

**Resources Directorate
Quarter 2 2022/23
Performance and Issues Briefing**

1. Brief Summary of Services Covered
<p>Ongoing operational services</p> <ul style="list-style-type: none"> • Finance and Improvement • Revenues, Benefits and Customer Services • HR and Payroll • ICT, Business Change and Business Support • SMT Support <p>Corporate Themes</p> <ul style="list-style-type: none"> • Equalities and Diversity • Information Governance • Corporate Capital and Asset Management
2. Financial Update – Major Variances
<p>Please refer to Annex 1 of this report; key issues to bring to the attention of Members are as follows:</p> <ul style="list-style-type: none"> • The Q2 position on ICT capital is currently on target for a full spend. • There is an overall slight overspend on Resources in Q2 of £6.3k. The overspends of £112k are mainly due to salary pressures due to the provisional pay award, LGR honoraria (funded by the LGR pot) and agency / consultancy support. These are offset by increased investment interest of £106k. The £15k consultancy support is to be funded from Covid19 Government funding.
3. Key Performance Update
<p>Please refer to Annex 2 of this report for the detailed list of performance indicators with comparators. The key issues to raise are as follows:</p> <ul style="list-style-type: none"> • Housing Benefit claims' processing is showing 17.05 days for Q2. The average processing time for new claims was 18.17 days for the whole of 2021/22, and 15.99 days for Q2 2021/22. • For changes in circumstances, performance is similar at 2.81 days compared to Q2 of 2021/22 of 3.30 days. The national average for processing of claims is 23 days for new claims and 10 days for change of circumstances for 2021/22. • Council tax collection rates of 59.96% are lower than for Q2 of 2021/22 (60.46%). • Business rates collection is slightly under target at 64.23% (58.63% in Q2 2021/22). • The level of Discretionary Housing Payments for Q2 of 2022/23 was £95,943 compared to a reduced cap of £113,863. This performance is well above target for 2022/23 and is due to additional support being provided to residents in one area, where there is an ongoing issue relating to exemptions. • Positive transition from 'face to face' contact to electronic access continues with over 608k electronic accesses compared to 655k accesses for the second two quarters of

2021/22. This is reflective of the ongoing transition to use of electronic means to access Council services

- There were 4,681 front office visits in Q1 and Q2 of 2022/23, compared to 2,489 for the first two quarters of 2021/22. There has been decreased phone access from 27,065 for Q1 and Q2 in 21/22 to 25,901 in Q1 and Q2 in 22/23.
- Corporate sickness levels for the second quarter of 2022/23 year are above target (4.59 per FTE compared to a target of 2.75 per FTE for the year to date). This is significantly worse performance than in 2021/22 (3.30 days per FTE).
- There was one Local Government Ombudsman (LGO) complaints during Q2 of 2022/23, and one was partially upheld. There were two for the second quarter of 2021/22 (none upheld).

4. Key Operational Issues

The aim of this section is to provide a brief update on key issues currently affecting services provided by the Resources Directorate.

The announcement relating to Local Government Reorganisation was made in July 2021, this is continuing to impact on workloads as there is a huge amount of transition work required to ensure the new Council is operational on 1 April 2023. It is known that a lot of the issues that must be delivered are in the central support services area. These pressures continue to be kept under review.

a) Finance and Improvement

The Audit, Governance and Standards Committee agreed to delegate authority to sign off the 2020/21 accounts to the s151 Officer and Chair of the meeting, subject to the need for only minor variations. Final aspects of work are still being undertaken by Ernst & Young. The team has now published the draft accounts for 2021/22 and is awaiting feedback from the external auditors as to the timing of their visits.

It is anticipated that a budget timetable will be drawn up shortly to feed information into the new Council's budget setting process; this is likely to change significantly from the current year's approach.

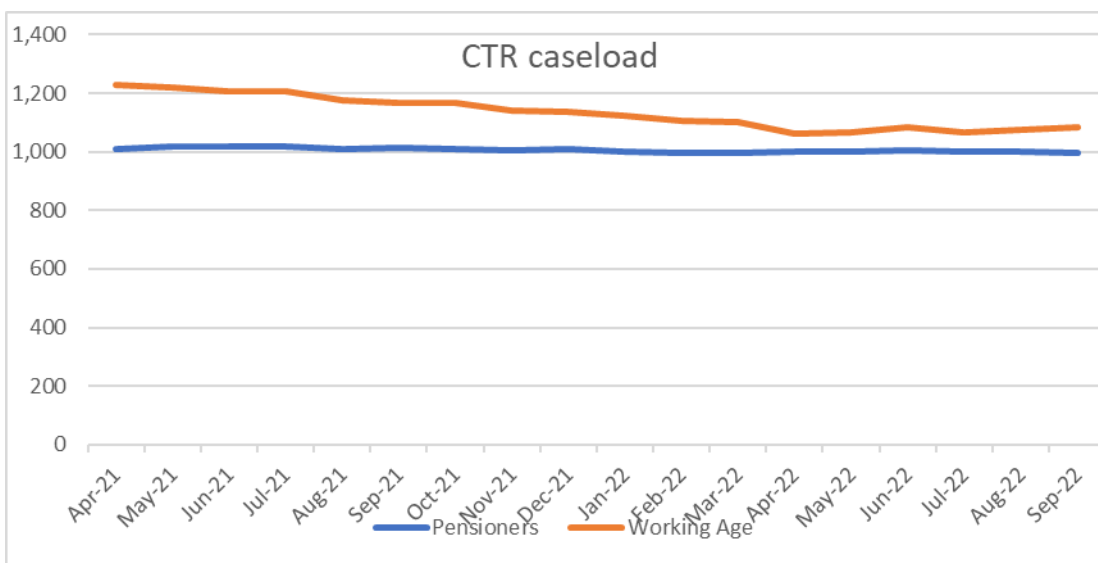
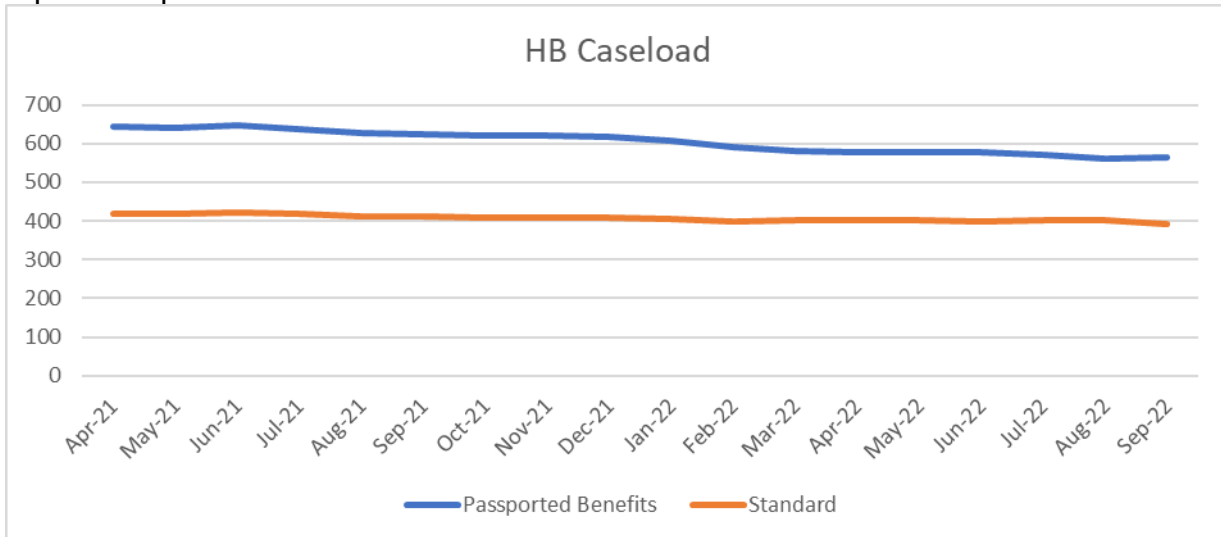
The two members of the Council's procurement team have now left to work for NYCC, but a support approach has been agreed by NYCC for procurements required up until 31/3/23. Work has commenced on the Swimming pool improvements, and discussions are ongoing re the depot roof; work on the electric car charging points continues. Obtaining suitable tenders in the current market conditions is proving difficult with many companies concerned about inflationary price increases.

b) Revenues, Benefits and Customer Services

The Revenues Service has continued to pursue debt and implement changes informed to the Council throughout the period. Council tax collection rates are slightly worse than last year's Q2, 59.96% compared to Q2 of 2021/22 (60.46%).

Business rates collection is slightly better than the performance in the equivalent period in 2021/22; 64.23% collection (58.63% in Q2 2021/22). This is largely due to timing of invoice despatch in 21/22 because of Covid19 government announcements. Council opened a government funded CARF scheme in March 2022, as approved by Members; payments were required to be made by 30 September 2022. This has happened with the full amount of funding of £631k allocated to Richmondshire distributed to eligible businesses. By the end of September 2022, almost £621k had been distributed to 183 businesses.

The performance information at **Annex 2** sets out the latest data on collection rates and housing benefits processing times. Housing benefits processing of new claims has improved to 17.05 days for 22/23 (16.88 days for Q2 of 2021/22) due to the increased complexity in new claims. For changes in circumstances, performance is improved compared to 2021/22 with an average of 2.81 days compared to 4.19 days for the equivalent period in 2021/22.



Work has progressed during Q2 to pay the £150 energy rebate to Council taxpayers in Band D and below by the deadline of 30 September. This was achieved by ensuring that all those eligible households that did not apply were allocated the funds against their Council tax accounts. A discretionary scheme is also now live for those households in Band E and above who may be eligible for the rebate. The deadline for completing payments under this scheme is 30 November 2022.

The detailed performance information of Customer Services is included in **Annex 2**. Most of the contact with the Council moved to phone or website, for 2020/21 and a lot has continued in that way since; approval rating in contact centre service shows customer satisfaction at 92%, above target and at a similar level to 21/22.

c) HR and Payroll

The HR and Payroll Section continue to have a high workload due to ongoing core work and responding to LGR. Details of the key performance information is included at **Annex 2**.

In the second quarter of the year, there have been 11 leavers; this represents a staff turnover for the period of 7.56 since the start of the year.

An analysis shows that two left to take up a new post, one for personal reasons, one for salary reasons and two due to the nature of the work. In addition, there were three retirements.

It has been recognised that staff are being required to support the LGR transition work to the new Council. To recognise this additional work a specific honoraria system has been introduced. Several staff have been awarded honoraria and these are being funded from the pot of monies of £350k set aside for LGR transition, as approved. This has also been extended to include senior officers.

Work has been completed on the scanning project of hard copy files in preparation for LGR. The occupational health contract moved to NYCC with effect from 1 April 2022. The sickness levels across the Council for Q2 2022/23 are above target but are significantly worse than the same period in 2021/22. Work is ongoing to transfer of the HR & Payroll system onto Resourcelink as part of the LGR transition. The HR team facilitated the start of the formal consultation process and are co-ordinating roadshows that will take place at the beginning of November 2022.

Sickness Absences Statistics

The Q2 sickness figures are as follows:

Q2	Average FTE	Latest FTE	Total Days Q1	Total Days Q2	TOTAL	Per FTE to date	Target to date	Variance	Position
Overall Target			1.38	2.75	5.50				
Services									
Management and Support	5.98	5.31	1.00	0.00	1.00	0.19	2.33	2.14	OK
Resources	54.61	51.37	94.34	191.48	285.82	5.51	2.33	-3.19	Investigate
Strategy / Regulatory	34.41	35.90	39.92	6.90	46.82	1.30	2.33	1.03	OK
Operations	98.39	96.79	331.15	204.15	535.30	5.53	3.14	-2.40	Investigate
TOTAL	193.39	189.37	466.41	402.53	868.94	4.59	2.75	-1.84	Investigate
Cumulative			466.41	868.94					
Per FTE			2.46	2.13	4.59				
Cumulative per FTE			2.46	4.59					
Variance			-1.08	-1.84					
Position			Investigate	Investigate					

d) ICT, Business Change and Business Support

ICT have carried out major upgrades to the Finance, Revenues, Benefits and Housing systems due to changes in legislation and security updates.

The next PSN submission is due before the end of December 2022, this follows the replacement of servers and storage that have now been upgraded. All the required improvements from the previous submission have been put in place, but with the threat of increased levels of cybercrime, the standards of compliance continue to be reviewed and

improved. The increasing levels of cyber security needed to maintain the security of the Council's network continue to be the focus of the ICT service to ensure the continued access for staff and members, particularly as we move forwards towards LGR. In line with the new council we have just introduced more complex network passwords of 12 characters.

Only essential upgrades to systems are taking place in light of review under LGR and potential migration of systems to NYCC ones.

The performance of the Business Support Team is set out in **Annex 2**. This continues to demonstrate the consistency of providing the excellent level of support to the rest of the Council. Additional support is now being provided by business support to the planning team to help facilitate efficient communication with customers.

The Street Naming and Numbering work continues to be maintained at gold standard for addresses. The GIS system is also now well embedded in the Council service areas and is being used more frequently, particularly by the planning team.

e) Senior Management Team (SMT) support

The Support Team to SMT provides a significant role in ensuring the delivery of Council objectives. Details of Local Government Ombudsman correspondence and MP correspondence is shown in **Annex 2**. Performance in these areas continues to be high.

Corporate Themes

With the decision to move to one Council made in July, a review of activities is taking place across all corporate activities to ensure compliance but defer longer term developments.

1 Equalities and Diversity

The Council continues to maintain its approach to Equalities and Diversity. The updated 2020/21 objectives and actions were approved by the November 2020 Corporate Board / December Council meetings, and these will cover 2021/22 also. An annual report will be presented to Corporate Board / Council in the next few months.

2 Information Governance

Good progress continues to be made to ensure the Council is compliant with legislative requirements. Updates are provided on a regular basis to the Audit, Governance and Standards Committee.

3 Corporate Capital and Asset Management

The Capital Strategy Action Plan was approved by Members as part of the budget process in February 2022. The Corporate Officer Group continues to progress the sale of surplus assets, whilst ensuring the maintenance of existing and required capital assets.

5. Links to Council Plan Objectives

A Council Plan 2020-24 was approved by Council in December 2019. These objectives have now been superseded by the ongoing work on LGR. Relevant current priorities are:

1. To provide a 'fit for purpose' Council

a) Investing in trainees and apprentices:

A total of 7 apprentices have now been appointed to the Council; the second 4 started in January 2021 and the 2nd group of 3 commenced in September 2021, all are progressing well and are being supported by the Apprenticeship coordinator. Three of the apprentices now has a permanent job at the Council, and another one has progressed to an advanced apprenticeship position with NYCC.

b) Investing in existing and new income streams:

The review of fees and charges was considered at the October 2021 Corporate Board for Members' consideration. The consideration of the 2022/23 levels of income will form part of the budget setting arrangements for the new Council.

c) Evaluated the range of service delivery options

The Council continues to operate a mixed economy model, through internal outsourced and partnership working. This will be reviewed as part of LGR.

d) Ensuring the Council has approved financial plans:

The updated Medium-Term Financial Strategy (MTFS) for 2021/22 to 2024/25 was last considered at the February 2022 Corporate Board. This is the last time a formal budget will be set for Richmondshire District Council.

e) Review processes through the business transformation programme:

As reported through the previous quarterly monitoring this work has now ceased due to LGR. Both members of staff in this section have now left to work for Government departments based in Darlington.

f) Review the operation of the community offices:

An initial review has been undertaken by the CA&H team. The work has been fed into the Scrutiny task group. No further progress is anticipated due to LGR.

g) Migrate customers to more cost-effective payment methods:

This has been achieved through the pandemic by not offering cheque or cash payments and has resulted in only a very few people being inconvenienced. This approach has continued now that the offices have been re-opened permanently.

Financial Report
Q2 - 1 July 2022 - 30 September 2022
REVENUE
Summary by Service

Service	2021/22 Actual	2022/23 Original Budget	Budget adjustments	2022/23 Working Budget	Q1 Variance Reported	Q2 Variance Reported	2021/22 Forecast Outturn	Outturn Variance
Business Support	233,458	252,500	0	252,500	(2,000)	13,800	264,300	11,800
Corporate Management	134,851	102,800	0	102,800	(3,500)		99,300	(3,500)
Senior Management & Support	564,579	567,500	0	567,500	11,000		578,500	11,000
Customer Services	275,783	294,700	0	294,700	(3,200)	11,900	303,400	8,700
Finance & Improvement Section	434,245	433,100	0	433,100		29,800	462,900	29,800
Housing Benefit Administration	(40,741)	(67,600)	0	(67,600)			(67,600)	0
Housing Benefit Payments	87,498	93,400	0	93,400			93,400	0
Human Resources	235,802	215,200	0	215,200	7,000	10,700	232,900	17,700
ICT Services	579,633	614,600	0	614,600	(2,100)	8,700	621,200	6,600
Local Tax Collection	(231,168)	(167,500)	0	(167,500)			(167,500)	0
Non Distributed Costs	2,694	2,500	0	2,500			2,500	0
Pension Costs	0	0	0	0			-	0
Revenues & Benefits	717,936	643,300	0	643,300	18,700	37,200	699,200	55,900
Miscellaneous Finance - inc Financing Costs	327,567	1,076,600	0	1,076,600	(340,900)	(105,800)	629,900	(446,700)
Communications	44,036	66,900	0	66,900	(12,500)		54,400	(12,500)
Net Revenue Expenditure	3,366,172	4,128,000	0	4,128,000	(327,500)	6,300	3,806,800	(321,200)
Internal Recharges etc	(2,198,445)	(1,747,600)	0	(1,747,600)			(1,747,600)	0
TOTAL BUDGET	1,167,727	2,380,400	0	2,380,400	(327,500)	6,300	2,059,200	(321,200)

REVENUE
Income & Expenditure Summary

Income	2021/22 Actual	2022/23 Original Budget	Budget adjustments	2021/22 Working Budget	Q1 Variance Reported	Q2 Variance Reported	2021/22 Forecast Outturn	Outturn Variance
Fees & Charges	148,647	(266,500)		(266,500)	(65,000)	(95,000)	(426,500)	(160,000)
Other	(5,914,944)	(5,232,900)		(5,232,900)			(5,232,900)	0
Sub Total:	(5,766,297)	(5,499,400)	0	(5,499,400)	(65,000)	(95,000)	(5,659,400)	(160,000)
Expenditure	2021/22 Actual	2022/23 Original Budget	Budget adjustments	2021/22 Working Budget	Q1 Variance Reported	Q2 Variance Reported	2021/22 Forecast Outturn	Outturn Variance
Salary Related Costs	2,673,569	2,618,000		2,618,000	(17,000)	97,200	2,698,200	80,200
Building Running Costs	27,978	28,100		28,100	4,000		32,100	4,000
Vehicle and Travel Costs	1,556	13,600		13,600			13,600	0
Supplies and Services	6,429,366	6,967,700		6,967,700	(249,500)	4,100	6,722,300	(245,400)
Third Party Payments	0	0		0			-	0
Capital Financing & Debt Charges	0	0	0	0			-	0
Sub Total:	9,132,470	9,627,400	0	9,627,400	(262,500)	101,300	9,466,200	(161,200)
Net Revenue Expenditure	3,366,172	4,128,000	0	4,128,000	(327,500)	6,300	3,806,800	(321,200)

Details of Major Variances

Service	Qtr 2 Variance (Surplus)/ Deficit	
Business Support	13,800	Salary pressure due to revised pay award £13.8K
Customer Services	11,900	Salary pressure due to revised pay award £16.9K, Saving in Cash courier £(5K)
Finance & Improvement Section	29,800	Salary pressure due to revised pay award £10.4K, LGR honorarium £3K, Consultancy fees for Collection Fund £9K & Procurement group subscription £7.4K,
Human Resources	10,700	Salary pressure due to revised pay award £7.7K, LGR honorarium £3K
ICT Services	8,700	Salary pressure due to revised pay award £13K, LGR honorarium £3K, New microsoft contract £(7.3K)
Revenues & Benefits	37,200	Salary pressure due to revised pay award £22.2K, Consultant for Covid grants work £15K,
Miscellaneous Finance - inc Financing Costs	(105,800)	CASH team Salary pressure due to revised pay award £4K, vacant post to 31.03.23 £(14.8K), Increased Investment Interest due to base rate increases £(75K), Increased Interest due from HRA £(20K)
Total	6,300	

CAPITAL

Summary by Scheme

Service	2021/22 Actual	2022/23 Original Budget (inc RF)	2022/23 Actual	Q1 Variance Reported	Q2 Variance Reported	2022/23 Forecast Outturn	Outturn Variance
ICT - Capital Programme	301,906	136,000	39,725	0	0	136,000	0
Increase/(Decrease) in Capital Programme	301,906	136,000	39,725	0	0	136,000	0

Details of Major Variances

Project	Explanation of Variance	Q2 Variance
	£59,630 expected overpend on DMS Software but will be offset in underspends on various project budgets	
Total		0

Annex 2

Quarter 2 performance								
Ref	Description	20/21 Actual	21/22 Actual	22/23 budget	Q1	Q2 cumulative	Comp vs target	Comp vs last year
Finance and Improvement								
1	Draft accounts completed / audited on time	no -audit delays	no -audit delays	yes	draft in progress		x	=
2	Quarterly budget monitoring reports	Yes	Yes	yes	yes	yes	✓	✓
3	Compliance with TM strategy	Yes	Yes	yes	yes	yes	✓	✓
HR and Payroll								
1	Staff sickness per FTE	6.10	8.90	5.50	1.90	4.59	x	x
2	Number of recruitment campaigns	41	73	40	9	20	=	✓
3	Annual cost of Occupational Health	6,556	9,250	5,000	n/a	n/a	=	=
4	Accidents / Incidents		20	10	5	6	x	✓
5	Total L&D expenditure	21,790	46,373	36,000	12,800	20,156	✓	✓
6	No of days lost through accidents at work		14	15	3	3	✓	✓
7	% Performance reviews completed across Council	71.14%	84.87%	100.00%	40.61%	56.05%	x	x
Revenues, Benefits and Customer Services								
1	Council Tax collection rates	98.12%	98.49%	98.80%	32.31%	59.96%	x	x
2	NDR collection rates	95.92%	98.09%	98.80%	44.80%	64.23%	x	✓
3	HB awarded - RDC properties	1,978,604	1,934,473	1,817,517	558,568	1,019,524	✓	✓
4	HB awarded - rent allowances	3,579,924	3,137,331	2,918,642	879,874	1,535,088	✓	✓
5	LA errors	2,018	42,736	12,500	2,406	3,076	✓	✓
	Lower Threshold	25,582	22,518	30,000	6,657	11,621	✓	✓
	Upper Threshold	28,780	25,333	34,000	7,489	13,074		
6	Processing HB new claims - days	19.46	18.17	23.00	23.40	17.05	✓	✓
7	Processing HB change of circumstances claims - days	2.38	2.13	10.00	2.57	2.81	✓	✓
8	Hardship fund / Council tax support awarded	246,252	68,025	69,000	21,199	82,252	✓	✓
9	CTR allocated	2,368,705	2,254,005	2,400,000	2,368,745	2,024,513	✓	✓
	CTR % collected - pensioners	97.86%	97.93%	98.50%	41.80%	66.26%	✓	✓
	CTR % collected - working age- now combined	79.81%	89.93%	85.00%	28.47%	50.85%	x	x
	CTR % collected - working age (other)	79.54%	87.63%	83.00%	n/a	n/a	x	x
10	DHP Award	125,792	130,119	113,863	26,846	95,943	=	=

Quarter 2 performance								
Ref	Description	20/21 Actual	21/22 Actual	22/23 budget	Q1	Q2 cumulative	Comp vs target	Comp vs last year
11	% penalties collected	0.00%	0.00%	100.00%	0.00%	0.00%	x	x
12	Electronic access to services	1,206,989	1,368,794	1,000,000	351,432	608,136	✓	x
13	Contact centre calls	54,279	53,943	52,000	12,770	25,901	✓	✓
14	Front office visits	573	5,826	10,000	2,381	4,681	✓	✓
15	Payments received via web	24,097	24,289	30,000	4,825	8,824	x	x
16	Payments received by post	1,439	1,288	1,000	362	610	✓	✓
17	% Contact centre calls resolved at 1st point of contact	85.0%	88.0%	88.0%	88.0%	88.0%	=	=
18	Customer satisfaction - contact centre	94.0%	92.0%	88.0%	92.0%	92.0%	✓	✓
19	Customer satisfaction - front office	n/a	100.0%	95.0%	100.0%	100.0%	n/a	n/a
ICT & Business Support								
1	Total service desk calls logged	3,905	3,600	3,000	878	1,744	x	✓
2	Total service desk calls open at end of quarter	64	53	40	56	41	x	✓
3	Time internal systems available (%)	98%	99%	99%	97%	98%	✓	✓
4	Time external systems time available (%)	97%	99%	99%	97%	98%	x	x
5	Time network infrastructure available (%)	100%	99%	100%	99%	99%	✓	x
6	Time internet access available (%)	98%	100%	100%	97%	98%	✓	✓
7	Complaints received	35	59	40	10	27	x	x
8	Compliments received	73	64	90	6	13	x	x
9	Complaints upheld	4	17	0	5	5	x	x
10	Invoices paid within 20 days	93%	92%	95%	95%	95%	✓	✓
11	Creditors paid by BACS	99%	100%	99%	100%	100%	✓	✓
12	% SAR responses within statutory deadlines	100%	100%	100%	100%	100%	✓	✓
13	% FOI responses within statutory deadlines	80%	86%	90%	96%	91%	x	x
SMT support								
1	MP letters	99	59	50	17	36	x	x
2	MP correspondence response - days	6.82	5.1	15	7.29	8.21	✓	✓
3	Local Government Ombudsman complaints	6	9	2	0	1	x	x
4	LGO complaints upheld	0	0	0	0	1 partial	x	x