

EAST RENFREWSHIRE COUNCILCABINET1 September 2022Report by Chief ExecutiveCHIEF EXECUTIVE'S OFFICE END YEAR PERFORMANCE REPORT 2021/22**PURPOSE OF REPORT**

1. The purpose of this report is to present a summary of performance of the Chief Executive's Office for 2021/22. 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 2021/22 (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 summary for each service is included in Appendix 1.

**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 Health and Social Care Partnership (HSCP).

6. It has been another 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 which at the start of the year was focused on support to essential services and urgent business in particular. Over the last few months teams have adapted to new hybrid ways of working and as a result services across the Chief Executive's Office are now operating in a different way than before Covid-19 but provide the same high quality and professional support with all services resumed.

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 (2021/22) the draft accounts confirm that net expenditure was kept within budget as departments were asked to avoid all non-essential spend towards year end and that COVID pressures were fully covered by management action and Government grants. The overall General Fund surplus was slightly lower than the previous year, at £46.189m (2020/21 £47.264m), however this includes £14.085m (2020/21 £12.815m) of COVID grant funding to be carried forward to meet COVID pressures in 2022/23 and beyond.

9. The non-earmarked general fund reserve balance (which does not include the COVID grants mentioned above, or other earmarked funds) was £11.777m as at 31 March 2022 (2020/21 £11.670m). This represents 4.4% (2020/21 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) were able to use the work of the Internal Audit service in specific areas to avoid unnecessary duplication of effort. A report submitted to the Audit and Scrutiny Committee in September 2021 indicated that internal audit's work was well documented and supported by appropriate evidence.

12. Legal Services Legal continued to experience high workload demands and despite the long term absence of a member of staff within the team, concluded approx. £950,000 worth of legal work during the reporting period, based on comparable private sector charging rates. Pressure of work remained high given the reactive nature of much of the team's business. The service again saw a consistent workload arising from older people legislation including the Adults with Incapacity (Scotland) Act. In addition, a number of other areas of court work increased as a result of the lifting of covid related restrictions. The Service also assisted client services across the Council in the review of various policies and procedures including Housing Allocations, Gaelic Education provision, adult protection and information handling.

13. Procurement continues to experience high workload demands whilst delivering a strategic service across the Council making well informed, evidence based decisions about the most appropriate options for change, and then supporting the effective implementing of that change to ensure the required benefits are achieved. Procurement continues to closely monitor the impact of Covid-19, Brexit and other global events on economic recovery, market pricing and availability.

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 Keeper of the Records of Scotland approved the Records Management Plan developed by the Business Unit under the Public Records Scotland Act 2011.

16. During 2021/22, the Council dealt with 1,140 Freedom of Information or Environmental Information requests, 85% of which were responded to within the statutory 20 working day timescale with an average response time of 13.7 working days. The Chief Executive's Office dealt directly with 73 requests of which 86% were responded to within the statutory timescale with an average response time of 11 working days. In addition, the Chief Executive's Business Unit coordinated 54 cross-departmental requests and responded to 100% of these within the statutory timescale.

17. During 2021/22, 2.8 days per employee were lost through absence in the Chief Executive's Office, a further reduction from 3.25 days per employee in 2020/21 and a significant improvement from 9.33 days per employee in 2019/20.

18. A total of 5 complaints were received by Chief Executive's Office in 2021/22 of which 2 were resolved at Stage 1 and 3 at Stage 2 compared to 19 complaints in 2020/21.

### **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 2021/22.

### **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 2021/22 (Appendix 1).

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Cabinet contact: Councillor Owen O'Donnell Leader of the Council: 0141 577 3107

CHIEF EXECUTIVE'S OFFICE  
YEAR END SUMMARY  
2021-2022

Contents:

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

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## Chief Executive's Office – Internal Audit 2021/22

Summary	<p><b>Budget £271,900      4.7 FTE (1 FTE post vacant throughout most of 2021/22)</b></p> <p>18 reports and memos issued Several pieces of unplanned work carried out resulting in 76% of contingency time being used in 2021/2022.</p>
Outcomes	
Efficiencies	<ul style="list-style-type: none"> <li>• 535 audit days completed which was 81% of planned direct audit days.</li> <li>• Internal self- assessment of compliance with PSIAS was carried out and presented to Audit and Scrutiny Committee in August 2021 which concluded that internal audit service is fully compliant with 95% of the standards and partly compliance with a further 4%.</li> <li>• A range of internal performance measures were submitted to the Audit and Scrutiny Committee quarterly showing performance against target (where applicable).</li> <li>• Two director of Finance Indicators are submitted for internal audit. For 2020/21, the cost of audit per £million of net expenditure is £908 (2019/20 £1,056) and the productive days achieved as % productive days as per the audit plan is 71.21% (2019/20 83.75%). The figures for 2021/22 are not yet available.</li> <li>• 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</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Internal audit service to East Renfrewshire Culture and Leisure Trust resumed in last quarter of 2021/22 following suspension of provision during 2020/21 due to Covid 19.</li> <li>• No specific internal audit service was provided to the Integration Joint Board apart from a follow up audit report.</li> <li>• 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. There are a number of audits in the 2021/22 audit plan which were not completed and it is anticipated that some of these will be deferred and included in the 2022/23 audit plan.</li> </ul>
People	<ul style="list-style-type: none"> <li>• Reduced audit days available due to long term sickness of two employees during the year.</li> <li>• Currently two vacant posts and reviewing options on how to fill these.</li> </ul>

## Chief Executive's Office – Legal Services 2021/22

Summary	<p><b>Budget £430,700      7.8 FTE</b></p> <p>The gradual relaxation of covid measures through the period saw an increase in the volume and scope of instructions from client services. Court business remained primarily by way of written submission rather than personal appearance with the effect of front loading the process and generally increasing workload for each case. Significant contract negotiations were undertaken in respect of a number of projects including Neilston Leisure Campus and the Barrhead Dams developments. Workload remained high (just under 1000 separate instructions from client services) and demands on staff increased due to the long term absence of one team member during the period. The service further developed online resources in light of the corporate move to hybrid working. FOI work continued to take up a significant portion of time of the Chief Officer (26 review cases and 3 appeals addressed in the last year). As in previous years, there has been continued involvement of staff in the public protection agenda whilst the Chief Officer has also undertaken an ongoing role in connection with the Child Abuse Inquiry.</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"> <li>• 9 permanency planning processes undertaken leading to permanent care solutions for children (6 last year)</li> <li>• Legal attendance, advice and assistance provided to monthly adoption and fostering panel in respect of permanency decision</li> </ul> <p><u>Outcome 2</u></p> <p>2 placing request litigations undertaken on behalf of Education (2 last year)</p> <p><u>Outcome 3</u></p> <ul style="list-style-type: none"> <li>• 4 Section 75's completed to secure affordable housing and financial contributions from developers (4 last year)</li> <li>• Settlement in relation to 7 affordable houses at Maidenhill with preparatory work concluded for a further 15 (due to settle in July 22);</li> </ul> <p><u>Outcome 4</u></p> <ul style="list-style-type: none"> <li>• 3 properties successfully recovered on anti-social /drug / conviction grounds and three more actions commenced (due to call in court 22 June) (compared to 3 last year)</li> </ul> <p><u>Outcome 5</u></p> <ul style="list-style-type: none"> <li>• 19 Orders obtained under the Adult's with Incapacity legislation (12 last year)</li> </ul>
Efficiency	<ul style="list-style-type: none"> <li>• Work to the value of £950,000 undertaken by in house team (based on comparable private sector rates (£980,000 last year)</li> <li>• 22 charging orders recorded to ensure recovery of care home interim funding (20 last year)</li> <li>• No new rent recovery cases initiated as a result of legal restrictions on eviction but 100 historical cases progressed to decree for payment of arrears</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• 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)</li> <li>• Safeguarding Children training events run for HSCP staff</li> <li>• Data Protection training provided to HSCP staff – health and SW</li> <li>• Participation in monthly mental health officers forum</li> <li>• Continuing support to HSCP in responding to and meeting obligations in respect of historical Child Abuse Inquiry</li> <li>• Production and dissemination of guidance on legal interpretation and implications of changing Coronavirus legislation</li> <li>• Conducted 27 statutory Fol reviews</li> </ul>
People	<ul style="list-style-type: none"> <li>• 100% of solicitors completed Law Society Continuing Professional Development (CPD) and received practising certificates for the current year</li> <li>• Quality conversations undertaken with all employees</li> <li>• All employees actively involved in networking opportunities via the Society of Local Authority Lawyers &amp; Administrators in Scotland (SOLAR)</li> </ul>



## Chief Executive's Office – Corporate Procurement 2021/22

Summary	<p><b>Budget £354,400 6 FTE</b></p> <p>The Procurement team operate strategically across the Council and are committed to supporting local suppliers and partner providers by following the Governments procurement guidance by supporting supply chain resilience and working proactively with suppliers and key partners such as Scotland Excel, Scottish Government, NHS and COSLA to closely monitor the impact of Covid-19, Brexit and other global events on economic recovery, market pricing and availability. Work has continued proactively across the Council to understand project pipelines ensuring adequate contingency and preparedness for immediate response with stakeholder engagement undertaken for all contracts to understand if the requirement is essential, and that the marketplace is able to submit a response which is sustainable over the life of the contract. A number of work packages have been successfully implemented, including: Standard Operating Procedures, Intranet update, Grow Local, Housing and ICT portfolio review delivering improved procurement practice and savings.</p>															
Outcomes	<p><u>Outcome 1 &amp; 2</u></p> <ul style="list-style-type: none"> <li>Education Frameworks – working with officers in Education to review core products and catalogue accessibility. (Framework = contract agreement between one or more economic operators)</li> </ul> <p><u>Outcome 3</u></p> <ul style="list-style-type: none"> <li>Economic Recovery – Works Quick Quote threshold permanently increased to £500k supporting economic recovery in construction sector post COVID-19</li> <li>Glasgow City Region City Deal – working with officers in Environment on the commissioning and procurement of key strategic projects</li> <li>Grow Local and Community Wealth Building– working with Economic Development and Scotland Excel to support local supplier development</li> <li>Climate Change – Supporting the Councils agenda by developing screening questions for inclusion in contract documentation to influence the emerging climate change emergency such as plastic reduction, circular economy, carbon accounting and improvement plans.</li> <li>Sustainable Procurement - The adoption of the single procurement self-declaration document to ensure suppliers and their supply chain are compliant with the Human Trafficking and Exploitation Act 2015 and Modern Slavery Act 2015 and they not have breached any obligations in the fields of environmental, social or labour law.</li> </ul> <p><u>Outcome 4 &amp; 5</u></p> <p>Social Care contract portfolio - working with officers in Health &amp; Social Care Partnership to deliver strategic contracts that include the views of service users.</p>															
Efficiency	<ul style="list-style-type: none"> <li>A summary of the contracts arranged in the financial year 2021/22 is provided in the table below:</li> </ul> <table border="1" data-bbox="271 983 1944 1185"> <thead> <tr> <th></th> <th>2020/21</th> <th>2021/22</th> </tr> </thead> <tbody> <tr> <td>Number of contracts via route 2 - £50,000 to £189,329 (Goods and Services), £500,000 - £4,733,251 (Works) or Route 3 - values above the noted thresholds</td> <td>24</td> <td>30</td> </tr> <tr> <td>Number of Quick Quotes (contracts £10k-£50k Goods &amp; Services, £20k-£500k Works)</td> <td>54</td> <td>66</td> </tr> <tr> <td>Number of Mini-Competition (contracts placed via a Framework Agreement where best value supplier is identified)</td> <td>17</td> <td>15</td> </tr> <tr> <td>Number of Direct Award (contracts agreed without competition via approved Framework)</td> <td>25</td> <td>26</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>Improved business intelligence including development of a new online contracts register, harnessing the functionality of procurement advertising systems Public Contracts Scotland, Public Contracts Scotland Tender, spend intelligence tool - SPIKES and Council core systems.</li> </ul>		2020/21	2021/22	Number of contracts via route 2 - £50,000 to £189,329 (Goods and Services), £500,000 - £4,733,251 (Works) or Route 3 - values above the noted thresholds	24	30	Number of Quick Quotes (contracts £10k-£50k Goods & Services, £20k-£500k Works)	54	66	Number of Mini-Competition (contracts placed via a Framework Agreement where best value supplier is identified)	17	15	Number of Direct Award (contracts agreed without competition via approved Framework)	25	26
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Customers	<ul style="list-style-type: none"> <li>Participation in Supplier Development Programme including “Meet the Buyer” and “Twitter Takeover”</li> <li>Improved communications with internal and external customers, including building effective relationships &amp; evaluation training supported by the Supplier Development Programme.</li> </ul>															
People	<ul style="list-style-type: none"> <li>Online procurement training sessions delivered including Introduction to Procurement, Quick Quote – (£10k-£50k Goods &amp; Services, £20k-£500k Works), Tendering (&gt;£50k Goods &amp; Services, &gt;£500k Works) and Standing Orders Relating to Contracts</li> <li>Procurement Intranet content updated to support officers with Specification Writing, Framework Guidance and Tendering Procedures</li> <li>Integra Super User network in place and Purchase to Pay working group &amp; newsletter to support knowledge sharing and lessons learned</li> </ul>															

## Chief Executive's Office – Accountancy Services 2021/22

Summary	<p><b>Budget £1,399,000 25.6 FTE</b></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 2020/21 were completed within schedule and awarded an unqualified audit certificate. Progress on 2021/22 accounts on schedule.</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"> <li>• financial planning of new schools, nurseries and family centres</li> </ul> <p><u>Outcome 2</u></p> <ul style="list-style-type: none"> <li>• financial planning of new schools, nurseries and family centres</li> <li>• governance of East Renfrewshire Culture and Leisure Trust</li> </ul> <p><u>Outcome 3</u></p> <ul style="list-style-type: none"> <li>• City deal and housing financial planning</li> </ul>
Efficiencies	<ul style="list-style-type: none"> <li>• Unqualified annual accounts for 2020/21 with no unadjusted errors.</li> <li>• Closed 2021/22 accounts on time and reported to Audit &amp; Scrutiny Committee before 30 June 2022.</li> <li>• Overall Council spend for 2021/22 within budget with all COVID pressures covered by management action and Government grant.</li> <li>• Draft 2021/22 accounts production kept on schedule.</li> <li>• Close control of budgets in year with reporting to Councillors, COSLA and Scottish Government throughout. Management action taken to avoid non-essential spend and assist in meeting budget pressures.</li> <li>• 2022/23 budget balanced despite significant financial challenges, late settlement &amp; COVID uncertainties. Est 2023/24 gap £15m.</li> <li>• Long term financial planning – Outline Financial Plan 2022-2028 produced and Capital Investment Strategy updated.</li> <li>• Ongoing enhancements to new financial system progressed, including improvement to reporting formats (revenue and capital) and Trust information.</li> <li>• DoF Indicator: Uncommitted General Fund as % of revenue budget 4.4% (2020/21 4.5%)</li> <li>• DoF Indicator: Outturn as % of budget 99.46% (2020/21 97.4%)</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• All respondents to summer 2021 internal customer satisfaction survey were satisfied with Accountancy service.</li> <li>• Tailored support for a range of internal and external COVID related demands as well as various service initiatives.</li> <li>• Ongoing senior level support for Audit &amp; Scrutiny Committee &amp; Trust Board.</li> </ul>
People	<ul style="list-style-type: none"> <li>• Frequent regular online communications established for all Accountancy teams</li> <li>• Staff consulted and actively involved in change and self-evaluation projects.</li> </ul>

## Chief Executive's Office 2021/22 Year End Report: Other indicators

### Absence:

During 2021/22, 2.8 days per employee were lost through absence in the Chief Executive's Office, a further reduction from 3.25 days per employee in 2020/21 and a significant improvement from 9.33 days per employee in 2019/20.

### Payment of Invoices within 30 days

84.1% of invoices were paid within 30 days, slightly below the overall Council wide figure of 86.6% and similar to 84.2% for 2020/21 but a significant improvement compared to 70.6% in 2019/20. Despite considerable work in this area there is further work to be undertaken to further improve this performance in 2022/23.

### Complaints:

A total of 5 complaints were received by Chief Executive's Office in 2021/22 of which 2 were resolved at Stage 1 and 3 at Stage 2 compared to 19 complaints in 2020/21

### Information Provision:

	Fol requests (Council)	Fol requests (Chief Executive's Office)	Fol requests (Cross-departmental requests)
Volume	1140	73	54
Proportion answered within statutory timescale	85%	86%	100%

### Efficiency Outcome Indicators

- Director of Finance Indicator (within the Outcome Delivery Plan) - Actual Revenue Outturn against Revised Revenue Budget. The figure for 2021/22 increased to 99.46% compared to 97.4% in 2020/21 (against a target of less than 100%).
- Total useable reserves as a percentage of council annual budgeted revenue: 21.8% in 2021/22 (23.4% in 2020/21)
- Uncommitted General Fund Balance as a percentage of council annual budgeted net revenue: 4.4% for 2021/22 (2020/21: 4.5%)

- Ratio of Financing Costs to Net Revenue Stream – General Fund: 7.2% in 2021/22 (2020/21: 7.6%)
- Ratio of Financing Costs to Net Revenue Stream – Housing Revenue Account: 31.3% in 2021/22 (2020/21: 32.1%)
- Local Government Benchmarking Framework (LGBF) Indicator - Support Services as a percentage of total gross expenditure: the figure for 2020/21 was 5.0%, the same as in 2019/20. The 2021/22 figure will not be available until late October 2022.