

Q2 2023-24 Corporate Performance narrative

ORGANISATIONAL HEALTH

(Resources and Community Engagement and Wellbeing)

Objectives:

- **Manage our budget effectively and efficiently**
- **Make sure our workforce is diverse, skilled and highly motivated**
- **Harness digital technology for the benefit of the resident**
- **Be open and accountable**
- **Improving the resident experience**

Manage our budget effectively and efficiently (*Resources*)

- **Our finance measures show us to be in a safe but deteriorating position when considering the current financial context.** Financial pressures continue to accelerate across the sector and pose risk to our levels of reserves and therefore sustainability. Overall, our proportion of spend on social care and debt indicators remain stable relative to our core spending power however this is likely to change over the short to medium term. We will continue to report on a quarterly basis to CMB, Exec and PPS. We also take updates on the future budgets to Exec and other Member Groups on an ad hoc when needed.
- The net **overspend** reduced in Q2 to £5.8m, down from £7.2m in Q1 however this was after the release of significant contingency funds and additional funding to Adult Social Care. The gross overspend increased by £5.9m between quarters net of the additional funding to Adults. A significant portion of the gross overspend is ongoing in nature and will need to be considered for inclusion in the 2024/25 MTFS position.
- New indicators on **reserves** have been added this year in line with those reported by Oflog. These show that following several years of increasing proportions of reserves relative to spend, at 2022/23 outturn earmarked reserves fell considerably. A significant proportion of the transfer from reserves in 2022/23 was due to a collection fund timing difference. The council received up-front government grant income in 2020/21 to fund 2020/21 council tax and business rates losses. The council was required to recognise the 2020/21 loss over three financial years, which resulted in a large transfer from reserves in 2022/23. The remaining transfer from reserves is predominantly due to draw downs to offset various budget overspends, in particular energy and inflation pressures, social care, and other service overspends. Reducing reserves can be a sign of financial distress; however, the 2023/24 budget was set on the basis that the authority has sufficient reserve balances. Quarterly monitoring reports forecast a decrease in General Fund earmarked reserves for the end of the year. Further overspends would further impact reserves. Resilience in reserves is a vital part of the budget process and maintaining reserves is a key MTFS principle.
- A new indicator for this year on **social care spend** shows social care spend as a proportion of core spending power came down last year (2022/23) from a peak in 2021/22, following year-on-year increases since 2018/19. Social Care spend continues to be a high percentage of overall service spend, this has increased year on year since 2018/19 (albeit a reduction in 2022/23). This poses a considerable risk to the Council as these are demand led statutory services and costs are continuing rise both in terms the needs of existing service users and numbers of new service users.

- Data for the new indicators on **total debt and debt servicing** have now been completed and show a positive trend. Total debt as a proportion of core spending power has reduced over the past three years and the cost of debt servicing as a proportion of core spending power has reduced over the past 5 years. Both measures were lower for 2022/23 than any other year reported (going back to 2018/19). This shows that the council is successfully managing financial risk associated with debt.
- Collection of **business rates** continued to be strong in Q2 and collection of **Council Tax** is within tolerance for the time of year.

Make sure our workforce is diverse, skilled and highly motivated (*Resources*)

- **All workforce measures performed well** against target or better in Q2 than in Q1.
- Number of days lost in the last 12 months from **sickness absence** fell in Q2 (8.7 days) from Q1 (9.8 days) to be better than London Councils' average. This quarter, we propose to update the sickness absence target from a legacy target predating 2020 of 7.5 days to "below London Council's average", which is currently 9.27 days. This provides a contextual justification for the target and will ensure we aim to be better than average for London Councils.
- The percentage of the FTE workforce who are **agency staff** reduced slightly in Q2 (by just over 1%) from Q1 and remains lower than the London Councils' average. While FTE headcount reduced, number of agency hours submitted increased by just over 4% in Q2 from Q1 and spend increased on Q1 by just over 5%. Challenge panels have been set up with individual directorates to review agency usage and reduction plans.

Harness digital technology for the benefit of the resident (*Resources*)

- In Q2 there was an average of around 5 **priority 1 incidents** per month (typically affecting more than 100 staff or residents or significantly impairing applications or access), higher than Q1 due to a number of repeated problems with printing. We remain on track to perform better than the previous three years. Resolution time dropped in Q1, with only 66% of P1s being resolved within the service level time (95% in Q1).
- The new technology roll outs and projects (from new call centre technology for Resident Experience, to new laptops for all staff) are creating a lot of positive change in the environment. However, change at this pace can lead to an uptick in P1 incidents.

Be open and accountable (*Resources*)

- Performance for **FOIs** (Freedom of Information requests) and **SARs** (Subject Access requests) improved in Q2 on Q1 despite an increase in FOIs. FOI compliance (completion within target) was 88%, close to the 90% target and compliance for SARs increased to 74% (target 90%). The final two months of Q2 saw 81% and 92% compliance for SARs, the SARs backlog is completely cleared (and thresholds put in place to flag overdue requests as 'backlog') and performance is projected to continue to improve, putting us on track for the best compliance rates in over two years. The improvement plans put in place over the past two quarters appear to be working and will continue.

Improving the resident experience (*Community Engagement and Wellbeing*)

- Successes include (Access Islington) launch of 2nd hub and working towards 3rd in North and a fully trained core team. (Communications) significant media and social coverage of our top rating for healthy streets and LTN decisions.

- Challenges include (Access Islington) coordinating training while maintaining service performance and (Communications) reputation management around the Sobell ice rink decision.
- Focus going forward is on (Access Islington) working with Resident Experience to determine requirements for forms / services and launch of processing through 8x8 system, and reviewing online forms. (Access Islington) Q’Matics system and Customer Relationship Management (CRM) database. (Communications) Launch of new intranet to replace Izzi and extend access to thousands more frontline staff.

Complaints – corporate summary *(Community Engagement and Wellbeing)*

A summary report of complaints in Q2 went to CMB on 24 Oct highlighting the following key trends for the first half of 2023/24:

STAGE 1

- A continued **growth in stage 1 complaints received** in the year so far (an increase of 21% on the first half of last year), the percentage upheld remains fairly stable at 55%.
- **Housing continues to represent most** (78%) of these with the top three complaints areas: responsive repairs, ASB and targeted tenancy services.
- A significant **increase in the rate of stage 1 complaints escalated** to stage 2 (24% for the first half of the year compared to 9% for the same period last year)
- The number of **stage 1 complaints completed within deadline is improving and the number overdue is reducing** (100 remained overdue across all services at the end of Q2) and this trend is expected to continue into Q3.

STAGE 2

- A significant **growth in stage 2 complaints investigated**, with over three times more investigated in the first half of 2023/24 (433) than the first half of last year (131). This was in part due to clearing the backlog.
- All stage 2 cases since May 2023 have complied with target times.

OMBUDSMAN

- A significant **increase in Ombudsman cases received and decisions** received. Four times more cases were initiated in the first half of 2023/24 (97) than 22/23 (23). 75% were from the Housing Ombudsman in line with the proportion of complaints received by housing.
- A significant **increase in the number of maladministration decisions** (44 this year compared to 2 in the same period last year), 70% of which were from the Housing Ombudsman, indicating a slightly more favourable maladministration rate for housing complaints.
- The growth in **Ombudsman investigations** is largely due to the Housing Ombudsman tackling its own backlog, as well as our complainants escalating their complaints to the Ombudsman during our stage 2 backlog period.
- Ombudsman decisions relate to **issues** known during this time: delays in complaint responses, non-compliance to the Housing Ombudsman Code Dec 2020, increase in cases of damp and mould and ASB. Recurring themes include: poor communication, record keeping, complaint handling, following council procedure in respect to ASB and repairs.
- **£23.3k of compensation** was paid to complainants in Q2 following orders from the Ombudsman (£21.7k from Housing Ombudsman investigations, £1,600 from Local Government Ombudsman).
- The increases in ombudsman activity and upheld decisions are expected throughout 2023/24 and into Q1 of 2024/25.

RISKS AND MITIGATION

- It was initially anticipated that with the housing backlog cleared, by September we would be able to phase out the additional 4 temporary members of staff that continue to support the Central Complaints Team. However, given the current volume of stage 2's complaints, high escalation rates and the expectation of further increases in repairs and associated demand over the winter period, there remains a risk that further backlogs could develop. As a result, the decision has been made to retain the additional resource to manage this risk. The situation continues to be monitored by the Complaints Board, and if we need to take action in terms of team capacity we will. In tandem we are implementing further solutions, described below.
- The Central Complaints Team are undertaking a review of stage 2 complaints to identify trends, learning and root causes for the increased escalation rates. Once completed, a report together with recommendations will be shared with housing colleagues and the Complaints Board.
- The team will also be developing a mystery shopping programme designed to improve the quality and responsiveness of the complaints process at the earlier stages to prevent escalations.
- The first of the new complaints dashboard and summary reports to ensure the board, CMB and Members are sighted on themes, trends, improvement activities, risks and issues was presented to CMB along with the LGSCO annual report. This is supported by monthly meetings between the Assistant Director of Resident Experience and Cllr Ward to ensure ongoing political oversight.
- The Central Complaints Team have completed the process of recruiting to the 4 roles currently covered by secondment – increasing the number of permanent Complaint Officers from 3 to 7.
- New GovMetric complaints management solution on course to go live on 2nd January 2024.
- Housing have brought together the two housing complaint teams into a single unit and are currently in the process of recruiting additional staff to meet current and on going demand.
- Housing and the Central Complaints Team are working through the findings of the Housing Ombudsman's report to develop plans to address the issues highlighted. Progress will be monitored at Housing's HMT and the Complaints Board.

FOCUS GOING FORWARD & LESSONS LEARNT

- Focus going forward is on the outcomes of ombudsman determinations e.g., policy changes, training or a team meeting/ briefing and from local improvement within services. The corporate complaints team monitor the orders and recommendations of determinations to ensure compliance.
- Services hold local improvement plans to learn from stage 1 and stage 2 cases. A new case management system is under development that will centralise this to enable learning against each case by complaint or theme and evidence improvement as a result of complaints.
- We continue to work on improving processes and learn lessons from complaints to ensure joined up responses, where needed.

Resident view

Complaints - resources

Number of stage 1 complaints upheld were low (<10) in Q2 for Resources and raise no concerning trends or issues.