overall reduction in footfall from 2014/15 to 2017/18 is 31%. Overall reduction in revenue collected from 2014/15 to 2017/18 is 26%.</p> <p>The trend can be attributed to a reduction in opening hours across in person sites and the proactive promotion of alternative methods of payment.</p> <p>Methods of payments profile as a percentage of the total revenue taken across in person services for 2017/18 is: Cash = 43% Cheques In Person = 16% Cheque Postal = 13% Card = 28%</p>
In Person Walk In Advice	15/16 60,400 16/17 46,900 17/18 39,000		<p>Overall reduction in footfall from 2015/16 to 2017/18 is 35%.</p> <p><i>Data not available from source for 2014/15.</i></p> <p>This trend can be attributed to reduced opening hours and the implementation of an appointment based service model. This is a positive result of using resources more efficiently to provide services whilst maintaining good standards of customer satisfaction.</p>
In Person Appointment Advice	17/18 3,500		<p>The appointment delivery model was being developed throughout 2017/18 therefore data is for a part year only. The part year data is 9% of the total footfall for walk in advice which provides opportunities in more efficient use of resources.</p>

Ty Penallta Reception	14/15 47,200 15/16 41,500 16/17 49,600 17/18 56,000		Overall increase in footfall from 2014/15 to 2017/18 is 19%. The reception footfall has increased as a result of services moving into Ty Penallta to support asset rationalisation and the promotion of the meeting room facilities.
Blue Badge's Issued	16/17 5,600 17/18 5,300		Overall reduction in badges issued from 2016/17 to 2017/18 is 5%. <i>Data not available from source for 2014/15 & 2015/16.</i> The reduction is evident since the implementation of an assessment toolkit across discretionary awarded badges. This is a positive outcome to ensure that the benefit of the scheme can be realised by those in most need.

Contact Centre Service

The Contact Centre handles telephone, e-mail and web contact for the following services:

Highways	Job Applications
Waste Management	Housing Benefit Applications
Environmental Health	Registrars
Licensing	Blue Badge Applications
Payment card requests	Telephone Payments
General Information	Switchboard

	Year / Number of Calls	Revenue Collected	Trend
Payments	14/15 39,800 15/16 45,400 16/17 48,600 17/18 50,000	14/15 £4,628,000 15/16 £5,200,000 16/17 £6,100,000 17/18 £6,800,000	Overall increase in calls from 2014/15 to 2017/18 is 26%. Overall increase in revenue collected from 2014/15 to 2017/18 is 47%. This trend can be attributed to a reduction in opening hours across in person sites and the proactive promotion of alternative methods of payment.
Service Requests / Information	15/16 100,700 16/17 92,700 17/18 102,000	N/A	Overall increase from 2015/16 to 2017/18 is 1%. <i>Data not available from source for 2014/15.</i> Processes have been reviewed to maximise opportunities to work smarter through using digital access to better manage demand. 34 online automated forms have been implemented to date since the project started in 2017.
Emails	14/15 38,100 15/16 34,300 16/17 46,800 17/18 42,000		Overall increase from 2014/15 to 2017/18 is 10%. The overall increase is due to customers choosing digital methods of access. The decrease in demand since 2016/17 reflects the development of transactional web forms.
Switchboard	14/15 256,300 15/16 225,300 16/17 232,400 17/18 229,000		Overall decrease from 2014/15 to 2017/18 is 11%. The overall decrease could support better publication of direct dial numbers and customers choosing digital methods of access.

In Person Services Survey Summary

The survey concluded positive results on service delivery. 69% of customers felt reassured that their request had been dealt with. Of the customers surveyed 98% advised that the enquiry was resolved at the time of contact. 2% advised that their service was not resolved as they required further action from another service area.

Internal Customer Service Survey Summary

90% of those surveyed rating the service as good or very good.

Medium Term Financial Plan & Digital

Resource management to meet customer demand continues to evolve year on year with a backdrop of MTFP challenges, through promotion of digital services and smarter ways of working:

Financial Year	Savings	The majority of savings to date have been achieved through vacancy management and reducing the grade of service offered in terms of wait times.
2018/19	80,000	
2017/18	38,000	
2016/17	288,000	
2015/16	109,000	
Total	515,000	

Channel Shift work has started in the period with some positive outcomes. This needs to remain a focus going forward in considerations of smarter ways of working to meet the future MFTP challenges.

Digital Promotion	2017/18 Transactions delivered in the new method	Trend
Development of 34 Automated Online Service Requests	25%	There is no trend to date as these elements were implemented throughout 2017/18. During 18/19 the Service aims to provide and promote Digital solution to Service requests.
Development of Appointments Based Delivery Model for Blue Badges	75%	
Alternative Methods of Payments for Postal Payments	3%	

Celebrations of Success

The section has engaged with internal partners to maximise income generation and funding opportunities. This has delivered income of £2400 since August 2017, through working with the Passenger Transport team in jointly delivering the Concessionary Travel Scheme application process.

The Corporate Customer Service Services Standards were launched in December 2017, although well received there is still work to be done on ensuring a consistent approach across the Council. Going forward we will work with colleagues in HR to ensure that the Standards are a fundamental part of the recruitment, induction and performance management processes.

The section continues to work towards its compliance to the Welsh Language standards and have worked in Partnership with the Policy team to start to find solutions to the challenges the standards present.

Blue Badge Process enhancements continue to be developed ensuring the process is efficient and meets the needs of the user against a back drop of continued central government changes.

The contact centre team were able to quickly set up call handling support for electoral services when the snap general election was called in April 2017 at a time when Electoral Services were already stretched dealing with local government elections. This allowed electoral services staff to focus on critical activities to deliver 2 elections in short succession

4.6.3 Future Challenges/Areas that need improvement

- a) Sickness absence within the Service remains above the Directorate average despite rigorous application of the managing sickness absence policy
- b) Delivery of call answering services and waiting times have increased due to the lack of resource as a result of high sickness levels.
- c) Delivery of self service has been hindered by the slow development of Welsh Forms. This is an area for priority during autumn of 2018.
- d) Errors within the team on operational activities have risen, these are subject to review and automation during 18/19.
- e) Implementation of Digital Services in a way that support our communities and brings added value to the Customer.
- f) Rationalization of the Services IT systems to ensure value for money and consistent performance across all access channels
- g) Development and implementation of Hub based service provision which provides wider service opportunities to include other public sector organisation such as Health.

4.7 Legal & Democratic Services

4.7.1 Overview

The service area can be split into three distinct service areas. Electoral Services who are responsible for running and managing all elections and referenda in the county borough, in addition they are also responsible for ensuring that residents are registered to vote. Democratic Services have the responsibility for all duties associated with supporting the Council's democratic process including the scrutiny function. They provide advice and support to senior officers and all elected members. Legal Services provide a comprehensive legal service to all service areas of the Council. The Legal Service is split into three teams, one providing corporate and governance advice (including corporate complaints); a welfare and litigation team and a team dealing with planning, land and highways matters. The area is led by the Head of Legal Services and Monitoring Officer.

4.7.2 What Went Well?

Legal Services

There were a number of staff absences during the year due to a combination of illness and unfilled vacancies. However staff coped well to fill gaps to ensure a comprehensive legal service was delivered.

The table below contains a small sample of the P.I.'s for legal services: -

Period	Title	Target	Actual
17/18 (Quarter 1-4)	Summons issued within 15 working days	93%	99%
17/18 (quarters 1-4)	Written acknowledgement of instructions within 5 working days	96%	89%

17/18 (Quarter 1-4)	Agreements and Statutory Notices drafted within 10 working days of receipt of full instructions	91%	95%
17/18 (Quarter 1-4)	Notification of completion of matter, in writing, to client department within 5 working days	93%	95%

Electoral Services

Over 2017/18 electoral services dealt with 23,201 rolling registration changes (elector registrations, deletions and amendments) and canvassed just under 80,000 properties and achieved a response rate of 86%. In May 2017 the service managed the local government elections (County borough and Community/Town council) and had just under 8 weeks to organise a 'snap' parliamentary election that Theresa May announced on the 18th April and held on the 8th June.

In March 2018 the service moved from its' office in Bargoed to Gilfach House.

Democratic Services

The table includes a small sample of the P.I.'s for the service area: -

Period	Title	Target	Actual
17/18 (quarters 1-4)	%of Members that scored training events as good or very good	80%	93%
17/18 (quarters 1-4)	% of committee reports published on time	100%	100%
17/18 (annual)	Members Annual reports published by 31 st July	100%	100%

The majority of the Member training carried out in 2017/18 was for the Induction period following the Local Government Elections, therefore in terms of training that is monitored for this indicator there was only one training course provided during this period.

In order to measure the success of Induction and Marketplace Event additional questions were included the Members survey carried out in August 2017. 42 (57%) were completed and returned by Councillors; of the 23 newly elected Councillors 15 (65%) returned responses. The results showed that 96% of Members felt that the Market Place Event was either useful or very useful. 63% felt that the Induction Programme was set at about the right level, 33% felt it to be intensive but agreed that all of its aspects were relevant.

During 2017/18, despite challenging resource issues due to staff vacancies and sickness all committee papers were published on time, with no impact on the number of planned meetings during the year.

During 2017/18 the team successfully published 100% of Members Annual Reports by the 31st July deadline.

In relation to the Democratic Team, it is worth noting that this small team of officers services 39 different Council Committees and arranged 210 meetings. In addition officers implemented the new Cabinet Member Statement Protocol, again overall positive feedback received.

4.7.3 Future Challenges/Areas that need improvement as they did not go well

Legal Services - Welfare

The area of childcare continued to be a significant area of demand for Legal Services. The number of active cases continued to rise dramatically. Over the last four years legal

proceedings have increased significantly from 37 cases being issued in 2014, 51 in 2015, 63 in 2016, and 90 in 2017. The reasons for the increase in applications are varied and complex although the number of care applications issued in England and Wales is rising year on year.

As a result of this increase in workload within Legal Services (and Social Services) current systems are struggling to maintain performance in this critical area. There are currently 2 vacant posts for childcare solicitors and a new solution will need to be found to fill these posts as the costs of engaging private practise firms to cope with the volume of cases is unsustainable.

Electoral Services – The Future

In October this year the service will be carrying out a review of the polling stations in the county borough and in 2019 will be working with the Local Government Boundary Commission for Wales to review the council’s principal area boundaries and electoral arrangements. Further ahead there could be major changes to how elections to local authorities and the National Assembly are conducted. This may include lowering the voting age to 16 and widening the franchise to include all nationalities being given the right to vote.

Democratic Services

The staff resources issue has had an impact upon certain aspects of the work of the team, and was managed by some staff taking on additional work and additional support provided from the Business Manager in Legal Services. However this has meant that a significant commitment has been required from staff during this period which has ensured that committee meetings haven’t been affected however the impact of the challenges have been identified in relation to Member Development and Training with delays to the training programme for 2018/20 and the Member Development Strategy.

4.8 IT & Central Services

4.8.1 Overview

IT and Central Services provides a complex range of services underpinning the Authority’s and its schools’ information and communications technology (ICT) requirements plus other essential services including the management of information governance matters (incorporating advice and guidance regarding the Freedom of Information and Data Protection Acts), corporate records centres, mail and courier services and the central typing function.

The Division currently has 90.01 full-time equivalent (FTE) staff based over three sites (Penallta, Tredomen and Enterprise Houses). Staff are allocated as follows:- 68.86 FTE in IT and 12.33 FTE in Central Services. An additional 8.82 FTE staff are funded from the Housing Revenue Account (HRA) dedicated to providing IT and performance management services to Housing Services and the WHQS Programme and are based over two sites (Penallta House and Cherry Tree House).

4.8.2 What Went Well?

In the main key Performance indicators show good performance with outturn on system availability slightly below 16/17 outturn however above target.

	Outturn 17/18	Target 17/18	Outturn 2016/17
Major System Availability* ¹	99.93%	99.70%	99.96%
Call Resolution (IT Helpdesk)	92.90%	92.00%	92.88%
Data Protection Act Subject Access Requests answered within 40 calendar days* ²	72.00%	70.00%	68.00%
FOI/EIR Act requests responded to within 20 working days* ³	83.00%	85.00%	82.00%

Members should note:-

*¹ – Figures based upon “office hours” availability of the 21 most significant systems used across the Council. Current performance equates to a total of 151 hours unplanned downtime affecting those systems in 2017/18.

*² – Figure quoted is for 2017 calendar year. This represents an improvement on last year and is 2% above the corporate target. For next year we need to consider revising the target in light of recent changes to data protection law (including changes from 25 May 2018 bringing compliance period down to one calendar month) and Information Commissioner Expectations.

*³ – Figure quoted is for 2017 calendar year. We did not meet our corporate target of 85% but this can be attributed to the significant increase in the number of requests received during the first and last quarters of 2017, putting considerable pressure on both the Corporate Information Governance Unit and Service Areas. Had these requests been spread more evenly across the year, we may have been able to achieve our target. Compliance with FOI requests within statutory timescales has previously been an action in the Annual Governance Statement, and as the Information Commissioner has revised her expectation of compliance to 90%, we will need to revisit our corporate target.

In addition to the above the following went well during 2017/18:-

- IT / Cyber Security - Significant level of external assessment / accreditation which place the authority in a very good position with no external security breaches in 2017/18
- Significant MTFP savings achieved over recent years
- Schools' service provision maintained.
- During 2017/18 we launched the new Web presence
- Corporate & Member Information Governance continues to be highly regarded locally, regionally and nationally and recent work on GDPR held up as best practice in some areas.
- During 2017/18 the Council continued with the implementation of the Paper chase record tracking software. Which has brought about a streamlined process for record managements?

4.8.3 Future Challenges/Areas that need improvement as they did not go well

MTFP savings will continue to be a challenge for the service area. The management team will look at new technologies to support the strategic aim of the Council and support the MTFP.

With the recent appointment of the Head of Customer and Digital services the department will undergo a full review which will address areas of collaboration with public sector partners such as SRS and develop a fit for purpose staff structure. This will address areas of demand and resource management, contract rationalisation, training and development of staff, communication and adoption of the appropriate new technologies.

During 2017/18 and continuing to date, The GDPR team are experiencing an increase support request for advice and guidance on personal data. Going forward we are looking to address by educating all staff via e learning tools and other individual support.

In 18/19 the service will be looking at electronic opportunities to modernise the mailroom and all internal correspondence.

The service will address the FOI / SAR increased target response rates in line with ICO expectation of 90% for FOI's.

4.9 Sickness Absence in 2017/18 for Corporate Services

The following table shows sickness levels for 2017/18:-

Service Area	% Sick ST 16 17	% Sick LT 16 17	Overall Abs % 16 17	% Sick ST 17 18	% Sick LT 17 18	Overall Abs % 17 18
Corporate Finance	1.81	4.36	6.17	1.28	3.13	4.41
Human Resources	1.05	2.73	3.78	1.08	1.91	2.99
Information & Citizen Engagement	1.64	4.47	6.12	1.56	2.93	4.48
Legal & Governance	1.07	0.92	1.98	1.26	4.03	5.29
Procurement Services	2.6	5.94	8.53	2.58	3.11	5.69
Property Services	1.69	5.45	7.13	0.52	3.23	3.74
Director & Staff	0.96	0	0.96	0	46.15	46.15
	1.62	4.07	5.69	1.37	3.00	4.37

4.10 Corporate Complaints – Corporate Services

Total No. of Complaints	2016/17	2017/18
	19	20

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The services provided by the Directorate of Corporate Services are an essential element in supporting the Council to plan and deliver its services and to help ensure that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

6. EQUALITIES IMPLICATIONS

- 6.1 An Equalities Impact Assessment is not required as the report is for information.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications arising from this report.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications arising from this report.

9. CONSULTATIONS

- 9.1 There are no consultations responses that have not been included in this report.

10. RECOMMENDATIONS

- 10.1 The Committee is asked to consider the content of the report and where appropriate question and challenge the performance presented.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 Performance Management Scrutiny affords members the opportunity to challenge, inform and shape the future performance of services.

12. STATUTORY POWER

- 12.1 Local Government Measure 2009.

Author: Richard Edmunds, Corporate Director for Education & Corporate Services
Consultees: Cllr B. Jones, Deputy Leader & Cabinet Member for Finance, Performance & Governance
Cllr C Gordon, Cabinet Member for Corporate Services
Cllr L Phipps, Cabinet Member for Homes & Places
Ros Roberts, Performance Manager, Corporate Services
Steve Harris, Interim Head of Business Improvement Services
Nicole Scammell, Head of Corporate Finance
Mark Williams, Interim Head of Property
Rob Tranter, Head of Legal Services & Monitoring Officer
Liz Lucas, Head of Customer & Digital Services
Lynne Donovan, Head of People Services