Asset and Corporate Services Committee

20 August 2020

Agenda Item No.

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| Finance and Corporate Services Performance Report |
| Report by: Eileen Rowand, Executive Director, Finance and Corporate Services |
| Wards Affected: All |

Purpose

To present the performance scorecard for the Finance & Corporate Services Directorate for 2019/20

Recommendations

Members are asked to note:

1. the Finance & Corporate Services performance information presented at appendix 1; and
2. Note the arrangements set out in section 1 to fulfil the Council’s obligation to comply with Audit Scotland’s 2018 SPI Direction.
3. Information regarding the Directorate’s workforce profile.
4. Annual Workforce Report data for Finance & Corporate Services

Resource Implications

None

Legal & Risk Implications

None

Impact Assessment

An EqIA is not required because the report does not propose a change or revision to existing policies and practices.

Consultation

## None required1.0 Background

* 1. Audit Scotland published the Statutory Performance Direction in December 2018. 2019/20 is the first year to which that direction applies. The Council is required to report a range of information setting out:

1. Its performance in improving local public services, provided by both (i) the council itself and (ii) by the council in conjunction with its partners and communities.
2. Its progress against the desired outcomes agreed with its partners and communities.
3. Its performance in comparison (i) over time and (ii) with other similar bodies including information drawn down from LGBF in particular and from other benchmarking activities
4. Its assessment of how it is performing aginst its duty of Best Value, and how it plans to improve against this assessment

* 1. The first requirement, to report the Council’s performance in improving local public services (including with partners) will be satisfied by the series of reports (of which this is one) that will be presented to the Council covering the whole of the Council’s performance for 2019/20. Where possible, comparative performance is given for the Scottish average, top quartile, and peer group averages.
  2. The other requirements of the Statutory Performance Direction will be satisfied by a combination of

1. Update reports to the Fife Partnership regarding progress against the Plan for Fife, with reports also going to Policy and Co-ordination Committee.
2. public performance reporting, assurance statements and governance arrangements.
3. Reviewing the External Audit Annual Report for it’s view on our Best Value performance and any action plans thereafter.
4. Carry out a Best Value Self Assessment using the updated Audit Scotland Guidance in conjunction with the Council’s Corporate Governance Statements.

1.4. Taken together, these reports will cover the whole of the Local Government Benchmarking Framework, plus selected service performance indicators that give a balanced picture of Council performance.

1.5 This report deals primarily with the performance of the Finance & Corporate Services Directorate, however it also includes several Council-wide indicators that fit best within this report. These indicators are clearly marked in the relevant narrative.

1.6 The appendix to this report is presented in the form of a balanced scorecard covering the areas of Customer, People, Responsiveness and Cost results. This is consistent with the format used for the 2018/19 Public Performance Report and mirrors the approach used for internal management reporting throughout the year.

1. **Conclusions**

2.1 This report is the first in a series covering the whole of the Council’s performance against key indicators, including the Local Government Benchmarking framework.

2.2 The overall performance of the Finance & Corporate Services Directorate is positive; areas for improvement focus are identified in appendix 1

**List of Appendices**

Appendix 1 – Finance & Corporate Services Performance Report 2019/20

Appendix 2 – Workforce Profile

Appendix 3 – Annual Workforce Data

#### Report Contact

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Finance & Corporate Services

Performance Report 2019/20

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| This report provides a strategic overview of performance against key indicators. We’ve worked hard to maintain and improve performance, and this year has seen a number of important achievements for Finance & Corporate Services:   * The gender pay gap shows that for the first time, women are paid, on average, a higher hourly rate * We are still the best council in Scotland for the cost of collecting council tax. * We demonstrate a very good track record of budgetary control, as measured by final outturn compared to budget. | However, we continue to face significant challenges:   * Attendance figures continue to improve but absence still remains a challenge. * Pressure on Council balances is increasing, particularly in response to the COVID-19 pandemic. Strong budgetary control in response to the pandemic is more important than ever. |

Customer

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| **Performance** | **Progress** |
|  | The overall combined number of stage 1 and 2 complaints received by Finance & Corporate Services fell sharply in 2019/20. Finance and Corporate Services continue to maintain a reasonable level of compliance when dealing with complaints within timescales and were broadly on target for 19/20.  All complaints are analysed by service management and lessons learned to improve ongoing service delivery. The full analysis and steps taken to rectify the complaint along with all corrective actions are recorded on our Customer Management System and reviewed by the service senior management team. |
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People

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| **Performance** | **Progress** |
|  | The overall sickness absence figure for the directorate has reduced for the second year in succession, whereas the council overall levels increased. In 2019/20 levels dropped by 0.66 working days lost (WDL) per FTE (a 5.9% reduction).  Close management of absence levels will continue to be required to sustain levels at a lower rate. The current pandemic may play a part in this year’s absence figures and at present the impact is unknown.  Long term sickness absence levels have also dropped for a second successive year for the directorate. In 2019/20 levels dropped by 0.60 WDL per FTE (an 8.6% reduction).  The overall percentage absence level for the directorate reduced for a second year in succession as above. In 2019/20 levels dropped by 0.3 percentage points. |
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People – cont.

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| **Performance** | **Progress** |
|  | The levels of employees aged 24 and under continues to rise. In 2019/20 the levels increased by 0.42 percentage points (an increase of just under 8.6%).  We continue to seek ways in which to attract young people into work with Fife Council in general and explore opportunities of different types across the Directorate. |
|  | We continue to see progress in the percentage of women in the highest paid 5% of employees. Women account for 73% of our workforce therefore we would hope to see this upward trend continue facilitated by flexible working practices, career development opportunities and the breaking down of occupational segregation and stereotypes. |
|  | 19/20 is the first year the gender pay gap shows a minus result, this means that females on average receive a higher hourly rate than males in the Council. |

Responsiveness

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| **Performance** | **Progress** |
|  | Our collection figure has significantly improved this year.  This was partly due to the cycle of receiving UC files in the year which provided an extra payment, boosting collection by around £1.3million.  The end of the financial year saw the first impacts of Covid-19 on rent collection. |
|  | The value of payments was up slightly on last year, but our net charges were higher.  Last year we were able to deduct the value of unbilled rates where we had not had a chance to bill, but because of the ongoing pandemic, the team’s main focus has been on processing business grants and we were unable to provide this figure. |
|  | Telephone call performance has continued to meet target. Call volumes have reduced across many areas due to the continued promotion of self- service reporting through other channels e.g. Self-service logging and tracking of enquiries via First Contact; continual development of guides and FAQs; improved messaging on phone lines; the promotion of the ITskills hub. Calls towards the end of this financial year have reduced due to the Covid crisis which resulted in the phone lines being closed; leaving the self-service logging option available to all staff. |

Responsiveness – cont.

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| **Performance** | **Progress** |
|  | The average time to process new claims is reducing and this is because of the increased use of automation and the reduction in Housing Benefit workload due to the introduction of Universal Credit.  As a result, resources have been reallocated to new tasks including rent recovery and assisting Universal Credit claimants as well as some staff taking voluntary redundancy. |
|  | The Council Tax collected over the year has fallen slightly. This is partly due to the impact of Universal Credit, and partly due to the impact of the first Council Tax increase for a number of years. The Revenue Service recognises the challenges and has put in place measures to maintain and improve the collection rate such as:   * Direct Debit and online take up campaign, * Corporate approach to debt collection * Streamline process for applying for direct payments * Working with CARF to support those having difficulty paying their Council Tax. |
|  | Council Tax collection over a 3-year period remains stable regardless of the current difficult economic climate. The team continually promote payment by direct debit and this impacts favourably on the 3 year collection rate. |

Responsiveness – cont.

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| **Performance** | | **Progress** |
|  | Fife continues to perform well in comparison with other Councils. The results maintain Fife within the top quartile which is remarkable given the team operated from home during the year end. We continue to strive for improvement and are introducing a new e-invoicing process to speed up the process even more. This will be fully developed now into 2021 when the new Oracle Cloud Project has settled, and staff are familiar with the system. | |

Cost

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| **Performance** | **Progress** |
|  | Our Gross Rent Arrears figure has improved this year.  This was partly due to the cycle of receiving UC files in the year which provided an extra payment, reducing arrears by around £1.3million.  The end of the financial year saw the first impacts of Covid-19 on rent arrears. |
|  | Council-Wide Indicator  The level of uncommitted balances has increased slightly as a result of some commitments not coming to fruition and the positive outturn in 2019/20. Balances remain under pressure given the additional cost pressures being faced by the Council both in terms of COVID19 and increased demand. There continues to be a need to manage financial risk and unplanned expenditure. |
|  | Council-Wide Indicator  There has been a real terms reduction in Central Support Service expenditure of 25.8% from 2010/11 to 2018/19. This is mainly due to savings achieved, service reviews and restructuring in this area. Clearer guidance from the Directors of Finance/Scottish Government on Support Service classifications has also contributed to the reduction in costs. This indicator includes customer service costs e.g. the costs of the Council’s contact centre. |

Cost – cont.

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| **Performance** | **Progress** |
|  | Fife Council has achieved the lowest level of council tax collection costs for a number of years. This is partly due to the way we deliver the service and the way we apportion the costs. |
|  | Council-Wide Indicator  The level of slippage/(advancement) is a measure of capital expenditure against the planned capital programme.  This has improved over the last 4 years, with a level of advancement achieved in 2019-20, The Capital Programme is monitored by the Investment Strategy Group and action taken to maximise spend and improve projections. Resources have been dedicated to support Services with programme and project management in order to minimise slippage and maximise investment |
|  | Council-Wide Indicator  For the previous years, the Council has contained expenditure within the budget overall, before experiencing a slight overspend in 2018/19. In 2019/20 costs were contained within budget following the successful implementation of cost control measures and positive action taken by all Services to control spending. The Council has strong financial controls in place to minimise the level of overspends and underspends. However, going forward the challenge to do so will increase, particularly in light of the COVID19 outbreak and the costs associated. |

ANNUAL WORKFORCE DATA