

EAST RENFREWSHIRE COUNCIL

CABINET

26 August 2021

Report by Chief Executive

CHIEF EXECUTIVE'S OFFICE END YEAR PERFORMANCE REPORT 2020/21

PURPOSE OF REPORT

1. The purpose of this report is to present a summary of performance of the Chief Executive's Office for 2020/21. This is presented at Appendix 1.

RECOMMENDATION

2. It is recommended that the Cabinet:
- (a) Scrutinises the performance of the Chief Executive's Office; and
 - (b) Notes this report as a summary of the Chief Executive's Office's End Year Performance for 2020/21 (Appendix 1).

BACKGROUND

3. The Chief Executive's Office, led by Lorraine McMillan, comprises the following governance functions:-

- Accountancy Services - Margaret McCrossan (Head of Accountancy and Chief Financial Officer)
- Legal Services - Gerry Mahon (Chief Officer - Legal)
- Internal Audit - Michelle Blair (Chief Auditor)
- Corporate Procurement - Debbie Hill (Chief Procurement Officer)
- Chief Executive's Business Unit - Gill Darbyshire (Chief Executive's Business Manager)

4. A one-page summary is included in Appendix 1 for each service.

REPORT

5. Staff from all areas of the Chief Executive's Office support a wide range of operational projects across the Council, the East Renfrewshire Culture and Leisure Trust (ERCLT) and the Integrated Joint Board (IJB).

6. It has been a challenging year across the Council due to Covid-19 and services within the Chief Executive's Office have been no exception. There has been an Impact on the type of work undertaken with additional support and focus being provided by Corporate Procurement with PPE and Covid-19 prevention equipment and Legal Services adapting, to the challenge of the Courts and Tribunals only processing urgent business of certainly types. Despite the challenge of working remotely all statutory Accounting requirements have been met. As a result of being unable to continue with their usual workload the Internal Audit team have been provided much needed additional support to other Departments, particularly in

relation to Covid-19 Business Grants and the Education Appeals.

7. The Accountancy Service continues to monitor the financial position of the Council and take appropriate action to address the challenges to service delivery in the future from increased demand combined with constrained budgets.

8. The annual accounts were produced within the statutory timescale, despite staff working from home due to COVID-19, and are still subject to external audit but at year end (2020/21) the draft accounts confirm that net expenditure was kept within budget as departments were asked to avoid all non-essential spend and that COVID pressures were fully covered by management action and Government grants. The overall General Fund surplus was substantially larger than forecast at £47.201m, however this includes £12.815m of COVID grant funding awarded during 2020/21 to be carried forward to meet COVID pressures during 2021/22. Given the exceptional circumstances, it would not be appropriate to draw direct comparisons between the 2019/20 and 2020/21 figures.

9. The non-earmarked general fund reserve balance (which does not include the grants mentioned above) was £11.607m as at 31 March 2021. This represents 4.5% of the annual budgeted revenue expenditure with the normal recommended range lying between 2 and 4%.

10. Accountancy staff maintained a longer term financial view throughout the year, updating the Council's Financial Planning document and updating the Capital Investment Strategy as required by accounting regulations.

11. External Audit (Audit Scotland) placed reliance on the work of the Internal Audit service. A report submitted to the Audit and Scrutiny Committee in August 2020 indicated that sound documentation standards and reporting procedures are in place and that main requirements of the Public Sector Internal Audit Standards (PSIAS) are complied with.

12. Legal Services continued to experience high workload demands and concluded approx. £980,000 worth of legal work during the reporting period, based on comparable private sector charging rates.

13. Procurement continues to experience high workload demands as it extends its influence in the organisation by moving towards a more strategic model. This has been supported by Year 2 of the Scotland Excel Procurement Review which focused on demonstrating the value and benefits from procurement activity and adopting new approaches in a number of areas such as Community Benefits, Fair Working Practices and Sustainability. Procurement continues to overcome increased demands associated with COVID-19 and its impact on supply chains and contracts.

14. The Strategic Risk Register has been further refined and is directly linked to the Council's strategic outcomes. This is reviewed at every meeting of the Corporate Management Team.

15. The Business Unit have developed the Council's new Records Management Plan and this has been submitted for approval to the Keeper of the Records of Scotland.

16. During 2020/21, the Council dealt with 1,012 Freedom of Information or Environmental Information requests (1,257 in 2019/20). 80% of requests were responded to within the statutory 20 working day timescale with an average response time of 15.1 working days. (82%, in an average of 13.7 days in 2019/20). The Chief Executive's Office dealt directly with 79 requests of which 94% were responded to within the statutory timescale with an average response time of 11 working days. (65 requests, 94% on time, average of 11 working days in 2019/20). An additional 45 cross-departmental FOI requests were coordinated and responded to by the Chief Executive's Business Unit. 94% of these responses were within the statutory timescale and had an average response time of 10 working days. (80 requests, 99% on time, average of 12 working days in 2019/20)

17. During 2020/21, 3.25 days per employee were lost through absence in the Chief Executive's Office, a significant reduction from 9.33 days per employee in 2019/20.
18. Complaints data within the Chief Executive's Office in 2020/21 was as follows:
- 19 complaints were considered at Stage One, responded to in an average of 2.8 days (in 2019/20 the figures were 12 complaints and 3.0 days)
 - 8 complaints were considered at Stage Two, responded to in an average of 13.5 days.

PUBLICATION OF END YEAR PERFORMANCE INFORMATION

19. This report and appendix will be posted on the Council's website.

FINANCE AND EFFICIENCY

20. There are no specific financial implications arising from this report.

PARTNERSHIP WORKING

21. This report highlights the Chief Executive's Office's contribution to the delivery of the Council's Outcome Delivery Plan. Whilst it focuses on the Office's contribution, many of the results could not have been achieved without excellent partnership working across departments and partner organisations such as the East Renfrewshire Culture and Leisure Trust (ERCLT), Integrated Joint Board (IJB) and Scotland Excel.

IMPLICATIONS OF REPORT

22. As this report is primarily a progress and performance update, there are no particular implications in terms of staffing, property, legal, IT, equalities or sustainability. Each of these issues has been mainstreamed throughout the departmental reports and specific equality impact assessments have been carried out on the Outcome Delivery Plan if appropriate.

CONCLUSION

23. This report provides an overview of the Chief Executive's Office's performance at year end 2020/21.

RECOMMENDATIONS

24. It is recommended that the Cabinet:
- (a) Scrutinises the performance of the Chief Executive's Office; and
 - (b) Notes this report as a summary of the Chief Executive's Office's End Year Performance for 2020/21 (Appendix 1).

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Further information can be obtained from Craig Geddes, Senior Information and Improvement Officer on 0141 577 3059 or by email at Craig.Geddes@eastrenfrewshire.gov.uk

Cabinet contact: Councillor Tony Buchanan, Leader of the Council
Email; Tony.Buchanan@eastrenfrewshire.gov.uk Tel. 07976 360398 (Mobile)

CHIEF EXECUTIVE'S OFFICE
YEAR END SUMMARY
2019-2020

Contents:

- Internal Audit
- Legal Services
- Corporate Procurement
- Accountancy Services
- Other Performance Indicators

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Chief Executive's Office – Internal Audit 2020/21

Summary	<p>Budget £267,000 3.7 FTE</p> <p>9 reports and memos issued plus 7 still in progress Several pieces of unplanned work carried out resulting in 56% of contingency time being used in 2020/2021. Internal audit staff assisted other departments due to restrictions on carrying out audit work during lockdown (education appeals, covid grants and calls to shielders)</p>
Outcomes	
Efficiencies	<ul style="list-style-type: none"> • 360 Audit days completed which was 50% of planned direct audit days. • Internal self- assessment of compliance with PSIAs was carried out and presented to Audit and Scrutiny Committee in August 2020 which concluded that internal audit service is fully compliant with 95% of the standards and partly compliance with a further 4%. • A range of internal performance measures were submitted to the Audit and Scrutiny Committee quarterly showing performance against target (where applicable). • Two director of Finance Indicators are submitted for internal audit. For 2018/19, the cost of audit per £million of net expenditure is £1,206 (2017/18 £1,204) and the productive days achieved as % productive days as per the audit plan is 96.93% (2017/18 99.79%). The figures for 2019/20 are awaited and the figures for 2020/21 have not yet been submitted. • Internal Audit work with departments and services to ensure the highest standards are adhered to and that resources are managed to provide services across the Council that represent value for money
Customers	<ul style="list-style-type: none"> • Due to Covid 19, no internal audit service was provided to East Renfrewshire Culture and Leisure Trust during 2020/21 • Due to Covid 19, no specific internal audit services was provided to the Internal Joint Board • Due to Covid-19 lockdown and prioritization no user satisfaction study was issued this year. • When preparing the Internal Audit Strategic Plan and annual Audit Plan, a wide range of customers including Elected Members, the Corporate Management Team (CMT) and the Council's External Auditors are consulted to ensure that current and developing risks are appropriate, considered and included. The plan was revised twice during 2020/21 due to restrictions in carrying out audit work during lockdown.
People	<ul style="list-style-type: none"> • Reduced audit days available due to long term sickness of one employee and secondment of one employee.

Chief Executive's Office – Legal Services 2020/21

Summary	<p>Budget £453,600 7.8 FTE</p> <p>Nature of work was heavily impacted by effects of Covid including restrictions on the conduct of court business. Workload remained high (962 separate instructions from client services). The service bolstered its digital resources to ensure its ability to effectively work remotely by enhancing its online case management system and prioritized ongoing links with client departments during remote working via regular workload meetings with relevant staff throughout the year. FOI work continues to take up a significant portion of time of the Chief Officer (20 review cases and 3 appeals addressed in the last year). There has been continued involvement of staff in the public protection agenda while solicitors also now attend the mental health officers forum to proactively advise on legal issues around adults with incapacity given the increasing prevalence of work in this area. In light of the noted restriction on court process certain types of work have stockpiled and will require to be carefully addressed by the service in the year ahead alongside ongoing work. Prioritisation will be key in ensuring that workloads demands on staff are maintained at appropriate levels in the coming year</p>
Outcomes	<p>The following are an illustrative indication of the types of work undertaken by Legal services in support of the Outcomes rather than an exhaustive list</p> <p><u>Outcome 1</u></p> <ul style="list-style-type: none"> • 6 permanency planning processes undertaken leading to permanent care solutions for children (9 last year) • Deeds of servitude finalized timeously for electrical supply to 5 new nursery schools • Legal attendance, advice and assistance provided to monthly adoption and fostering panel in respect of permanency decision <p><u>Outcome 2</u></p> <p>2 ASL placing request litigations undertaken on behalf of Education (no change from last year)</p> <p><u>Outcome 3</u></p> <ul style="list-style-type: none"> • 4 Section 75's completed to secure affordable housing and financial contributions from developers (7 last year) • Contract negotiated and concluded for the purchase of 30 affordable housing units to be acquired in 2022 • Settlement in relation to 7 affordable houses at Maidenhill (with the second block of 7 houses dues to settle on 11th June) ; part of 39 houses which the Council is acquiring in 2021 at cost of £5.070 M <p><u>Outcome 4</u></p> <ul style="list-style-type: none"> • 2 properties successfully recovered on anti-social /drug / conviction grounds and one anti-social behavior order obtained (compared to 3 and 0 last year) <p><u>Outcome 5</u></p> <ul style="list-style-type: none"> • 15 Orders obtained under the Adult's with Incapacity legislation (6 last year)
Efficiency	<ul style="list-style-type: none"> • Work to the value of £980,000 undertaken by in house team (based on comparable private sector rates (£1,059,000 last year) • 20 charging orders recorded to ensure recovery of care home interim funding • No rent recovery cases initiated as a result of legal restrictions on eviction and significantly reduced debt decrees obtained on basis of temporary decision not to actively pursue in light of financial hardship during COVID • Concluded sale of Calderwood lodge generating capital receipt of just under £2 million
Customers	<ul style="list-style-type: none"> • Ongoing participation in a number of cross partner committees and sub-committees in the public protection regime eg adult care professional governance group, public protection sub group, policy and procedures subgroups (adult and child protection committees) • Training events held for child and adult care Social Workers on child protection orders and handling subject access requests. Further training developed in connection with Childcare law to be presented later in year (delayed due to Covid-19 lockdown) • Participation in mental health officers forum • Continuing support to HSCP in responding to and meeting obligations in respect of historical Child Abuse Inquiry • Ongoing production and dissemination of guidance on legal interpretation and implications of Coronavirus legislation
People	<ul style="list-style-type: none"> • 100% of solicitors completed Law Society Continuing Professional Development (CPD) and received practising certificates for the current year • Quality conversations undertaken with all employees • All employees actively involved in networking opportunities via the Society of Local Authority Lawyers & Administrators in Scotland (SOLAR)

Chief Executive's Office – Corporate Procurement 2020/21

Summary	<p>Budget £321,600 6 FTE</p> <p>Now in year 2 of the Scotland Excel review to support the strategic direction of Procurement and strategic commissioning across the Council a number of work packages have been successfully implemented, including: New process for tracking of benefits and identification of savings opportunities, Team skills gap analysis against the National Procurement Development Framework and training plan in place, Stakeholder mapping and engagement plan, Development of proposals for Contract and Supplier Management, Supporting the Council to deliver Living Wage Accreditation and development and roll out of a new process for capture of Community Benefits including Community “Wish List”. A central focus of Year 2 of the programme was to demonstrate the value of Procurement through benefits derived from procurement and identification of savings, taking a more strategic commissioning focus.</p>															
Outcomes	<p><u>Outcome 1</u></p> <ul style="list-style-type: none"> Education Frameworks – working with officers in Education to review core products purchased via Framework Agreements and catalogue accessibility <p><u>Outcome 3</u></p> <ul style="list-style-type: none"> Economic recovery – Works Quick Quote threshold temporarily increased to support economic recovery in construction sector post COVID-19 Glasgow City Region City Deal – working with officers in Environment on the commissioning and procurement of key strategic projects “Grow Local”– working with Economic Development to encourage local supplier development Community Benefits – new process in place for capture of Community Benefits including Community “Wish List”. Council website updated. Sustainable Procurement – a new Sustainable Procurement policy is in place focusing on the social, economic and environmental aspects of Procurement Activity <p><u>Outcome 4 & 5</u></p> <ul style="list-style-type: none"> Social Care contract portfolio - working with officers in Health & Social Care Partnership to deliver contracts that include the views of service users. 															
Efficiency	<ul style="list-style-type: none"> A summary of the contracts arranged in the financial year 2020/21 is provided in the table below: <table border="1" data-bbox="398 965 2067 1166"> <thead> <tr> <th></th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>Number of Contracts via Route 2 (£50,000 to £189,329 (Goods and Services), £500,000 and £4,733,251 for Works) or Route 3 (for larger contracts)</td> <td>25</td> <td>24</td> </tr> <tr> <td>Number of Quick Quotes</td> <td>68</td> <td>54</td> </tr> <tr> <td>Number of Mini-Competition</td> <td>25</td> <td>17</td> </tr> <tr> <td>Number of Direct Award</td> <td>19</td> <td>25</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Improved business intelligence including work towards development of a new online contracts register, harnessing the functionality from existing systems such as Public Contract Scotland, SPIKES and Council core systems. 		2019/20	2020/21	Number of Contracts via Route 2 (£50,000 to £189,329 (Goods and Services), £500,000 and £4,733,251 for Works) or Route 3 (for larger contracts)	25	24	Number of Quick Quotes	68	54	Number of Mini-Competition	25	17	Number of Direct Award	19	25
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Customers	<ul style="list-style-type: none"> Participation in Supplier Development Programme including “Meet the Buyer” event Improved communications with internal and external customers, including building effective relationships supported by improved processes and business intelligence 															
People	<ul style="list-style-type: none"> In response to feedback from Council wide Staff Survey online procurement training sessions developed for roll out in FY 21-22 – Introduction to Procurement, Quick Quote, Tendering, Added Value from Procurement and Strategic Commissioning. Enhanced intranet content Core system Super User network reestablished to support purchase to pay 															

Chief Executive's Office – Accountancy Services 2020/21

Summary	<p>Budget £1,450,000 26.8 FTE</p> <p>All staff worked from home throughout the year but statutory accounting requirements were met, budget set, further progress made on updating reporting, systems and processes as part of the Accountancy elements of the Council's Modern Ambitious Programme (including two key staff seconded to Core Systems) and all additional demands of COVID reporting met. Annual accounts for 2019/20 were completed within schedule and awarded an unqualified audit certificate.</p>
Outcomes	<p>In addition to addressing COVID related financial information demands, Accountancy project support was provided for-</p> <p><u>Outcome 1</u></p> <ul style="list-style-type: none"> • financial planning of new schools, nurseries and family centres <p><u>Outcome 2</u></p> <ul style="list-style-type: none"> • financial planning of new schools, nurseries and family centres • governance of East Renfrewshire Culture and Leisure Trust <p><u>Outcome 3</u></p> <ul style="list-style-type: none"> • City deal and housing financial planning
Efficiencies	<ul style="list-style-type: none"> • Unqualified annual accounts for 19/20 with no unadjusted errors. • Closed 2019/20 accounts on time and reported to Audit & Scrutiny Committee before 30 June 2020. • Overall Council spend for 2020/21 within budget with all COVID pressures covered by management action and Government grant. • Draft 2020/21 accounts production kept on schedule. • Close control of budgets in year with additional reporting to Councillors, COSLA and Scottish Government throughout. Prompt management action taken to avoid non-essential spend and assist in meeting COVID pressures. • 2021/22 balanced budget set despite significant financial challenges, late settlement issues & COVID uncertainties. Potential £13m gap for 2022/23. • Long term financial planning – Outline Financial Plan 2021-2027 produced and Capital Investment Strategy updated. • Ongoing enhancements to new financial system progressed, including improvement to reporting formats (revenue and capital) and Trust information.
Customers	<ul style="list-style-type: none"> • Annual internal customer satisfaction survey not carried out due to impact of COVID-19 • Tailored support for a range of internal and external COVID related demands as well as various service initiatives. • Ongoing senior level support for Audit & Scrutiny Committee & Trust Board.
People	<ul style="list-style-type: none"> • Frequent regular online communications established for all Accountancy teams • Staff consulted and actively involved in change and self-evaluation projects.

Chief Executive's Office 2020/21 Year End Report: Other indicators

Absence:

During 2020/21, 3.25 per employee were lost through absence in the Chief Executive's Office, a significant reduction from 9.33 days per employee in 2019/20

Payment of Invoices within 30 days

84.2% of invoices were paid within 30 days, above the overall Council wide figure of 79.8% and a significant improvement compared to 70.6% in 2019/20. Bespoke reports to support this work and pilot project working closely with Accounts Payable and Corporate Procurement have contributed to this improvement with further changes implemented for 2021/22.

Complaints:

Complaints data within the Chief Executive's Office in 2020/21 was as follows:

- 19 complaints were considered at Stage One, responded to in an average of 2.8 days (in 2019/20 the figures were 12 complaints and 3.0 days)
- 8 complaints were considered at Stage Two, responded to in an average of 13.5 days

Efficiency Outcome Indicators

- Director of Finance Indicator (within the Outcome Delivery Plan) - Actual Revenue Outturn against Revised Revenue Budget.
 - The figure for 2019/20 was 98.6% (compared to a target of less than 100%). The 2020/21 figure will not be available until the audit of the Council's Annual Accounts has been finalised.
- Total useable reserves as a percentage of council annual budgeted revenue: 23.3% (2019/20:18.3%)
- Uncommitted General Fund Balance as a percentage of council annual budgeted net revenue: 4.5% (2019/20: 4.0%)
- Ratio of Financing Costs to Net Revenue Stream – General Fund: 7.6% (2019/20: 9.0%)
- Ratio of Financing Costs to Net Revenue Stream – Housing Revenue Account: 33.1% (2019/20: 29.7%)
- Actual outturn as a percentage of budgeted expenditure: 97.4% (2019/20: 99.2%)
- Local Government Benchmarking Framework (LGBF) Indicator - Support Services as a percentage of total gross expenditure
 - The figure for 2019/20 was 5.05% compared to 4.8% in 2018/19. The 2020/21 figure will not be available until late October 2021.

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