

Resources Performance Report

1. Summary of Directorate functions

The Resources directorate includes the following service areas, that protect, enable and inspire wider council services:

Law & Governance

Law & governance comprises Legal Services; Democratic Services; Information Governance and Electoral Services. This function provides professional, cost effective, seamless and timely services to support Members and client departments in order to achieve corporate priorities. The function ensures appropriate access to information and transparency in decision-making processes and encourages resident engagement in local democracy.

Finance

Finance comprises Financial Planning; Transformation; Service Finance; Pension Fund & Treasury Management; Revenues & Technical Services and Internal Audit. This function supports the council and its departments in closing accounts and sets the budget – currently an annual revenue spend of c£900m and a capital programme of £1.6b for the next ten years. This function also collects taxes, performs audits, investigates frauds and manages the pension fund, as well as transforming services across the council to ensure maximum resident impact.

HR

HR comprises Resourcing and Reward; Business Partnering and Analytics; Learning & Organisational Development and Challenging Inequalities. This function oversees and embeds the council's workforce strategy, which focuses on visionary values driven leadership; attracting and retaining the best talent; empowering people to perform and valuing and supporting each other.

Digital Services

Digital Services comprises enterprise planning; architecture & security; programme delivery; application services; operational services and commercial & contracts. The vision for Digital Services is to move from being just a provider of IT services to an active power and enabler for the reinvention of council services and to provide residents, businesses and community groups with a digitally inclusive and transformative experience that enhances lives and livelihoods.

2. Covid Impacts

Managing our budget effectively and efficiently

Covid-19 has had, and continues to have a huge impact on the Council's budgets. The Government's nationwide lockdown measures throughout 2020/21 meant that much of the activity the Council had budgeted for changed fundamentally within a matter of weeks. The financial impacts of Covid-19 were often difficult to predict and covered direct factors, such as the reduction in income from our leisure estate or the increase in costs of providing the response to the pandemic. They have also been indirect, such as the pandemic impacting upon the financial resilience of our residents and businesses. This in turn affects the Council's ability to fund services due to reductions in revenue from Council Tax and Business Rates.

Going forward, much of the financial stability needed by the Council is dependent on how the pandemic evolves. The Council has been making strides in recent years to improve its financial resilience through the direct strategy of boosting its balances and reserves. The impact of the pandemic has highlighted the importance of maintaining this discipline. This responsible decision making provides a solid base on which to provide our vital services to residents.

Harness digital technology for the benefit of residents and staff

For the 2020/21 period, Covid continued to impact Digital Services but with a change in emphasis. In the early part the focus was on enabling adaptation to remote working and supporting initiatives that in turn, support our residents. As the new ways of working bedded in, the backlog of project and discretionary work increased significantly. In broad terms the number of initiatives roughly doubled compared to pre-Covid days, as directorates 'caught up' with their change programme and adopted new ways of working. To compound the issue, over the year it became increasingly difficult to find candidates with IT-related skills – particularly in project management, engineering and commercial disciplines. As a result Digital Services has seen some service backlog in the performance metrics, from delayed service requests to project work. This general situation of increased workload with a skills shortage is expected to continue into the next year.

Make sure our workforce is diverse, highly skilled and motivated

Covid-19 has impacted sickness figures and a review of long-Covid absences is taking place which will result in new guidance for managers and changes to MyHR sickness absence reporting codes. Monthly sickness reports continue to be issued to Service Directors against which managers are required to take action in line with the formal Sickness Absence procedure. HR Business Partners support individual action plans for all long term absences monitoring progress during their monthly engagement activity. These meetings also consider employee relations casework data and agency staffing which can also act as indicators for further action to address low morale, increased turnover and other staffing issues. Agency figures increased as a result of recruitment to the Lateral Flow Testing sites.

Be open and accountable

Covid-19 has impacted the workload of some services within Law and Governance and we have continued to deliver high level services under difficult circumstances. Services have had to come up with new ways of working and new processes and procedures and collaborated more strongly to improve service delivery. Electoral Services for example delivered the GLA elections and 5 by-elections in May and worked with other departments such as Public Health and Health and Safety to ensure the efficient delivery. Since 7th May, council and committee meetings have had to be held in person, as it was no longer lawful for the majority of formal meetings to be held virtually. Democratic Services have worked to reintroduce meetings back into the Town Hall safely and have successfully implemented a new webcasting system in collaboration with Digital Services, allowing those unable to attend in person to follow proceedings online.

3. Approach to KPI selection (reason for selected KPIs)

The suite of KPIs under Resources provide a number of significantly important measures that foster a culture of openness and transparency. These ensure effective council management through core services, enabling effective budget management, efficient technology and a motivated and diverse workforce.

Managing our budget effectively and efficiently

Managing the Council's revenue budget is a key factor to ensuring the Council's overall finances are managed effectively. As such the overall revenue general fund variance has been included as a KPI for the 2021/22 financial year. A minimal variance of between £1m underspend and £1m overspend is the target range. This recognises that an underspend suggests an inefficient allocation of resources whereas an overspend could be a sign for inefficient usage. Additionally, significant volatility in year end forecasts could be a sign of weak financial management therefore this measure is a solid proxy indicator for a number of risks.

The second two measures are similar in nature and closely monitor the collection of local taxation. Council Tax and Business Rates make up a significant proportion of the total funding required to run the Council. Small

variations of a percentage can have significant financial implications for the Council. As such these 'debt collection' measures continue to be used as a good measure of performance in a key financial area.

Harness digital technology for the benefit of residents and staff

The indicator chosen is *"Average number of priority 1 incidents per quarter which typically affect more than 100 staff or significantly impair applications or access"*. A priority 1 (P1) incident is one that directly impacts residents being able to complete digital transactions or one which prevents a significant number of staff from undertaking their day-to-day work in support of resident outcomes. Minimising the number of them, in conjunction with resolving those that do occur quickly, is a very tangible and formally measured indicator.

Make sure our workforce is diverse, highly skilled and motivated

The KPIs R7(a) & R7(b) provide a measured indicator for the council's Challenging Inequalities and Workforce Strategy commitments on developing an inclusive diverse workforce. Average number of days lost per year through sickness absence per employee (R5) is a useful indicator for overall employee well-being and organisational health. All three are industry standard indicators, which can be benchmarked via London Councils' Human Capital Metrics. The council has a continued commitment to the reduction of agency staffing which is measured by the R6 indicator, now adjusted to FTE in line with industry standards.

Be open and accountable

The KPIs now include FOI/SAR compliance, as we have a legal duty to respond to these requests within a statutory timeframe. We also have a legal duty to ensure people's data is secure and must report any high-risk incidents to the Information Commissioners Office. Electoral Services strive to continue to achieve their outstanding voter registrations record while they enter a busy period with staff changes within the team.

4. Key Performance Indicators for attention

4.1 Overachieving KPIs

The indicators presented below are reported by the service as currently exceeding target levels by more than 5%. Detail on each KPI assessment can be found in the relevant directorate's section of the appendix.

KPIs <i>(Aspirational target positions are provided in the descriptions below for each KPI)</i>		2021/22 Q1 position	Director commentary
Harness digital technology for the benefit of residents and staff			
1	Average number of priority 1 incidents per quarter which typically affect more than 100 staff or significantly impair applications or access	9	Target exceeded (Target: 15) IDS embed lessons learned to improve the Major Incident Management process. This quarter a cyber security risk was prevented via an IDS workaround until an official security patch from Microsoft
Make sure our workforce is diverse, skilled and highly motivated			
2	Average number of days lost per year through sickness absence per employee (in previous 12-month rolling period)	6.6	Target exceeded (Target: 7.5)
3	Percentage of Black, Asian and Minority Ethnic staff within the top 5% of earners	23.77%	Target exceeded (Target: 21.7%) Continue to improve via Challenging Inequalities focus
4	Percentage of disabled staff within top 5% of earners	7.79%	Target exceeded (Target: 6.3%) Continues to exceed target

4.2 Underperforming KPIs and related risks

The indicators presented below are critical to Resources performance and have been highlighted for the attention of CMB. Target information for some of these KPIs are currently under review in order to ensure they reflect the current operating environment.

Directorate KPIs <i>(Ideal target positions are provided in the descriptions below for each KPI)</i>		2021/22 Q1 position	Reason for under performance	Mitigating actions to manage KPI performance
Managing our budget effectively and efficiently				
1	Percentage business rates collected in-year	24.9	Target not met (Target: 26.2) Pre-Covid targets in place to determine impact of pandemic. Covid-19 has reduced ability of businesses to pay, as well as closure of Courts that has prevented enforcement action	Enforcement options have been limited by the capacity of the courts. We are ensuring our procedures designed to maximise collection are closely followed and we will be working with the courts to make sure we take all opportunities to collect the debt owed.
Be open and accountable				
2	Percentage of FOIs completed within target (20 working days)	83%	Target not met (Target: 90%) Resourcing pressures in the People Directorate meant that their compliance was short of the 90% target. Complex requests in other areas resulted in 1 or 2 request being late that meant the 90% target was not reached.	Working with the People Directorate to understand what support is required to increase their compliance. A review is underway to look at whether administration of requests should be centralised.
Be open and accountable				
3	Percentage of SARs completed within target (one calendar month)	62%	Target not met (Target: 90%) A significant increase in complex requests in People Directorate has led to a reduction in their overall performance. A small number of requests were not passed to the IG Team until the deadline had passed.	Working with the People Directorate to identify what support can be provided at a corporate level. Training has been provided to key staff on redaction with a focus on what information should be redacted to help reduce unnecessary redactions. Training issued to all staff on identification of SARs.

4.3 PIs 'off track' at Q4 2020/21 that have since improved to 'on track'

The table below provides an update on KPIs that were missing their target at the end of the last quarter that have now improved. Of the 3 KPIs that were off track in 20/21 Q4, 1 has improved to meeting their target in 21/22 Q1.

Directorate KPIs <i>Ideal target positions are provided in the descriptions below</i>		Quarter 4 2020/21 position		Quarter 1 2021/22 position		Director commentary
Managing our budget effectively and efficiently						
1	Percentage council tax collected in-year	93.7%	Target not met	25.1%	Improvement (Target 25.3%)	Collection is broadly on track to meet year-end target
2	Percentage of workforce who are agency staff (by FTE)	12.8%	Target not met	10.94%	Improvement (Target 10%)	Reduction of agency staff on Lateral Flow Testing sites. Will continue efforts to bring into target.

5. Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI for quarter 1 (April 2021 – June 2021). All KPIs are developed with a focus on residents.

Position at Q1- please colour font	<p>Target exceeded by 5% or more</p> <p>Target met or exceeded</p> <p>Target not met but within tolerance (5% unless otherwise agreed)</p> <p>Off target by more than 5%</p>	Movement since last quarter	<p>Better</p> <p>Stable</p> <p>Worse</p>	<p>↑</p> <p>→</p> <p>↓</p>	Target rationale	What is the rationale for the 21/22 target for this PI (e.g. London Average, meeting or exceeding performance last year, national target, MOPAC, etc)
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REF	Key performance indicator	Q4 2020/21 position	2021/22 Q1 target	Target rationale	Position at Q1 2021/22	Movement since last quarter	Narrative (with mitigating actions for below target KPIs)
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Manage our budget effectively and efficiently

R1	Percentage council tax collected in-year	93.7%	25.3%	We set our target to match pre-Covid outcomes (i.e. 2019/20)	25.1%	Not applicable as target and performance based on cumulative year-to-date performance	Collection by the end of Q1 is broadly on track to meet year-end target. Now that the Courts have reopened, we are using all legal options to collect the tax owed, including obtaining deductions from benefits and earnings. We actively identify charge-payers falling behind on their payments. Where we have contact details, we call and/or text charge-payers to remind them they have a priority debt to pay, with the option to contact us if they are having difficulties (whereby we can negotiate a mutually acceptable instalment plan). As a last resort, where a charge payer has assets, we will use Enforcement Agents to attempt to recover the debt for us.
R2	Percentage business rates collected in-year	93%	26.2%	We set our target to match pre-Covid outcomes (i.e. 2019/20)	24.9%	Not applicable as target and performance based on cumulative	Despite significant relaxation in the Covid19 restrictions, businesses continue to have adverse effects in Q1. We actively identify charge-payers falling behind on their payments. Where we have contact details, we call and/or text charge-payers to remind them they have a priority debt to pay or else to contact us if they are having difficulties so

REF	Key performance indicator	Q4 2020/21 position	2021/22 Q1 target	Target rationale	Position at Q1 2021/22	Movement since last quarter	Narrative (with mitigating actions for below target KPIs)
						year-to-date performance	that we can negotiate a mutually acceptable instalment plan. As a last resort, where a charge payer has assets, we will use Enforcement Agents to attempt to recover the debt for us.
R3	Successful management of approved budgets	New Indicator	+ / - £1m	Reasonable budget variance tolerance	+ 0.275m	N/A	The variance reported in the corresponding period in the previous year was severely distorted by a lack of information around Government support and the worsening pandemic position. The 2021/22 position reflects a period where many of the variables are known or are more reliable. The variance for the period in question is within the target range.
Harness digital technology for the benefit of residents and staff							
R4	Average number of priority 1 incidents per quarter which typically affect more than 100 staff or significantly impair applications or access	15	15	Based on previous year's data	9	↑	IDS have improved the Major Incident Management process. Lessons learned ensure that repeat issues do not recur and allow us to implement solutions to the estate that reduce number of Priority 1 incidents. Lessons included process education (accurate categorisation of incidents to trigger pre-emptive action & fast escalation to most appropriate engineer, parallel remediation [start Plan B before Plan A fails]) and vendor management (escalation approaches to get urgent attention). This quarter IDS became aware of a cyber-security risk that could have been exploited on any device running Microsoft. IDS provided a workaround ensuring the council was safe and secure for Windows computers, until an official security patch from Microsoft.
Make sure our workforce is diverse, skilled and highly motivated							
R5	Average number of days lost per year through sickness absence per employee (in previous 12-month rolling period)	7.4	7.5	Remains same as last year	6.6	↑	Main reason of exceeding target likely due to concerted efforts to reduce long-term sickness absence, which is a key driver of sickness figures.

REF	Key performance indicator	Q4 2020/21 position	2021/22 Q1 target	Target rationale	Position at Q1 2021/22	Movement since last quarter	Narrative (with mitigating actions for below target KPIs)
R6	Percentage of workforce who are agency staff (by FTE)	12.8%	10.0%	Remains same as last year	10.94%	↑	% agency workers has reduced from the previous year, dropping significantly due to the reduction of agency workers in Public Health area that were brought in to work on Lateral Flow tests. This downward trend should continue and concerted efforts will continue to keep the numbers down where possible.
R7(a)	Percentage of Black, Asian and Minority Ethnic staff within the top 5% of earners	21.95%	21.7%	Remains same as last year	23.77%	↑	Target exceeded which remains consistent over previous quarters. Also continues to exceed the London Median. Aiming to maintain this level of achievement.
R7(b)	Percentage of disabled staff within top 5% of earners	7.5%	6.3%	Remains same as last year	7.79%	→	Continues to exceed the London Median and has done so for most of the previous year.
Be open and accountable							
R8	Percentage of new voter registrations processed	100%	98%	Remains same as last year	100%	→	Continues to maintain a consistent record of processing 100% of new voter registration applications, exceeding the target. The annual voter registration canvass starts in August which will result in an influx of new applications where the aim is to persist in processing 100% of new applications.
R9	Percentage of FOIs completed within target (20 working days)	80%	90%	ICO target	83%	↑	4 Directorates failed to achieve 90%, but 3 of those were above 80%. Please note that in some cases compliance can appear very low but only 1 or 2 requests have been late. People Directorate had the lowest compliance for the quarter. The IG Team always offer support where areas have suffered low compliance and this support has been offered to People Directorate. The IG Team continue to run compliance reports and share these with Information Governance Officer's and Heads of Service and Directorates to indicate compliance. Following a recent IG Board, the IG Team are investigating options to change from our partially devolved model to more centralised control. This is in place for Resources and we have seen a positive impact on compliance.

REF	Key performance indicator	Q4 2020/21 position	2021/22 Q1 target	Target rationale	Position at Q1 2021/22	Movement since last quarter	Narrative (with mitigating actions for below target KPIs)
R10	Percentage of SARs completed within target (one calendar month)	78%	90%	ICO target	62%	↓	<p>No Directorate met the 90% timeframe. Resources was the only Directorate that was over 80% compliant. People are currently the lowest performing area. This is due to a significant increase in requests relating to the Non-Recent Abuse compensation scheme.</p> <p>SARs are often very complex to manage and in addition to gathering information, the time taken to review and redact can also be very time-consuming.</p> <p>The IG Team have issued council-wide training to ensure staff know how to recognise a SAR and what do to if one is received. In addition to this the team is working with People Services to see if any requests can be managed centrally to provide them with capacity to deal with the increase in cases relating to the non-recent abuse compensation scheme. The Access to Records Team in People have increased the staff in their team to manage the requests.</p> <p>The IG Team have provided redaction training to staff in the People directorate to ensure that staff are confident when redacting and do not 'over redact'.</p> <p>The IG Team are going to investigate redaction software to identify if this will help speed up the process and time taken to respond.</p> <p>Following a recent IG Board, the IG Team are investigating options to change from our partially devolved model to more centralised control. This is in place for Resources and we have seen a positive impact on compliance.</p>
R11	High risk breaches reported to the Information Commissioners Office (ICO)	New Indicator	No target	A target is not appropriate for this indicator	2	N/A	<p>The council has reported 2 breaches to the ICO.</p> <p>1 related to a verbal breach of data over the phone. The ICO was satisfied with the steps the council took to mitigate the incident and closed case with no further action.</p> <p>1 was a suspected section 170 offence under the Data Protection Act (where someone has accessed or shared data without the authority of the council). This case is currently open to the ICO.</p>

REF	Key performance indicator	Q4 2020/21 position	2021/22 Q1 target	Target rationale	Position at Q1 2021/22	Movement since last quarter	Narrative (with mitigating actions for below target KPIs)
							The IG and Cyber Security Teams have reissued mandatory training to all staff reminding them of their obligations around protecting data. The first round of training ran from May to July.