

Report to: Overview and Scrutiny

Date of Meeting: 14th June 2016

Report Title: Corporate plan year end performance information and target setting

Report By: Jane Hartnell, Director of Corporate Services and Governance

Purpose of Report

1. To advise Members of the year-end actual performance against key activities set out in the corporate plan for 2015/16.
2. To consider areas of shortfall in performance and where appropriate actions to be taken to improve performance during 2016/17.
3. To seek Members' views on the performance indicator targets for the activities proposed for 2016/17.
4. To outline intentions to continue to review the performance process and trial new ways of presenting performance information during 2016/17 in line with the recent move from two to one Overview and Scrutiny committee.

Recommendation(s)

1. That the Overview and Scrutiny committee thank staff for their hard work in achieving those key activities set out in the corporate plan.
2. That the comments of the Overview and Scrutiny Committee on the proposed performance indicator targets for 2016/17 be referred to the Cabinet meeting on 4th of July 2016.
3. That the Overview and Scrutiny Committee continue to assist the Council pilot new ways of presenting performance during 2016/17 in line with the changes from two to one Overview and Scrutiny committee.

Reasons for Recommendations

To assist with the approval process for the corporate plan and assist Overview and Scrutiny Committee Members to undertake their performance management role.

Introduction

1. The Council meeting on 24th February 2016 agreed the corporate plan for the period 2016/17 to 2018/19 – these documents set out the Council's strategic direction and outlines associated work areas for 2016/17.
2. Appendix A reports back against those key activities set out in the previous year's corporate plan for 2015/16 and sets out draft performance indicator targets proposed for 2016/17.
3. Directors reports (attached as appendices B and C) draw attention to those key performance shortfalls outlined in Appendix A to assist members focus on activities not meeting expected performance.
4. The 4th July Cabinet has been given delegated authority by the Council to agree Appendix A prior to publication on the Council's website.
5. Transforming the council remains a key focus within the corporate plan 2016/17 - 2018/19 and part of this agenda is concerned with ensuring our performance management arrangements reflect the changing nature of the council. This report concludes by outlining intentions to continue to review and test new ways of performance reporting in 2016/17.

Director reports

6. Based on the positive feedback from Members over the course of the 2015/16 Overview and Scrutiny meetings to date, Members will continue to receive Director reports highlighting significant areas for scrutiny consideration.
7. These reports will assist in steering the focus for scrutiny debate, covering key exceptions (performance shortfalls) and highlighting where there are deviations from expected performance against corporate plan targets, but also updating members on additional areas of activity absorbing officer time and resources.

Retrospective Performance Report Back – Appendix A

8. Appendix A provides a report back on performance during 2015/16 against the corporate plan targets and Performance Indicators.
9. The status of each target as at 31st March 2016 is described as either:

G = Green target achieved

A = Amber – target changed, affected by external circumstances or narrowly missed

R = Red - did not hit target – also includes description of how we will address this in 2016/17 (where appropriate)

10. At the end of each service area in appendix A the associated performance indicators are listed along with their prospective targets for 2016/17 (highlighted and underlined)
11. These prospective performance indicator targets are to be ultimately approved by Cabinet in July, having considered any associated comments/suggestions made by the Overview and Scrutiny committee.

Financial Position

12. Work is ongoing to finalise the Council's year-end position in respect of both revenue and capital expenditure. There is expected to be an overall underspend and the draft final accounts position will be presented to Cabinet in July.

2016/17 Performance management arrangements

13. Members and officers are keen to ensure that as the council changes, performance management arrangements adapt to reflect these changes.
14. A review of existing performance management will form part of a wider review of scrutiny arrangements scheduled for the end of quarter two as a result of the recent move from two to one scrutiny committee.
15. Member's continued input will be much appreciated as we continue to test new ways of working.

Policy Implications

16. The Corporate Plan details how the council meets its objectives. The values and vision are expressed in our commitments and policies, these underpin the way we work and prioritise activity. Individual projects and service delivery decisions will reference how we are addressing policy implications throughout the year. This retrospective review of performance identifies our progress across a range of policies and values.

Appendix B – Director Report: Corporate Services and Governance

Subject: **2015/16 Performance Review Director’s Report**

Submitted to: **Overview and Scrutiny Committee**

Date: **14th June 2016**

Prepared by: **Jane Hartnell, Director of Corporate Services and Governance**

Introduction – Overview of 2015/16

1. 2015/16 has been an incredibly busy year for the whole Council, and our staff have all worked extremely hard to deliver effective services for local people and to deliver the Council’s ambitions. We have delivered against our planned targets in very trying circumstances when our main operational building was completely refurbished around us. We have also made very good progress in delivering on the many projects within the council’s organisational change programme – The Transformation Programme and these have touched all parts of our organisation.
2. In addition to the planned activity undertaken in 2015/16, colleagues also delivered a number of other projects as opportunities/circumstances arose during the year. These include the lease and refurbishment of space in the Town Hall to ESCC Registration Service and the related transfer of democratic and civic functions to Aquila House. Opportunities were explored to facilitate new income generating and economic development resources e.g. building a brand new factory.
3. We have experienced a number of challenges in managing within reduced resource levels. Although colleagues are working hard to find more efficient ways of working, we are experiencing the ongoing impact of managing with less, particularly when skills, experience and/or organisational history/knowledge are lost. These tighter staffing levels also mean we have less resilience, this has been a particular problem for a number of our services when colleagues experience personal issues e.g. bereavements, illness or need for recovery time after operations.
4. I am very proud of the way colleagues continue to work extremely hard, take on new responsibilities and challenges, deliver above expectations and support each other to achieve the best outcome for local people. I hope that Members of Overview and Scrutiny will share this view.

Year-end performance summary

a) Legal and Electoral Services

5. During 15/16 the team’s resilience was challenged to cover the absence for medical reasons of a senior member of staff. The team worked well together to

reallocate work, take on additional responsibilities and cover this work without the need to bring in expensive external support.

6. During the year the team's work included:

- Providing a proactive and positive role in delivering council projects and protecting the council's interests and probity. Some projects have required significant legal input to ensure schemes, associated policies; procedures and agreements are properly planned and operated e.g. Selective Licensing Scheme. In addition new Seashore and Promenade Byelaws were made, completed a Parking Order for most of the council's Car Parks.
- Legal work for large number of leases including The Source (White Rock Baths), and individual leases for the Social Lettings Agency.
- Completion of in-house legal work for property sales e.g. property sold after CPO, purchase of Aquila House
- Supporting the Licensing Committee to consider applications in the public interest and securing prosecutions and fines for enforcement activity (e.g. dog fouling, noise nuisance, planning and debt collection e.g. council tax debt
- Contributing significant time to providing legal advice for contentious planning issues e.g. Queensway Gateway, Rocklands, Holmhurst St Mary
- Achieving a positive outcome from the inspection by the office of Surveillance Commissioners to check we are compliant with the legislative demands of the Regulation of Investigatory Powers Act 2000.
- The Elections team had a very significant workload in 2015/16. They facilitated the biggest change to electoral registration in a century - Individual Electoral Registration (IER). Following the transition years, the new 'business as usual' arrangements have been implemented since the end of Q3. The team have also successfully delivered a General Election, 3 By-elections, a new style annual canvass and preparation for the Borough, Police and Crime Commissioner and By-elections in May 2016. These elections were only made possible by the continued support of colleagues from across HBC and is a brilliant example of our One Team working.
- In addition the Boundary Review was supported by senior policy, legal, planning and elections staff. These changes will now be implemented and will necessitate a polling station review, all out HBC elections in 2018, use new boundaries for ESCC elections in 2017

b) People and Business Support

7. The small Business Support team have played a greater than anticipated role in Aquila House refurbishment project, implementation of new working arrangements and associated technology e.g. Condeco room and desk bookings. During this time they also maintained parallel support for Council activities that continued in the Town Hall, and assisted with the transfer to Aquila. The junior level staff extended

their working days considerably to ensure the impact on day to day operations was minimised. Their role is now being refocussed to undertake facilities management now that HBC own the building.

8. The Personnel team have completed a high number of recruitment exercises during the year – the 52 recruitment campaigns led to the employment of 78 staff. Difficulties with recruiting specialist roles e.g. planners, finance officers meant some of these exercises had to be repeated two or three times.
9. In addition, the team continue to:
 - i. Play a lead role in delivering the organisational development aspects of the Transformation Programme – see presentation.
 - ii. Support managers to:
 - (1) release savings or increase efficiencies through restructuring, redeployment and redundancy as well as offering opportunities for professional development e.g. growing our own.
 - (2) undertake their staff management roles effectively e.g. introduced an e-appraisal system, give 1:1 support and support training needs.
 - (3) robustly manage sickness absence – there has been an increase in short term absences over the year and serious longer term sickness absences have affected the resilience in a number of service areas

c) Community Contact Centre

10. Customer experience at CCC continues to improve, a cohort of six new Customer Service Officers were recruited and trained to deliver the full range of CCC services over the year.
11. The reception process has been reviewed and following an earlier Housing Options Service Review a new triage process has been put in place and the CCC staff now undertake the role previously done by Housing Options officers. Whilst this has led to better customer service and more effective use of housing resources, there is obviously an impact on CCC resources which is why channel shift from Digital by Design is crucial to achieve.
12. The CCC staffing resources have been impacted by the secondment of two of the Team Leaders to the Firmstep Project. The Team Leaders have worked with IT and service departments to develop the new customer journey maps and associated process 'forms' which the software systems use to deliver customer transactions. Whilst this investment of customer service skills into the project is vital and is viewed as an 'invest to improve' for the service, there have been opportunity costs.

d) Revenues Service

13. The benefit claimant numbers have reduced by some 5% in 2015/16. The Council has continued to receive year on year reductions in funding and as a consequence of losing the equivalent of two members of staff each year there will inevitably be

an impact on the service. However the service itself is performing very highly given all the challenges it faces.

14. The Council consulted on the Council Tax reduction scheme and unlike other East Sussex authorities resolved to leave the scheme untouched for 2016/17 – thus supporting the most vulnerable in the community. Universal Credit will start impacting more heavily from December 2016 when all new working age claimants will be applying for it – rather than housing benefit.
15. In terms of performance indicators:
 - a. The overall Council Tax collection rate for the year will exceed the 96.5% target within the next few months. A number of the revenues targets were missed mainly due to the absence of a key officer to sickness and need to train a new member of staff.
 - b. Additional pressures were placed on the service this quarter as a result of the installation of two new servers; business rate appeals continue to cause concern both for work associated with backdated payments and the impact on future income streams; additional time is being spent on supported/exempt accommodation cases which are becoming contentious and creating additional work.

e) Audit and Procurement Service

16. Staffing issues impacted on this small team of three. A new Group Auditor was appointed to fill the vacancy following the retirement of a senior colleague. The Housing Benefit Subsidy Grant Audit claim was far more resource intensive than usual. The council's procurement processes continue to be well supported by the East Sussex Procurement Hub.

f) Finance and Accountancy

17. The preparation of the Council's Budget for 2016/17 was made more challenging as a result of significant changes and delayed Government announcements of funding streams. The team has also welcomed four new colleagues this year all of whom needed to experience budget setting and year-end reporting here.
18. In addition the team piloted an earlier close down of accounts as part of their preparation for the mandatory requirement for all Councils to close down their 2017/18 accounts by end of June 2018 (as opposed to September). This 'practice run' is added to workload pressures.

g) Estates

19. 2015/176 was an excellent year for enhanced occupancy rates and higher income from revised rental and lease agreements. The new factory unit for BD Foods will be built in 2016/17 following renegotiation of existing leases.
20. There was additional unscheduled property-related work associated with the income generation opportunities for leasing out parts of the Town Hall to ESCC and SEAP, space in Aquila House to Learning Direct and the purchase of Aquila House.

h) Surveyors

21. The small surveyors team have made a valuable contribution to the Aquila House accommodation project, maintenance of the Town Hall and have absorbed responsibility for the major cliffs maintenance and protection project.

i) Continuous Improvement and Democratic Services

22. The team have implemented a project fundamentally changing the way members and officers prepare and access decision making reports and processes. The implementation of Mod Gov is facilitating efficiencies all the way through the decision making process.

23. The increasing level of Freedom of Information requests will be managed more effectively and efficiently in future, following work to develop of an on-line process using Firmstep. This process is also being adapted for our new Corporate Complaints process.

24. Senior policy officers continue to support projects and work packages across the council including FLAG, external funding bids, the Local Strategic Partnership's Mind the Gap project and the Transformation Programme.

j) Transformation Programme – Year 1

25. Over the past year we have been working together to transform the way we work. At the core of this transformation has been the fundamental principles of: Customer First, One Team, Smarter Working and Digital by Design.

26. The breadth of the Programme makes summarising complex therefore a presentation setting out achievements and next steps will be given at the meeting.

Jane Hartnell, June 2016

Appendix C – Director Report: Corporate Services and Governance

Subject: **2015/16 Performance Review Director's Report**

Submitted to: **Overview and Scrutiny Committee**

Date: **14th June 2016**

Prepared by: **Simon Hubbard, Director of Operational Services**

Introduction

1. As quarter 4 is the end of the financial/performance year, it is worth highlighting not only areas of concern but some areas of outstanding achievement from 2015/16. I also picked out a couple of issues I believe might be of significance in the forthcoming period.

Development Management

2. As reported before this part of the Planning Service was given additional financial support to help it address issues caused by staff shortage and sickness. Andrew Palmer and latterly the new Planning Services Manager, Eleanor Evans have worked hard to provide short term responses and to consider the changes needed in the future. Eleanor will be completing her review and recommendations shortly as agreed previously. These will be the subject of discussion with members of Overview and Scrutiny.
3. Without pre-empting the bulk of Eleanor's review there has been a general "strengthening" of processes and report writing around decisions. Greater thoroughness may have implications for staff time and there may be a need to consider this alongside issues of existing and proposed performance requirements and cost.
4. In terms of yearly performance the results (contained within the performance review document) are:

i) Major applications completed in 13 weeks or as agreed with applicant:

Target 90%

Q1 67%

Q2 50%

Q3 88%

Q4 100%

Average 83%

ii) Minor applications completed within 8 weeks or as agreed with applicant:

Target 85%

Q1 69%

Q2 60%

Q3 81%

Q4 79%

Average 71%

iii) Householder applications completed within 6 weeks or as agreed with applicant:

Target 65%

Q1 42%

Q2 36%

Q3 70%

Q4 50%

Average 48%

5. In general, a marked improvement in performance can be seen following a period of difficulty caused by staff shortages and the pressures of dealing with the Queensway Gateway application and Rocklands.
6. The Government is currently consulting upon a series of new performance standards for Planning Services and this consultation expired in April. The consultation paper runs alongside the Housing and Planning Bill which has been through both the House of Commons and House of Lords. The House of Commons are now considering whether to accept amendments suggested by the House of Lords. If agreement isn't reached on suggested amendments this may delay the implementation of new measures which were initially anticipated in Autumn 2016. Local authorities not achieving minimum standards may lose their right to assess applications and determine decisions.
7. It will therefore be important to ensure that the planning process (which goes beyond the Development Management team into Legal Services, Conservation and a variety of external consultees) is structured in a way which will deliver these targets. Central to this is a planning team which is confident in taking and interpreting advice and takes responsibility for the overall process. For both officers and members in all Councils this will mean decisions being firmly rooted in Planning Policy and the ability to do this speedily.
8. i) Current statutory targets are:

HBC Performance Against
Targets

50% of major applications determined in 13 weeks	HBC 83%
80% of appeals against major decisions dismissed	HBC 100% (no appeals made)

ii) Proposed new targets are:

Estimated HBC Performance
Against New Targets

60-70% of non-major applications determined in 8 weeks	HBC 79%
80-90% of appeals against non-major decisions dismissed	} 48%
90% of appeals against major decisions dismissed at appeal	100% (no appeals for majors this year)

There is therefore a need to ensure that the decisions of both officers and members are as challenge proof as possible. This means a balanced interpretation of policy and ensuring that applications are not turned down without sound planning grounds and that those grounds would be clearly identifiable to an inspector.

Waste Contract

9. Performance around the delivery of refuse collection and street cleaning will often be an issue. Our contractors, Kier operate over 4 out of 5 of the districts in East Sussex as one contract but there are different local management arrangements and issues in each. Locally, the performance of the contact is mixed:

- Street cleanliness – target 5% future outcome 4%
- Recycling – target 30% recycling outcome around 30%
- Bin collections missed – target 130/100,000, outcome around 146/100,000

10. The relationship between the partners and Kier is sometimes challenging but the Council continues to achieve the savings from the contract. There are certainly issues connected with the reporting of dog mess, dumping and other issues electronically to Kier which are then claimed as completed when this doesn't appear to be the case. This is being followed up in discussion involving colleagues from Corporate Services operating the reporting systems as well as the Waste Team. Clearly for an electronic reporting system to be effective it must command belief in its integrity and this doesn't appear to currently be the case.

11. I do not believe the relationship with Kier is likely to be without tensions. The value of the contract to the company is much diminished by the reduction in recyclable values. The contract is managed through a combination of the Joint Waste Committee, the Central client manager based with Rother, and day to day local contract management through our own waste team. HBC staff will continue to press for the best possible service from the contract and in particular the correct operation of reporting systems.

Housing issues

12. It remains a real concern that the Council's ability to deal with issues of homelessness will be further tested moving forwards. Members will note that the number of homeless acceptances has increased and Housing colleagues feel this trend will continue.
13. Rents within the local housing market are above what many in housing need can afford, particularly so for those on very low incomes or in receipt of out of work benefits. Whilst this has been a long standing issue in London and more affluent parts of the South East is now being felt more widely across the region, including Hastings and other areas of the coast. This must in part be a result of the same pressures driving people out of wealthier hotspots in search of more affordable options in housing in areas that relatively speaking still remain lower value. This may in turn further encourage other authorities to directly house families out of area at least on a temporary basis.
14. The impact of the new housing Bill and further welfare benefit reforms look likely to place further pressures upon those for whom there are few affordable housing options now available. The following welfare reforms are of particular concern regarding their potential financial impact on those at risk of homelessness are
- a planned reduction in the benefit cap from 26,000 to 20,000 per annum
 - a four year freeze on benefits
 - the ending of the family element of child tax credits and a restriction of payments to 2 children.(and the equivalent changes with universal credit when introduced)
 - a 4 year freeze to LHA rates
 - The withdrawal of HB entitlement for 18-21 year olds which comes on top of an increase in the age at which the single room allowance is applicable from 25 to 35 years of age
15. Members will receive a full briefing on housing and homeless issues shortly via the Members Bulletin because it is important that there is a wide understanding of the changes taking place in the housing market – part of which has historically been strongly linked to the benefits economy.
16. Additionally the welfare reform outlined above when considered within the context of the Governments general Housing policy direction, seems likely over the next few years to result in:
- More homes being made available for first time buyers and those who can afford to pay higher rents
 - fewer Housing Association properties being available at social and affordable rent levels over time,
 - Reduced security of tenure for social housing tenants
 - Reduced income for some benefit recipients
 - Increased difficulty accessing the private rented sector for people on benefits
 - Reduced income for housing associations and therefore less borrowing capacity for new developments

- Less government funding for affordable rent in the foreseeable future
- Increasing pressure on homelessness, particularly amongst young people

17. In order to maintain levels of homeless prevention it will be necessary for the Council to redouble its efforts moving forward. The Council has a strong record in tackling homelessness and has made a number of successful interventions to avoid homelessness in recent years.

- a) The Council has sought to tackle issues in the supply side through its local licencing activity. The Selective Licencing of 12 wards was very successfully launched in November and subject to the results of a further stock condition survey, work will begin on considering whether to extend the additional licencing of HMOs in the town centre wards beyond the end of the current 5 years scheme .
- b) The Lettings Agency continues to expand albeit at a slower rate than originally envisaged. Nevertheless it is on course now to reach the break-even point in 2016/17

The Coastal Space project will deliver at least 68 new rented and homes and we aim to extend this through a 3rd programme with funding by the SELEP and the Borough Council, if a SELEP bid is successful. In addition the YMCA DownsLink scheme which has provided a further 83 spaces for young people over the last 2 years.

- c) Additional interventions with the street community include commissioning an outreach service to assess need and provide information. This is shortly to be complimented by a CCG commissioned Housing and Well Being Hub currently under development with Health Colleagues.

On a positive note

18. I cannot sign off 2015/16 without acknowledging the raft of success delivered by our teams across the Council. In no particular order I would ask that members note in which their officers had sole or major roles:

- The delivery of the Source Skatepark
- The revival of Hastings Pier
- The achievement of a “good” standard for our bathing water
- Delivery of a state of the art CCTV scheme
- Licencing scheme
- 3 successful Fish Festivals organised, and Jack in the Green and Bonfire events supported
- Conclusive study making the economic case for extending HS1 to Hastings and Bexhill
- Adoption of the Development Management Plan
- Long term properties returned to use
- Hugely successful Active Hastings programme recognised with new ESCC funding support package
- Bottle Alley refurbishment

- Extra funding obtained and preparations made for 950th anniversary celebrations

Simon Hubbard, June 2016

Wards Affected

Ashdown, Baird, Braybrooke, Castle, Central St. Leonards, Conquest, Gensing, Hollington, Maze Hill, Old Hastings, Ore, Silverhill, St. Helens, Tressell, West St. Leonards, Wishing Tree

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	Yes
Risk Management	Yes
Environmental Issues	Yes
Economic/Financial Implications	Yes
Human Rights Act	Yes
Organisational Consequences	Yes
Local People's Views	Yes
Anti-Poverty	Yes

Additional Information

N/A

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