

COUNCIL 6-MONTH PERFORMANCE REPORT – APRIL TO SEPTEMBER 2021

1. SUMMARY

- 1.1 The Performance and Improvement Framework (PIF) sets out the process for presenting the Council's performance reports.

As a consequence of Covid-19 alternative options for each PIF activity have been agreed by the Executive Leadership Team (ELT). This paper presents the Council's 6-month Performance Report and Scorecard for April to September 2021 as agreed by the ELT

- 1.2 It is recommended that the Audit and Scrutiny Committee reviews the Council's 6-month Performance Report and Scorecard as presented for the purposes of scrutiny.
- 1.3 It is recommended that the Audit and Scrutiny Committee note the planned activity for Performance Management and Reporting during 2021/22 onwards.

Pippa Milne
Chief Executive

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2. SUMMARY

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- 2.2 The paper identifies the strategic activities that have occurred during the reporting period along with the planned activity for Performance Management and Reporting commencing 2021/22

3. RECOMMENDATIONS

- 3.1 It is recommended that the Audit and Scrutiny Committee reviews the Council's 6-month Performance Report and Scorecard as presented for the purposes of scrutinising the Council's performance.
- 3.2 The Audit and Scrutiny Committee note that due to Covid-19 demands on staff and resources Performance Management was deprioritised. Attached is the Performance Report in a format that enables scrutiny of identified Key Performance Indicators (KPIs).
- 3.3 It is recommended that the Audit and Scrutiny Committee note the planned activity for Performance Management and Reporting during 2021/22 onwards.

4. DETAIL

- 4.1 The Performance and Improvement Framework (PIF) was approved by the Council in September 2017. The PIF sets out the agreed framework for planning, monitoring and reporting the Council's performance.
- 4.2 As a consequence of Covid-19 an unprecedented and unknown demand has been placed on staff and resources.

To support scrutiny of performance by Elected Members and Senior Officers during the Covid recovery period the Executive Leadership Team (ELT) identified a Council-wide suite of 85 Success Measures for the reporting period 2021/22 (Appendix 1).

From within the Service Plans 28 measures have been identified as Council-wide Key Performance Indicators (KPIs) for 2021/22. The Council 6-Month Performance Report for the ASC contains all 28 KPIs.

The KPIs are also reported to the appropriate Strategic Committees during 2021/22.

The full list of the 28 Council-wide KPIs for 2021/22 is attached (Appendix 2) and presented in the following order –

- Chief Executive's Unit
- Education
- Legal and Regulatory Support
- Commercial Services
- Customer Support Services
- Road and Infrastructure Services
- Development and Economic Growth

Of the 28 KPIs 21 are on-track with 7 off-track. Four KPIs are both off-track and performance has decreased since the last reporting period (FQ1 2021/22).

Appendix 3 lists these four KPIs and detailed commentary along with other KPIs that although performance is currently off track it is improving.

4.3 Appendix 4 illustrates the Council's Scorecard and Management Information. The Council Scorecard shows our progress towards delivering our Outcomes. These are illustrated through our 17 Business Outcomes. Of our 17 Business Outcomes 4 are Green, 11 are Amber, 2 are Red.

Our Business Outcomes deliver our Corporate Outcomes as illustrated in Appendix 5.

4.4 The Management Information shows areas of high-level cross cutting information such as absence, risks and complaints. Supporting commentary is provided below.

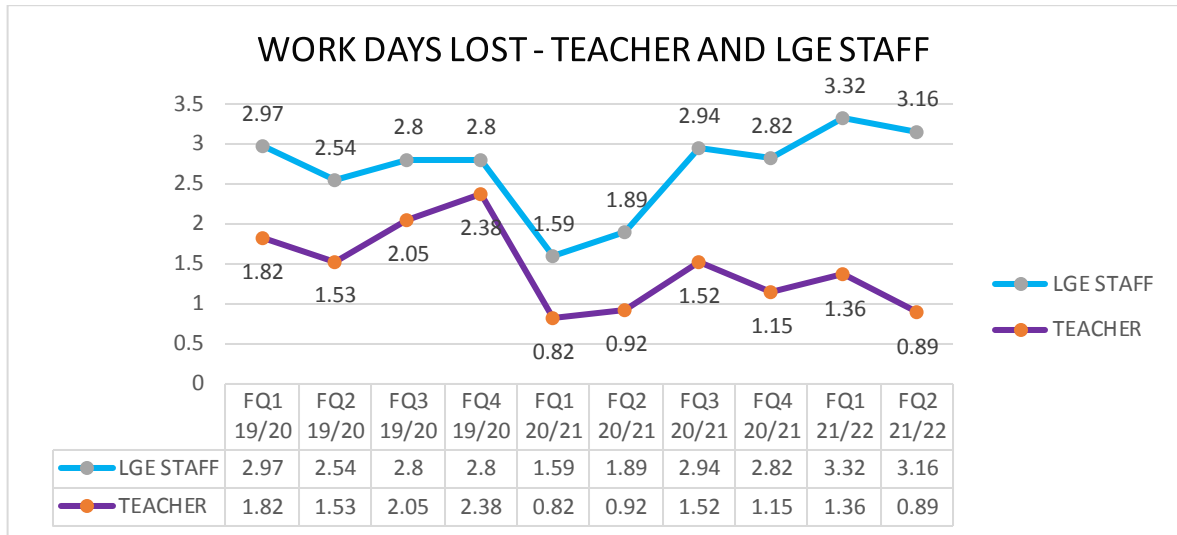
4.5 **Absence**

At the start of the pandemic (FQ1 2020/21) we saw a dramatic reduction in the number of work days lost. This was due to employees shielding, working from home, service shutdowns, decreased socialisation and increased sanitation measures. However, absence levels were expected to rise again once safeguards and lockdowns eased. As the preventative measures eased we saw a sharp rise for LGE staff which exceeded pre pandemic levels, for Teachers it was less so and still remains below pre pandemic levels.

This reduction in sickness levels has continued for Teachers. It should also be

noted that sickness levels are always lowest in FQ2 due to the summer holiday period.

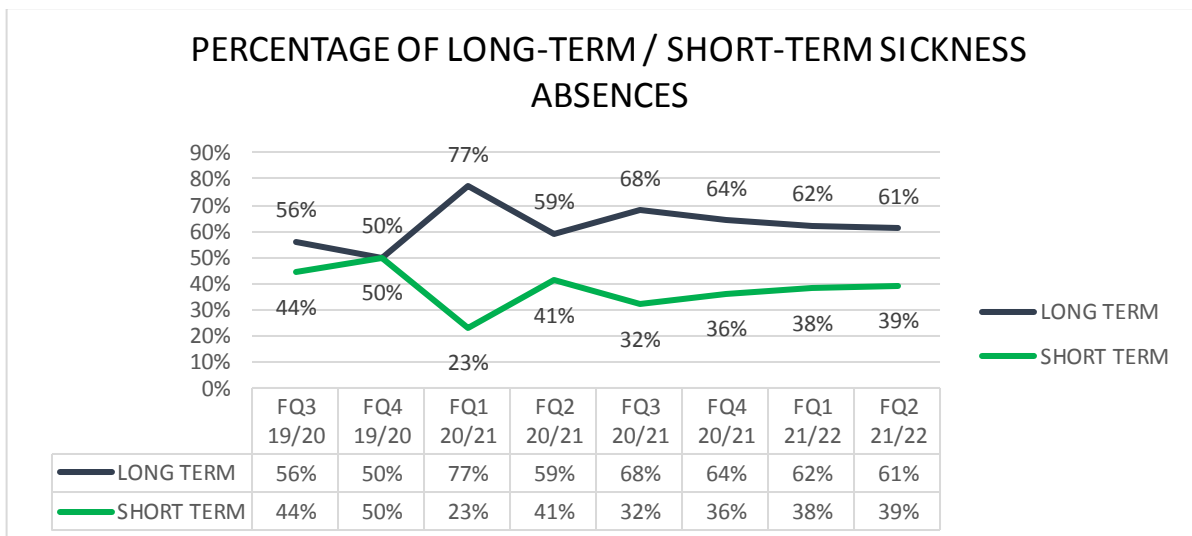
FIGURE 1: WORK DAYS LOST OVER TIME – TEACHER AND LGE STAFF



For both FQ1 and 2 the sickness absence levels for LGE staff have exceeded pre pandemic levels. However, for Teachers the levels have slightly reduced and are lower than any other quarter in the preceding 3 years apart from FQ1 2020/21 which was during lockdown. This is pretty remarkable given the pace and scale of changes to working practices that have been experienced by the Education Service due to Covid.

With regards to the split between long and short term absence it remains that more days are lost to long term than short term, with a gradual decrease in long term mirrored by a gradual increase in short term but frequent absences.

FIGURE 2: LONG AND SHORT TERM OVER TIME



The two main reasons for absence in this period are both consistent with last year. These are Stress, Depression and Mental Health, followed by Stomach, Liver, Kidney and Digestion. This year Medical Treatment is the third reason for absence which was not the case last year. It can be assumed that the increase is due to the NHS restarting operations.

During this period we launched two new procedures, the Manager's Guide to the Menopause and Domestic Abuse and the new Supporting Attendance procedures. HROD delivered a blended approach of training and awareness sessions to managers for these new procedures along with ongoing training on Resilience and Managing a Virtual Team. Targeted and intensive support has also been provided to managers that are managing long term absence.

Our Wellbeing Team remains in place until the end of Dec 2021, several revisions are planned for a number of Wellbeing procedures as well as the continued regular, weekly, wellbeing communications. The overall increased exposure of Wellbeing has helped see an increase in use of the Employee Assistance Programme and Occupational Health service by employees.

4.6 Performance Review and Development (PRDs)

We expected an increase on the previously reported figures, however this has not been the case with completion rates across the organisation lower than expected. Whilst we have not specifically canvassed managers for an explanation for this we are aware that Covid-related activities continue to be required in addition to existing demands.

We have received feedback on the difficulties that managers experience in conducting PRDs. We are using the feedback as an opportunity to review our current approach to the PRD process. The intention is for worthwhile and valuable conversations, supported by flexible online learning resources available to every employee. Not only will this reduce the burden on all staff but is in line with the aim of simplifying our processes whilst improving value, engagement, skills, performance and agility.

A further update will be brought to this committee in the next Council 6-month performance report.

4.7 Complaints

The first 2 quarters of 2021/22 saw the number of complaints rising compared with the last 2 quarters of 2020/21. During FQ1 and FQ2 there were 228 stage 1 complaints and 78 stage 2 complaints received. Development and Infrastructure continues to receive the majority of complaints. Performance within timescale has decreased over the recent 2 quarters and the Compliance and Regulatory team will continue to support services to improve this.

The table below provides a breakdown by Department. A detailed Annual Complaints Report was submitted to this Committee in September 2021.

	Stage 1			Stage 2		
	Total number	Number in time	% in time	Total number	Number in time	% in time
Chief Executive's Unit	14	14	100%	4	3	75%
Executive Director Kirsty Flanagan	194	152	78%	56	39	70%
Executive Director Douglas Hendry	19	17	89%	18	11	61%
Live Argyll	1	1	100%	0	0	-
Totals	228	184	79%	78	53	71%

4.8 **Audit Recommendations**

Internal and External Audit Reports are presented at this committee meeting.

4.9 **Finance**

There is a forecast overspend for 2021-22 of £0.399m as at the end of September 2021. This breaks down as an overspend of £0.426m in Social Work due to a combination of a high demand for services and some forecast slippage on the delivery of agreed savings and a forecast underspend of £0.027m relating to a projected over-recovery of income for appraisal of water supplies.

4.10 **Strategic Risk Register (SRR)**

The Strategic Risk Register (SRR) details significant challenges and the agreed approaches to manage them. These specific interventions are subject to scrutiny at Strategic Committee Level and kept under review by the Council's Executive Leadership Team.

The reported SRR has thirteen risks in total. Four are red, six are amber and the remaining three are green. The four red risks relate to population and economic decline, the Health and Social Care Partnership, Waste Management, and the potential impact of a cyber security breach.

4.11 **Operational Risks**

The Chief Executive has one red risk which relate to a failure to achieve budgeted income from local taxes and/or other income due primarily to the impact of Covid and the risk that financial impact of Covid will impact on service delivery and the Council's ability to agree a balanced budget.

Executive Director Kirsty Flanagan has seven red risks which relate to the cost of delivering environmental health services in relation to public health, extreme

weather impact on both the road network and the cost of winter maintenance, waste disposal, the affordability of maintaining ageing bridges and retaining walls on the road network, cyber security breach including maintenance of ICT assets and the cessation of housing service adaptation work due to Covid.

Executive Director Douglas Hendry has three red risks which relate to the availability of capital funding to deliver key projects, compliance with the conditions of externally funded projects and ensuring that Council offices, depots and other properties are improved.

Key actions have been agreed to address these red risks and all other risks in the operational risk registers

Other Strategic Activities

4.12 Covid

Whilst the country remains in response mode to the pandemic, dealing with Covid 19 has increasingly become 'business as usual'. Council employees continue to work from home where possible and meetings are held remotely and Our Modern Workspace is progressing to understand what each employee's requirements are and how we provide this.

The biggest impact has been on education who continue to require to be agile to respond to national guidance, ensure employees and children and safe and manage any absence issues from teachers isolating.

Operating a business and food security continues to remain a challenge for some and the Council has been proactive wherever possible to mitigate the adverse impact of this.

4.13 Education

National restrictions allowed for all pupils to return to schools on 19th April 2021 providing a challenge for Education Services who were teaching remotely from January. With pupils having been out of school to different extents for a year, the council put in place support for any pupils in adjusting to this change. This includes;

- The Educational Psychology Service providing advice and guidance on mental health and wellbeing, training for school staff, and support for parents/carers and individual children and young people of all ages.
- Assessing mental health needs in schools
- Providing guidance and training as required in dealing with anxiety, loss, or other issues, through for example the council's Nurture and Relationships Strategy
- A school counselling service is also now in place, taking referrals for children and young people from the age of 10 upwards.

As CEO I would like to commend our teaching staff and education support who worked very hard to provide support and continuity of learning to pupils within an ever changing landscape.

4.14 Argyll and Bute Flexible Food Fund

Support was made available for people across Argyll and Bute who struggle to access food and heat their homes. The Flexible Food Fund has helped 550 households access £760,000 of benefit income fuel debt relief since January 2021, with an average financial gain of £1,385 per household.

Funded by the Scottish Government, the project allows the Council's benefit team to work with third sector partners including Bute Advice Centre, Allenergy and foodbanks, to support people who are struggling for money to cover food and fuel costs. A series of pop-up events commenced September to promote the fund.

The project received national recognition when selected as winner of the Social Impact and Diversity Award the 2021 Footprint Awards. At the same awards the Council's Catering Team were runners up in the Sustainability in Education category for the way school meals were provided when pupils returned from lockdown.

4.15 Hardship Fund for Businesses

During September a new Hardship Fund was made available for businesses who continue to face challenges from the impact of Covid. Open to business who could demonstrate hardship and that the circumstances are exceptional and Covid related, the grants on offer ranged from £2,000 to £10,000. The funding comes from £2.4 million of Scottish Government funding allocated to the council.

4.16 Our Modern Workspace

A survey was undertaken to understand teams long term working arrangements are including how often they need to be in the office, what location, working with others and rooms and equipment is required.

The results were used to inform design consultants and the Project Board with regards to decisions about property and what people require at home. This is a 3 year project that will develop and deliver holistic solutions for each of our main centres of Council employment to ensure we use our assets in the most sustainable way, provide employees with the optimum working environment (included blended working in the office and from home) and keep everyone safe.

Place

4.17 Regeneration and Investment

There is significant regeneration and investment activity ongoing within our towns and below are examples of specific projects and initiatives. A key issue at present is the shortage of some construction materials and the associated increased costs of materials beyond inflation. These are being monitored closely as part of standard project and programme management.

4.18 **Housing**

The Council approved a revised Strategic Housing Investment Plan (SHIP) that sets out plans to build more than 1,000 affordable homes over the next five years. This has the potential to deliver around 343 new affordable homes in 2021/22 and over 700 additional homes in subsequent years. A strong focus for the five year plan has been engagement with the Health and Social Care Partnership (HSCP) to ensure that people in Argyll and Bute communities with health and social care needs have access to housing which maximises their health, wellbeing and independence. The revised SHIP proposals was submitted to the Scottish Government for review in October.

4.19 **Levelling Up Fund**

The Council agreed to develop a series of ambitious infrastructure projects which could form part of bids for funding from the UK Government's 'Levelling Up Fund' which will support investment projects worth up to £20 million of funding relating to economic recovery and growth, improved transport connectivity and regeneration.

For the regeneration element the theme is 'Western Seaboard-Marine Gateways' which includes Rothesay, Dunoon, Ardrishaig/Lochgilphead and the Crinan Corridor.

For the transport element the theme is 'Connected Helensburgh' centres on improved transport connectivity for HMNB Clyde.

A further transport submission is for the 'Lorn Economic Growth Zone' encompassing a variety of schemes in and around the town.

4.20 **Campbeltown's £60 million transformation**

The impact and benefits of the £60m invested in Campbeltown over a long period was recognised when Campbeltown won Scotland's most improved place at the 2021 SURF awards. An evaluation report was commissioned to look at the impact and benefits to the town following completion of projects and the key findings are as follows:

- 83% of respondents said that several or most of the places they visit in the town are noticeably improved
- 98% said they would recommend local businesses to family, friends and visitors
- 90.21% said regeneration projects have improved Campbeltown
- 90% of businesses noted that CARS and Shopfront investment have transformed their business
- 70% of businesses said they would not have been able to complete projects without funding
- 14 of the 16 building contractors who responded felt regeneration works has led to follow-on work

This has been a collaborative approach, working with partners, residents and businesses throughout the project. The success of Campbeltown provides a working model for our other towns as we continue to invest in Argyll and Bute's future.

4.21 **Helensburgh Waterfront Development**

The Helensburgh Waterfront Development is on budget and on track to open in 2022. The multi-million pound investment includes a new leisure centre and swimming pool, improved flood defences for the town, new outdoor public meeting spaces, new landscaping and car and coach parking. The funding includes £5million awarded from the UK Government Libor Fund.

4.22 **£1.5 million investment for Lochgilphead Front Green**

Argyll and Bute Council appointed Hawthorn Heights Ltd for the regeneration of Lochgilphead Front Green. The work started on 31 May and includes:

- A new play park
- A new public square where community events can take place
- Drainage and landscaping to help ease the impact of flooding
- Additional seating areas
- New walking and cycling facilities

Due to the scale and nature of the works, it was necessary to close the Front Green until works complete in January 2022.

4.23 **Council agrees £747,000 to boost Oban economy**

In May the Council's Policy and Resources Committee agreed a £747,000 investment in growing the economy of Oban and the surrounding area via the Lorn Arc programme, which brings money into the area through a Scottish Government Tax Incremental Scheme (TIF).

This funding will be used to ensure necessary studies, detailed design and business cases are delivered to unlock further investment for further housing development at Dunbeg, the expansion of the European Science Park plus business accommodation at Oban Airport.

4.24 **New investment programme to support local regeneration projects**

The Council agreed in June to deliver additional regeneration projects as part of the Scottish Government's Place Based Investment Programme and an initial first phase of £260,000 will support a range of major improvement projects in the area; the overall allocation for 2021/2022 is £821,000. The programme is focused on revitalising town centres and regenerating communities and neighbourhoods. The initial phase includes three key projects:

- The Argyll-wide shopfront improvement scheme; to support local business owners invest in their shopfronts through the provision of grants.

- Tower Street, Rothesay; repair work to the Tower Street building is being delivered as part of the Rothesay Townscape Heritage/CARS project. The council has acquired the building's ground floor to use as office accommodation. Funding is approved to significantly enhance its appearance.
- Lochgilphead Front Green; upgrade of the pavement surface finish to stone in this important public space, complementing the town's recently completed Colchester Square public realm project.

4.25 Scottish Government Town Centre Fund

This Fund aims to help local authorities stimulate and support place-based economic investment that encourages town centres to flourish. The council is delivering £1.6m of the fund to 28 projects across Argyll and Bute, with an overall value of £9 million to the local economy. Projects range from improved town centre infrastructure, grants for charitable organisations and help for business owners to improve their shopfronts.

4.26 Council awards contract for new Lismore Ferry

In April the Council awarded the contract to build a new 12 metre replacement ferry for the current Lismore ferry which is currently 33 years old. Funded through Transport Scotland, it will cost around £500,000.

Climate

4.27 Council agrees £1.2 million of energy saving actions

The Policy and Resources Committee agreed in May to invest more than £1.2 million in 11 properties across Argyll and Bute to save energy and deliver progress in becoming a net zero carbon emissions organisation by 2045. The steps planned are expected to deliver financial savings that will cover the cost of the investment in ten years. The council's estate and buildings account for over 20% of its overall carbon footprint, through use of electricity, gas, heating oil and water in premises.

4.28 Council progresses towards carbon neutral goal

A report in May 2021 shows that Argyll and Bute Council has reduced its carbon emissions by 27% over the past five years and that emissions have dropped for the third year in a row, thanks to a wide range of actions. These include buildings being made more energy and heat efficient, traditional lightbulbs being replaced with LED, and a move to electric or hybrid vehicles.

Processing household and other municipal waste is highlighted in the report as responsible for around half of all the council's carbon emissions and actions to address this form part of the council's de-carbonisation plan, which sets out a range of climate-friendly activities across all council services.

Other Activities

4.29 National Care Consultation

In August the Scottish Government launched the consultation 'A National Care Service for Scotland' which follows on from the Independent Review of Adult Social Care (IRASC). It concluded that whilst there were strengths in Scotland's social care system, it needed revision and redesign to enable a step change in the outcomes for people in receipt of care.

The consultation has extended the scope of the review to other service areas including children and families, community justice, alcohol and drug services, mental health services, and social work.

The proposals have the potential to be the largest and most significant public sector reform in Scotland for decades.

A special meeting of the Council is being arranged for 28 October to consider its formal response to the consultation.

4.30 Performance Management Project

The project team held an extensive series of engagement activities with officers and members to inform the review of Performance Management.

Key recommendations to improve how we manage performance were agreed by the Council on 30 September as follows:

- Agree a proposed suite of Corporate Outcome Indicators to be reported to Strategic Committees and remove Business Outcomes.
- Agree to pilot a more immersive method of assessment of performance.
- Agree Members' review priorities within the Local Government Benchmarking Framework.
- Members' note that changes will take effect for financial year 2022 – 2023 with a review to come back to a future meeting of the Council.

These recommendations seeks to:

- Make performance management simpler to use and understand
- Use a smaller and more meaningful set of indicators
- Reduce current levels of duplication
- More customer focussed

The key changes are:

- Currently we report quarterly on 85 indicators grouped by Service to strategic committee. Instead we will report on around 44 of these grouped by Corporate Outcome (hence termed Corporate Outcome Indicators).

- Area Scorecards and the indicators within will continue and the next stage of the project will arrange for this information to be published more quickly using an improved format.
- The pilot of immersive methods of assessment of performance is akin to Inquiries by Strategic Committees and allows Members to scrutinise in detail its policies and take a longer term view on outcomes and allocation of resources to achieve these.

The next stage involves developing the dashboards, training and transitioning to the new format by the beginning of the next financial year.

4.31 PIF Activity

The planned data cleanse of Pyramid has recommenced. This will involve continuing to simplify where possible, remove old 'archived' data and improve the user experience.

To help ensure the appropriate monitoring and scrutiny of performance management the focus will remain on the reduced suite of KPIs. These are monitored and reported on at appropriate Strategic Committees until a decision is made otherwise. Pyramid will continue to remain 'live' with all Success Measures aligned to Service Plans and updated as agreed.

This agreed process will also feed into the Performance Management Project which commenced in September 2020.

5.0 CONCLUSION

This report updates the ASC on how we are Delivering Our Outcomes; the Key Challenges and how we plan to manage them; other Strategic activity along with implemented and planned changes to the PIF.

6.0 IMPLICATIONS

6.1 Policy: None

6.2 Financial: None

6.3 Legal: None

6.4 HR: None

6.5 Fairer Scotland Duty: None

6.5.1 Equalities - protected characteristics: None

6.5.2 Socio-economic Duty: None

6.5.3 Islands: None

6.6 Climate Change: None

6.7 Risk: this report sets out key challenges to the organisation and actions in response.

6.8 Customer Service: None

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APPENDICES

- Appendix 1 - Full Suite of 85 Success Measures With in Service Plans
- Appendix 2 - 28 Key Performance Indicators FQ2 2021/22: All Services
- Appendix 3 - Off-Track KPIs with Decreasing Performance
- Appendix 4 - Council Scorecard: April to September 2021
- Appendix 5 - Seventeen Business Outcomes aligned to the Corporate Plan

Pippa Milne, Chief Executive – Argyll and Bute Council

09 November 2021