

Corporate Performance Update on performance areas overseen by the Policy Performance Scrutiny Committee

Q4 (January – March '23) / end of year 2022-23

ORGANISATIONAL HEALTH

(Resources and Fairer Together)

Corporate objectives:

- Manage our budget effectively and efficiently
- Harness digital technology for the benefit of the resident
- Make sure our workforce is diverse, skilled and highly motivated
- Be open and accountable
- Improving the resident experience – ensuring that residents can access what they need in a way that works for them

2022/23 successes

- Following the exceptionally financially challenging year, the **net General Fund outturn** showed an overall balanced position at the end of 2022/23. The application of corporate provisions, earmarked reserves and corporate contingency offset the overall gross outturn overspend, to deliver a balanced position, but with underlying, significant directorate overspends.
- Despite financial pressures on residents and businesses, **collection of council tax and business rates** was higher this year than the previous two years at nearly 95%, although 1-2% points below the pre-pandemic years.
- Over the year, 87% of **invoices from local suppliers were paid within 10 days**. A slight increase over the year has been seen, but the year ends 3% points below the 90% target.
- **Digital Services** has delivered in excess of 20 **significant projects** in the last year. Most of these have a positive and enabling impact for residents and staff. Over half of these projects include migration to cloud/hosted solutions which significantly improves resilience and eliminates the historic technology debt issues associated with many of our core applications and infrastructure. These successes have been achieved against a backdrop of a skills shortage across the IT industry.
- There were no successful **cyber-attacks** on the council's systems this year. The creation of a security operations centre (SOC) increases our ability to detect adverse cyberactivity in real time lifting our defence capability.
- **P1 outages** which typically affect more than 100 staff or residents or significantly impairs online applications or access were down this year on last, to an average of under 8 per quarter, almost half those experienced in the past two years.
- While the percentage of **workforce who are agency staff** (by FTE) increased through the year to end at 13%, it remains lower than the London average (15%) and includes all previous off-contract interims being brought under the contract with lower margins and improved visibility.
- This year saw our highest percentage of **Black, Asian and multi-ethnic staff within the top 5% of earners** (record began in 2018/19) and higher than the London Councils' average.
- After a slow start this year, the number of **starts to council apprenticeships** ended higher than last year, although lower than previous years. **FUSE apprenticeships** have been strong this year

matching those numbers in highest previous years. We met the government target for 2.3% of the workforce being an apprentice.

- Over the year, nearly 88% of **FOIs completed within target** (20 working days), a big improvement on the previous four years and now close to target (90%).
- One **high-risk breach** was reported to the ICO this year, this was closed with no further action.
- 100% of **new voter registrations** were processed within target time this year.
- **Complaints** improvement action plan has been created and is being implemented. Stage 2 complaints backlog has now been cleared (**Community Engagement and Wellbeing**)
- Design of the service offer and placed based innovation through the development of **Access Islington Hubs** providing early intervention closer to communities through a one stop shop offer delivered by co-located services across seven domains of support (**Community Engagement and Wellbeing**)
- Developing a new **corporate transformation** approach for the council that delivers cross council strategic priorities, efficiencies, enabling resilience, culture change and modernisation for the future (**Community Engagement and Wellbeing**)
- Implementation of a new **Interactive Voice Response (IVR) system** reducing abandonment and call waiting times. (**Community Engagement and Wellbeing**)

Key Challenges in 2022/23

- The **financial context** of very high inflation post-pandemic and following the continued Ukraine War, created a very uncertain economic backdrop to the 2022/23 financial year. The ensuing cost-of-living emergency was felt hard by the council and residents. Following the exceptionally financially challenging year, the net General Fund outturn showed an overall balanced position at the end of 2022/23, after the use of corporate reserves and contingencies, but with underlying, significant directorate overspends. The majority of the directorate overspend was split between Children's, Adults, Environment and CWB, and corporately held pay pressures. The cost of energy was the principal, non-pay budget pressure (Environment, CWB and council-wide). Other key pressures were children's social care placements, Adults' care packages, Adults' hospital discharge costs and commercial property income shortfall (CWB). Overall, the council's earmarked reserves have fallen by £37m in 2022/23.
- There remain some critical **digital systems** at end of life –and these are currently in transition. Whilst this is a far better position than in recent years, areas such as My eAccount transition to the new to Digital Experience Platform and telephony, website and call centre technology are all complex and resident-facing so will require good planning and implementation oversight. The **Digital Services** organisation will transition and re-skill to being a more digitalisation focused organisation. To date the focus has been on updating existing systems. The future is to take a more active role with the directorates in service redesign and digitalisation.
- Whilst the availability of **technology skills** is improving, some specialist and in-demand skills are still in short supply. Part of the transition above will include a shift to more permanent and high-skilled internal capability to deliver new digital services.
- While our **core systems** are now up to date, in-cloud and resilient, there will be scrutiny of their effectiveness to lift resident services and support staff and, on review, there may be further procurement activity to obtain the best of breed solutions.
- This year will see the **laptop fleet** replaced as they end their four-year life. In addition, we will go to market for a new mobile service provider.
- **Days lost through sickness absence per employee** increased in the last quarter of 22/23 ending the year on 8.6 days over the previous 12 months. This is slightly above sickness benchmark figures (CIPD Average days lost to sickness is 8.4 days) and above last year (8.0 days). The increase in Q4 is predominantly due to Mental Health reasons, which increased by 14% on Q3. The Council's 2023-2026 Workforce Strategy confirms staff well-being and resilience as one of its

strategic priorities and new initiatives are expected to achieve a reduction in sickness absence in the coming year.

- Throughout the year, **sickness absence rates** have been the highest in the Fairer Together / Community Engagement and Wellbeing Directorate, followed by Environment and Homes and Neighbourhoods. Environment and Homes and Neighbourhoods have the highest numbers of staff off for 20+ days, followed by Fairer Together / Community Engagement and Wellbeing. The main causes of sickness absence this year have been mental health related, Covid 19 and musculoskeletal issues.
- The percentage of **workforce who are agency staff** (by FTE) increased through the year to end at 13.19% (giving an average over the year of 12.39% compared to 11.84% last year), which is higher than the previous four years, yet remains lower than the London average (15%). Given growing challenges in the labour market, it is envisaged that there will be an ongoing need for agency staff. Cost is not the key concern as agency workers do not necessarily cost more than permanent. However, our commitment is as a responsible and ethical employer, providing opportunities which offer people stability and security for them and their families and contribute to making Islington a more equal place. For this reason, we would like to see this measure reduce, with a focus on higher tenure and front-line roles.
- Although above target, the **Percentage of disabled staff within the top 5% of earners** reduced this year and is lower than the previous two years. Further work will be carried out with the disability staff network on our 'share not declare' campaign as we know from staff surveys that the figures are higher.
- Although doing well on average across the council, Environment and Homes and Neighbourhoods experience the greatest challenge to respond to **FOIs** on time and have the lowest compliance rate. Environment receives the highest numbers, mainly due to LTNs. Home s and Neighbourhoods struggled this last quarter due to a change in staff and a focus on managing complaints.
- While **Subject Access Requests (SARs)** have seen improved completion rates within target time (average this year: 76%, last year: 65%), there is still some way to go to ICO target (90%). Children's Services have consistently struggled to complete SARs to target this year, the team work hard but receive the most (over 50%) and due to the large number of paper volumes are complex to manage. The council has been monitored by the ICO twice for timeliness of responses and during the onsite ICO audit in 2015 the council's approach to SARs was reviewed and the ICO were critical of our compliance. In all cases the council committed to maintaining a compliance rate of at least 90%. Continued failure to meet this target puts the council at risk of further monitoring which could result in a public reprimand from the ICO or an enforcement notice being issued (failure to comply with a notice can result in a fine of up to £17,500,000).
- **Stage 1 complaints received and upheld** continued to increase this year on previous years (14% up on last year). However, the percentage upheld has remained largely constant. **Stage 2 complaints received and upheld** also continued to increase this year, with a significant growth on last year of over 80%, with the percentage upheld at Stage 2 also remaining largely constant overtime. The good news is that due to the quality of stage two investigations, this growing trend of complaints has not converted into a growth of **complaint investigations initiated by the Ombudsman**, as these have remained largely constant over time and even dropped this year compared to last. (*Community Engagement and Wellbeing*)
- Work required to further improve response times for calls to **Access Islington (Community Engagement and Wellbeing)**
- **Back-office impact** for example mailouts increasing demand on frontline services due to increased call volumes (*Community Engagement and Wellbeing*)
- Reduction in the number of **online transactions** for Parking, Council Tax and Street Environment Services. We are exploring the reasons for this with the relevant back-office service (*Community Engagement and Wellbeing*)

Focus going forward for 2022/23

- The underlying **budget pressures** that have caused the £37m reduction in earmarked reserves in 2022/23 and the replenishment of these will need to be addressed going forward as part of the next budget planning period, to ensure financial resilience over the medium term.
- Focus on **resident experience** related platforms to improve and digitalise resident services.
- Complete the **cloud transition** for the remaining few critical systems. In so doing exit the data centres in 222 Upper St and NBW of all but site-specific infrastructure.
- Transition the **digital Service organisation** to focus less on infrastructure and more on re-skilling for digital transformation.
- Continued improvement of **cyber defences** to protect data and operations.
- Strong focus on **workforce planning** to ensure the council is able to recruit to critical roles, regularly monitoring turnover and fill-rates at an operational level
- A new centralised Access to Information team is being created to manage all **FOI and SARs**. As part of the new operating model options for specialist scanning and redaction software are being considered to improve SAR compliance and a FTC role has been included with a specific focus on transparency and proactive publication.
- Development and implementation of **system wide complaints improvement plan** to pre-empt and wherever possible avoid formal complaints, improve the quality of stage 1 investigations and reduce escalation to stage 2. (*Community Engagement and Wellbeing*)
- Embedding and improving the accuracy of data from the new system for capturing **Members Enquiries** is a priority for the coming year.
- Launch of **Access Islington Hubs** as a key source of support for residents who need help and support across North, South and Central Locality (*Community Engagement and Wellbeing*)
- Launch and mobilisation of the **new corporate transformation approach** to delivery of Council strategic priorities across the organisation (*Community Engagement and Wellbeing*)

Resident view

Council Tax arrears for residents

At the end of the year, over 7,000 (6%) households (with balances) were in council tax arrears, valued at £12.1m. 32% (3,938) of these households are on council tax support (equating to 43% of households receiving CTS in CT arrears), with a debt valued at £3.9m. The % of CTS households with arrears increases through the bands (from 23% in Band A to 55% in the highest band), indicating that CTS has greatest impact in helping those households in lower band properties to avoid debt.

The average debt per household (CTS+ non-CTS) increased slightly through the year as the value of arrears decreased, ending the year at £1,689. Average value of debt increases across the bands (ranging from just over £1,000 for Band A to nearly £2.5k for Band H). Average debt for those in receipt in CTS is higher (£1,723), however the range is smaller (from £1,422 in Band A to £1,942 in Band H). So, CTS could be seen to have the biggest impact in reducing the level of debt for those at higher bands).

Access Islington As part of the cost-of-living crisis residents are able to readily access vital services as part of the Here to Help service (*Community Engagement and Wellbeing*)

Access Islington The IT issues are impacting on residents using our online systems as availability would be 24/7 (*Community Engagement and Wellbeing*)

Resources' complaints

- Resources received nearly 40% more **stage 1 complaints** this year than last year, 40% of which were upheld (a comparable rate to other non-housing directorates). 86% of Resources' Stage 1 complaints were for Council Tax, up 57% on last year (233 in 2022/23; 148 in 2021/22). A lower proportion of Council Tax stage 1s were upheld (34%) than the average for Resources.
- Of the upheld (justified) stage 1 complaints, the most popular themes for complaint are (with approx. %):

Council Tax (76 upheld): 97% = admin errors 3% (2) = officer behaviour (debt recovery / enforcement officer)	Housing benefit processing (17 upheld): All are admin errors (eg mistakes in data entry, delayed response)	Business rates (15 upheld) 93% = delays / admin error / failure 1 case = officer conduct
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- 21 **Stage 2s** were received this year by Resources (up on last year's 12), only three of which were upheld (equal to last year) – a lower upheld rate than for other non-housing directorates this year.
- No **complaint investigations** were **initiated by the Ombudsman** for Resources this year (compared to 2 last year and 3 the year before).