

7 December 2022

| | |
|-------------------------|---|
| Subject: | Performance Management Framework – Q2 Monitoring |
| Cabinet Member: | Deputy Leader, Cabinet Member for Finance & Resources, Cllr Bob Piper |
| Director: | Director of Business Strategy and Change, Neil Cox |
| Key Decision: | No |
| Contact Officer: | Kate Ashley – Strategic Lead: Service Improvement Jane Alexander – Senior Lead: Service Improvement Rebecca Jenkins – Senior Lead: Service Improvement Sarah Sprung – Senior Lead: Service Improvement Narinder Phagura – Business Partner Audit Services |

1. Recommendations

- 1.1 That Cabinet consider progress on the further development of the Corporate Performance Management Framework and approve the Q2 monitoring reports.








2 Reasons for Recommendations

- 2.1 Council approved a corporate Performance Management Framework (PMF) on 12 April 2022, to address the recommendations of the Governance Value for Money Review by Grant Thornton and as a key element of the Council's Improvement Plan.



2.2 Since April, the corporate PMF has been further refined and built into business processes. Reporting on Q1 was presented to Cabinet on 28 September 2022. The report on Q2 seeks to build on the intelligence gathered for Q1 and offers the opportunity to assess in year progress.

3 How does this deliver objectives of the Corporate Plan?

| | |
|---|---|
|  | The corporate PMF includes measures under all strategic objectives in the Corporate Plan to monitor progress in these key areas. The PMF also includes elements that measure the council's use of its resources to ensure delivery of the strategic objectives. |
|  | |
|  | The Strategic Risk Register details the key strategic risks that need to be managed to ensure that they do not negatively impact on the successful delivery of the Corporate Plan objectives. |
|  | |
|  | |
|  | |
|  | |

4 Context and Key Issues

4.1 The updated Improvement Plan was approved by Council in June 2022. In regard to progressing the PMF, commitment was given to the following actions:

- Develop and embed a corporate performance management framework that provides Leadership Team and members collective oversight of progress on the Corporate Plan, key operational level intelligence, organisational health and improvement activity;
- Ensure public consultation results are incorporated into performance management framework, including on budget development;



- Build organisational health metrics into performance management framework, including 'pulse' checks on organisation's wellbeing;
- Embed management of key corporate contracts within the performance management framework to ensure oversight of performance and link to the Corporate Plan;
- Build benchmarking of financial and service performance into performance management framework;
- Develop, implement and monitor progress of Directorate and Service level plans to deliver the Corporate Plan;
- Embed regular budget monitoring reporting to Leadership Team and Cabinet within corporate performance management framework; and
- Explore implementation of a corporate performance management system.

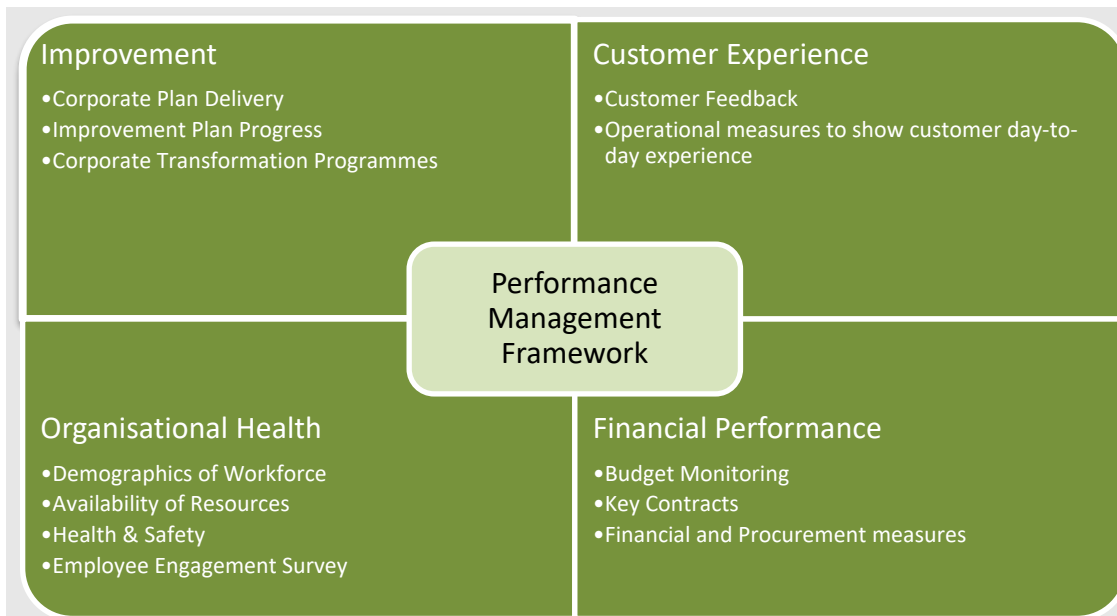
4.2 Good progress has been made against many of the commitments in this list. This report sets out the progress we have made against establishing the Corporate Performance Management Framework and building its monitoring into the Council's business processes. This report signifies a major step forward in providing consolidated performance and risk reporting for Cabinet. Further reports will be brought to Cabinet on the remaining commitments in due course.

4.3 Progress in relation to the Q2 budget monitoring report, and the Improvement Plan are the subject of further reports on Cabinet's agenda.

5 Corporate Performance Management Framework

5.1 There are four key components to the Corporate PMF. Combined, these provide the oversight and intelligence the council needs to determine progress in delivering the Corporate Plan and how the organisation is performing in key areas.





5.2 A suite of performance information was identified and agreed for each element of the PMF and this forms the basis of monitoring progress. The purpose of this report is to inform Cabinet of progress against each element of the PMF for Q2 of 2022/23. The detailed Q2 reports are included as appendices to this report.

6 Financial Performance

6.1 Budget Monitoring

6.1.1 The Council's financial position as at the end of October (Q2) is subject to a separate report on this agenda.

6.1.2 In summary, the forecast outturn for the year for the General Fund is an overspend of £1.9m. This is being driven predominantly by inflationary pressures on pay, contracts and supplies and services. The Council budgeted for a 2% pay award. The Q1 forecast assumed a 5% pay award. However, the recent pay offer from the Local Government Employers is a fixed sum for all spinal points which averages 7% and has now been accepted. This equates to an additional £8.3m payroll costs.

6.1.3 There are also inflationary pressures on non-pay budgets, including utilities costs, exceptionally high social care placement costs and contractual increases.



- 6.1.4 The additional cost pressures have been mitigated by a review of 2021/22 underspends to identify ongoing savings that can be achieved for 2022/23 as well as a review of vacant posts. There is also some use of earmarked reserves to mitigate pressures, including £1.1m from the Financial Planning reserve which was established as part of the 2022/23 budget process specifically to cover risks associated with increased inflation during the year. Leadership Team are continuing to identify further corrective action that can be taken for the remainder of the year to reduce the forecast overspend.
- 6.1.5 The Housing Revenue Account is currently forecasting an underspend of approximately £1.1m as although the HRA is also experiencing inflationary pressures, there are a high level of vacancies which are offsetting the increased costs.
- 6.1.6 The other key performance measures for finance relate to the collection of debt and processing of claims. See Appendix 1 – Q2 Finance report.
- 6.1.7 Processing time for new Housing Benefit Claims continues to be at 19 days, which is better than the national average of 20 days.
- 6.1.8 Compared to Q1 performance, Council Tax and Sundry Debt collection rates have improved and have met their targets this quarter.
- 6.1.9 A summary of KPIs that did not meet their performance target is as follows:
- In relation to the number of days taken to process Housing Benefit Changes in Circumstances, performance has not met target for Q1 or Q2 due to a backlog of work. There has been good progress in addressing the backlog and performance should start to improve.
 - In relation to Adult Social Care Financial Assessments, performance has not met the quarterly targets. It should be noted that as the targets are set at 100% it is unlikely to be achieved. Therefore these targets need to be reviewed. Performance for Non-residential care financial assessments taking place within 3 weeks of a care package being approved is at 57% for Q2. The reason for the reduced performance is due to a focus on outstanding cases and moving customer billing from statements to invoices
 - Rent collected is slightly below target due to rising cost of living pressures. We are working with partners to provide information



and advice to tenants to prevent them getting into arrears as far as possible.

6.2 Key Contracts - Sandwell Children's Trust

6.2.1 Since April 2018, children's services have been delivered by Sandwell's Children's Trust on behalf of the Council. The contract sum for 2022/23 was £70.47m. Following subsequent agreements to additional sums, that are related to pressures around staffing and placements, the total contract sum is £71.7m.

6.2.2 Sandwell Children's Trust delivers the following range of services:

- Children's Social Care
- Fostering
- Targeted Early Help

6.2.3 The contract is managed through a well-established governance framework. Grant Thornton, in their Value for Money Governance Review (December 2021) commented that *'There is a robust governance framework in place for the Council and other stakeholders to monitor of the performance of SCT'* and recommended the continuation of these arrangements.

6.2.4 There is a requirement to undertake a contract review after four years of operation and the review was presented to Cabinet in September 2022. Cabinet agreed that they do not recommend to the Secretary of State for Education that the break clause is invoked. As set out in the Service Delivery Contract, the Contract Review will be presented to the Operational Partnership Board and the Strategic Partnership Board, following which, the reviews will be sent to the Secretary of State.

6.2.5 Performance is monitored through a monthly review of 15 KPIs within the contract, and a monthly review of performance within agreed tolerances. As part of the contract review, the Director of Children and Education has been authorised to agree with Sandwell Children's Trust revised contractual key performance indicators, to commence on 1st April 2023.

6.2.6 In May 2022, the Ofsted Inspection of Local Authority Children's Services improved the rating from 'inadequate' to 'requires improvement to be good'.



6.2.7 The Q2 Performance Report is attached at Appendix 2 and is summarised as follows:

6.2.7.1 Recruitment and Retention of Social Workers:

- There continues to be significant issues in recruiting and retaining social workers and the Trust has been working to ensure that no child remains unallocated for longer than 5 days.
- Three project teams are in place providing interim capacity whilst the Trust continues to recruit to the workforce
- Three cohorts of AYSE social workers (assessed and supported year in employment) have joined the Trust.

6.2.7.2 The Trust were able to bring the number of children unallocated for longer the 5 days figure down to zero in September 2022. This was a red rated KPI at Q1.

6.2.7.3 Numbers of Children in Care:

- The total number of children in care, as of September 2022, is 818. This is a significant reduction against the March 2022 position when 844 children were in care. The target for March 2023 is 796.
- At the end of September 2022, Sandwell was performing well at a rate of 98.6 children in care per 10,000, compared with a March 2022 rate of 101.7. Comparator data is not yet available for Q2, but at the end of quarter 1, Sandwell was performing well against WM statistical neighbours, with some work still required to match the whole statistical neighbour average.
- The general trend across statistical neighbours for the last 12 months has been an increase in the rate of children in care, whereas in Sandwell the rate has fallen.

6.2.7.4 Report on the 15 Contract KPIs:

- Improvement in performance against the KPIs since the last quarter, with 10 out of the 15 KPIs now green
- The current red rated KPIs are:
 - Percentage of Initial Child Protection Conference (ICPC) in 15 working days
 - Out of the total number of open Single Assessments, the percentage of assessments completed within 45 working days
 - Vacancy rate of social workers



- The KPIs that are red as of September 2022 can be directly linked to the national workforce issues.

6.2.7.5 Finances:

- The 2022/23 financial performance is being measured against the agreed 2022/23 Contract Sum as approved by Cabinet in February 2022.
- The high cost of placements, as well as recruitment and retention issues, means that SCT are forecasting an overspend, against the MTFP, of £570k as at the end of Quarter 2. This is in addition to the savings target of £2.3m.
- The council and SCT have discussed options to take corrective action including reviewing the Trust's Workforce Strategy, freezing non-operational vacancies and an increase of in year savings targets.
- In September 2022, Cabinet agreed to fund additional costs to recruit additional project teams. It is estimated that this will cost £750K for the year. The funding of this additional cost will, in part, be offset slightly by a saving of approx. £250k in the costs of paying market supplements due to vacant posts – agreed by Cabinet in March 2022. The Council maintains a risk reserve for the Trust and it is proposed to use a combination of Social Care Grant and the reserve to offset the remaining £500k.
- The annual Contract Sum provides for the Council to fund the cost of the pay award each year. This was estimated at 2% in line with the Council's assumption in its own budget, the Council will need to fund the actual costs once confirmed.

6.3 Key Contracts - Serco

6.3.1 The Council's contract with Serco was awarded in 2010 and runs until 2035. It has a contract value in the region of £30m per annum.

6.3.2 The contract covers the following services:

- Weekly residual waste kerbside collection for all households in Sandwell (121,000)
- Weekly recycling kerbside collection for all households in Sandwell
- Optional green waste collection service (fortnightly - seasonal)
- Optional food waste collection service (weekly)
- Household Recycling Centre management
- Other recycling offered including batteries



- Street cleansing including fly tip collection, annual cleansing including weed spraying and collection, leaf collection
- Fleet management and renewal - SMBC undertakes the fleet servicing through a contractual arrangement with Serco

6.3.3 The Council has been focusing on improving the overall performance of the Serco Contract and the management of this contract is a component of the Council's Improvement Plan. Key achievements to date have been:

- Agreement of the Contract Monitoring Framework
- Agreement of standardised agendas for contract monitoring meetings
- Implementation of the Waste and Recycling Recovery Plan
- Approval of the Street Cleansing Recovery Plan (which is due for implementation from October)
- Approval of and delivery of Fleet Replacement as per the agreed schedule
- Contract initial review

6.3.4 Q2 performance was reported to Leadership Team in November and included information around governance and contract management arrangements, quarterly contract performance, SMBC contract monitoring and penalties issued, HR issues, stakeholder management, improvement focus, and an example of improvement activity that has taken place in relation to gully cleansing.

6.3.5 Key points over quarter 2 were:

- Governance and contract management arrangements are in place and over this quarter, all contract meetings have taken place.
- Regular cross channel communication takes place between the SMBC and Serco teams
- Performance reporting has been significantly improved. Key Performance Indicators have been introduced for areas of concern and annual plans and schedules are being provided for the Council's review
- Performance over Q2 has decreased for missed bins which reflects Summer disruptions
- Contract deductions are being applied to reflect underachievement against Key Outcome Targets

6.3.6 The ongoing focus for improvement is across 3 key work streams:



- Street cleansing improvements:
 - Street cleansing plan due to be implemented from October
 - SMBC identifying location in 6 towns for storage of new “street hoover” type machines
 - Serco purchasing initial 3 “street hoovers” at £20,000 each
 - Gully work underway to improve data capture and risk based approach
- Data / reporting / systems
 - Contract management software research undertaken by SMBC
 - Contract management module for Intend procurement system being progressed for integrated contract support
 - Whitespace back office system for waste is being improved (upgrade to most recent version) by Serco to support crews uploading images
 - Whitespace integration to My Sandwell or the Council website being reviewed by SMBC to consider upload of annual schedules such as weed spraying and clearance
 - Further KPIs being added to monthly reporting. SMBC now receives a member’s scorecard, a KOT performance pack & a service slide pack on a monthly to review and understand service delivery. Enables more regular touch points.
- Annual plans are now meeting contractual compliance

6.4 Key Contracts – Sandwell Leisure Trust

6.4.1 Sandwell Leisure Trust (SLT) manages the following leisure centres in Sandwell:

- Haden Hill Leisure Centre
- Hadley Stadium
- Harry Mitchell Leisure Centre
- Langley Swimming Centre
- Portway Lifestyle Centre
- Smethwick Swimming Centre
- Tipton Leisure Centre
- Tipton Sports Academy
- Wednesbury Leisure Centre



- 6.4.2 As part of the Council's resolution of the issues identified, Cabinet at their meeting 9 February 2022 terminated the Management Funding Agreement (MFA) with SLT; SLT will formally cease to deliver services on 2nd May 2023.
- 6.4.3 Cabinet at their meeting 22 June 2022 decided that SLT will be replaced by a Local Authority Trading Company (LATC). The formation of the LATC is ongoing. Bevan Brittan are providing advice on the process for terminating the MFA and legal settlement with SLT; details will be provided in the Q3 performance report.
- 6.4.4 A key workstream in the preparation for the LATC is the development of a comprehensive services specification, which will govern how the LATC will operate, deliver services and interact with the Council. The specification will include a detailed framework for governance, contract and performance management.
- 6.4.5 As an interim measure, a schedule of monthly contract review meetings has been implemented. A separate series of meetings with SLT has been scheduled to support the transition of the operation to the LATC. This agenda includes contract novations, staff transfer and data access.
- 6.4.6 Interim contract management measures are in place which include:
- Schedule of monthly contract review meetings in place
 - Series of meetings to support transition
 - Revised KPIs in place
- 6.4.7 Q2 performance was reported to Leadership Team in November and this included information around the revised KPIs. Sport and Leisure is a traded service and performance was particularly impacted by Covid lockdowns; the last financial year unaffected by pandemic-related restrictions was 2018-19. As such, pending the implementation of the revised suite of KPIs, interim contract performance monitoring has focused on financial performance and is summarised below. Retrospective reporting on KPIs for Q1 and Q2 will be available for future performance reports.
- 6.4.8 SLT financial performance to 31st August is stable and £123K better than budget. Consisting of trading income £2.85m (budget £2.75m), and expenditure £3.96m (budget £3.98m).
- 6.4.9 The current improvement focus consists of 3 strands:



- Trading - identifying how SLT's post-Covid trading is rebounding in comparison to national and statistical comparators
- Supporting the transition to LATC
- Supporting the preparation for the public opening of Sandwell Aquatics Centre

6.5 Key Contracts – Places for People Leisure

6.5.1 A 25-year contract is in place with Places Leisure to operate West Bromwich Leisure Centre and an annual management fee of £20K is paid to the Council. It has a contract value of £18,500pa.

6.5.2 Q2 performance was reported to Leadership Team in November and included performance information around governance performance, activity programming and sports development, participation, service planning delivery and control, building maintenance and housekeeping, customer feedback, health and safety, marketing overview, and corporate social responsibility).

6.5.3 Monthly operational reporting and quarterly Contract Management Meetings are in place and well-established. There has been 100% compliance of meetings across Q1 and Q2.

6.5.4 In terms of Q2 participation:

- Total visits to date: 32,000
- Participation to Date: 205,000 (up from 108,000 Sep 2021; down from 235,000 Sep 2019)
- Memberships Year to date: Fitness Live (increase from Sep 2019), Swimming (decrease from Sep 2019)

7 Organisational Health

7.1 The majority of organisational health indicators are reported annually and were included in the Q1 PMF report. Sickness absence is reported on a quarterly basis along with a set of 6-monthly indicators, as outlined below. Quarterly reports on Health and Safety are made to Leadership Team.

7.2 Sickness Absence

7.2.1 Sickness absence is reported on a quarterly basis to Leadership Team and Directorate Management Teams. A detailed breakdown for Q2 is included at Appendix 3.



- 7.2.2 At Q2, an average of 5.29 working days per employee were lost due to sickness against a target of 3.86. An increase from Q1. Figures are cumulative for the financial year to quarter end.
- 7.2.3 The largest cause of sickness absence is stress, depression and mental health, followed by infection and muscular-skeletal problems. The primary cause of “infection” absence is coronavirus.
- 7.2.4 Over forthcoming months, a detailed review is being undertaken to analyse causes and trends in sickness absence, and to review sickness absence management processes.

7.3 6-monthly Indicators

- 7.3.1 6-monthly indicators are set out in Appendix 4. The percentage of leavers and starters to the Council along with the current number of apprentices is lower than the year end position. For starters and leavers the direction of travel is influenced by many variables and will reflect overall business and workforce plans. At this point in the year recruitment is pending for further apprentice intakes so this figure is not an indication of the final year out turn. Our new workforce strategy will include future talent plans, including apprenticeships and graduates, seeking to build back post-pandemic.

7.4 Employee Engagement

- 7.4.1 The Q1 performance report included details of the Employee Engagement Survey that was completed in April 2022. Messages from the survey included views from staff that:
- the Council is not harnessing all the strengths of our staff because there is not a culture of inspiring staff to innovate and do things differently
 - the visibility and accessibility of Senior Leaders needs to improve
 - Council Leaders do not live the Council’s values
 - customer focus is not improving
 - recognition of hard work and dedication needs to improve
 - action will not be taken as a result of the survey
- 7.4.2 Actions to respond to the survey have been embedded in the Improvement Plan, and Directorate-level actions agreed.



7.5 Health and Safety

- 7.5.1 Overall accountability for health and safety rests with the Chief Executive and the Leadership Team. The current Corporate Health and Safety Policy 2021-2023 sets out the communication and monitoring approach to ensure that health & safety information is considered at the right level.
- 7.5.2 Quarterly Health and Safety Performance Reports are made to the Leadership Team as part of regular performance conversations. This includes management information around accidents and incidents, proactive tasks undertaken by the Health and Safety Unit (such as audits and TU representative's queries), and an update on training and development.
- 7.5.3 Each of the nine Directorates receives its own quarterly Health and Safety report which are presented via the appropriate forums (e.g. Directorate JCC / Health and Safety Committee Meeting) for discussion, action and dissemination.
- 7.5.4 A quarterly Corporate Health and Safety Board is in place to assist the Chief Executive Officer and Leadership Team in the discharge of their health & safety responsibilities. The purpose of the board is to consider corporate matters affecting the health and safety of council employees, and others affected by the council's activities via formal consultation and review of our health and safety management system, monitoring activities and referrals from employee representatives. The board is chaired by the Director of Business Strategy and Change and involves one member of each Directorate Management Team along with Trade Union representatives, the Head of Health and Safety.

8 Improvement – Corporate Plan Delivery

8.1 Progress on Corporate Plan PMF

- 8.1.1 Since the approval of the PMF at Council on 12 April 2022, progress has continued in developing the Corporate Plan PMF. There are now 170 measures across the seven strategic outcomes, owned across our nine directorates. Work has taken place with each directorate to further refine measures, to understand the intricacies of the measures and when data can be made available. A summary of the activity that has taken place is set out below:



8.1.2 Achievements July to September 2022

- We have conducted a lessons learned exercise and have embedded the learning from this into Q2.
- We have continued to work with Research and Intelligence to develop the intelligence offer, particularly around the Corporate Plan PMF, with a view to publication of data on the Sandwell Trends website.
- We have strengthened relationships with directorates and sought to put in place a more structured approach to Q2 to improve understanding and clarity.

8.1.3 Our journey needs to continue to collectively develop a fully functioning performance management culture across the organisation.

8.1.4 The indicators chosen as part of the Corporate Plan PMF include metrics that are available either quarterly, annually, biannually and in some cases termly. This provides a challenge for quarterly reporting as not all the measures are available at the same point. With those measures that are available quarterly, reporting for many of them has at least a 3 to 4-week lag following the quarter end.

8.2 Progress against the seven strategic outcomes of the Corporate Plan

8.2.1 To provide assurance in our progress delivering the Corporate Plan each directorate has submitted a return outlining actions that have been taken during Q2 that contribute to Corporate Plan delivery. This intelligence together with those measures that are currently available for the Corporate Plan PMF have been brought together to provide corporate oversight of progress.

8.2.2 Summaries of progress for each of the seven strategic outcomes are set out below. Appendix 5 contains a more in-depth overview.

8.3 Best Start in Life for Children and Young People

8.3.1 Overall there has been good progress in education and support for young people in Sandwell through Q1 & Q2. The reach of children's centres in Sandwell for community outreach programmes has increased by 20% compared to the Q1 figure. The percentage of children who have a repeat care plan within two years of ceasing on a care plan has also improved from Q1.



8.3.2 By working in partnership with partners such as West Midlands Police to tackle youth violence and sharing good practice with early years teams in Warwickshire and Hampshire, Sandwell is striving to ensure that every child and young person in Sandwell gets the best start in life.

8.3.3 No actions have been RAG rated red across this strategic outcome.

8.4 **People live well and age well**

8.5 On the whole under people that live well and age well there has been progress in terms of putting the building blocks in place to help people to live healthily and independently for longer and many of the key deliverables are on track, for example the Healthy Sandwell Advice and Referral Service is working well, work has advanced on establishing the LATC to take over SLT managed facilities and various operational reviews are on track.

8.6 There has been some slippage under each theme, but actions are in place to address this.

8.6.1 There are no red RAG rated actions in this strategic outcome.

8.7 **Strong Resilient Communities**

8.7.1 We are reflecting on and learning from events run over the summer and have put in place our programme for Autumn/Winter 2022/23.

8.7.2 We continue to work collaboratively with key partners in relation to community safety to deliver better outcomes for our residents, taking a more intelligence led approach to tackling key issues.

8.7.3 There are also several areas where an amber rating has been applied, generally these relate to areas where we are trying to secure funding, and areas where we are experiencing difficulties in recruiting.

8.7.4 Two actions in this strategic outcome have been RAG rated red, these relate to the governance arrangements and budgets for grants to the voluntary sector and capital funding for the replacement of 4,000 high energy street lights with low energy LED lighting.

8.8 **Quality Homes in Thriving Neighbourhoods**

8.8.1 Overall, there has been good progress in developing quality homes in thriving neighbourhoods with many corporate plan actions being on



track. There does continue to be issues in sourcing sufficient resource to manage the volume of repairs to council stock.

8.8.2 Importantly, it should be highlighted that we are performing well in relation to supporting our residents in the cost of living crisis, as demonstrated by the number of individuals assisted by our Welfare Rights Service. We know that this support really matters to our residents, as captured in the results of our residents survey where 67% of respondents said the issue that most concerned them was the cost of living.

8.8.3 There is one action that has been RAG rated red where there is significant slippage and uncertainty. This is in relation to delivery of the Black Country Plan.

8.9 A Strong Inclusive Economy

8.9.1 We continue to make good progress in developing an inclusive economy across Sandwell and in maximising funding opportunities and local investment.

8.9.2 Monitoring of the Regeneration Strategy and pipeline indicates that the vast majority of the 66 projects are on track or amber, meaning they are progressing through the delivery stages. 23 projects remain at the concept stage and are therefore identified as red risks.

8.9.3 There is one action that has been RAG rated red in this Strategic Outcome this relates to the development of a borough plan that feeds into the Black Country Plan.

8.10 A Connected Accessible Sandwell

8.10.1 Overall there has been good progress on key infrastructure pipeline projects such as the Metro extension and Blackheath Interchange which are at various stages of delivery.

8.10.2 The ULEV charging scheme has progressed from business case to delivery stage. Phase I will deliver 75 Charging points, future phases will look to deliver 250 charging points by 2025. This is a clear indicator showing that Sandwell is making strides in becoming more connected and accessible.



8.10.3 There has been some slippage on projects due to recruitment difficulties and also budget pressures related to inflation. If not addressed these slippages could cause further issues/delays for the projects.

8.11 **One Council, One Team**

8.11.1 Recruitment campaign for permanent CEX launched to provide stability in leadership and continuity of style and approach. An appointment was made in November

8.11.2 Progress made on implementing systems that will enable a modern, outstanding council: New Systems Integrator procured for Oracle Fusion and in final stages of agreeing implementation plan to move, and data collection in progress to determine future telephony requirements.

8.11.3 Performance in customer services impacted by increased demand for face-to-face contact and additional responsibilities, e.g. energy rebate. Focus on improving customer journey – Customer Commitments drafted and feedback to be sought from customers. Progress made on digital inclusion with funding of Digital Dens agreed and recruitment of co-ordinator underway.

8.11.4 Wellbeing provision has continued to be developed with appointment of wellbeing specialist. Resources identified to undertake HR policy review in support of best practice, effective and efficient people management policy and procedure.

8.11.5 Progress in listening and accountable – residents wellbeing and perception and budget consultation surveys conducted and initial results shared and will be embedded in business planning. Consultation on proposed changes to election cycle conducted to help inform Council's decision in November. Development of proposal for cross-council resident engagement - to be presented to LT in Q3.

8.11.6 Corporate performance reporting aligned with financial and risk reporting to provide Leadership Team and Members with oversight of key information to support decision making.

8.11.7 MTFS has been reviewed and progress made across all aspects of Making the Most of our Resources. Options paper on charging for green waste developed for discussion at Cabinet in Q3, improving rating from Red to Amber.



8.11.8 Two actions in this strategic outcome remain RED rated this quarter: the refresh of the Council's Storage Area Network is dependent upon delivery on hardware which has now been shipped; the Corporate Data Strategy remains delayed due to resources being focused on the council's Improvement Plan and corporate performance framework.

8.11.9 Whilst some slippage of targets is inevitable when managing the number of actions that underpin our Corporate Plan, it should be noted that there are a higher number of amber actions in this strategic outcome than in others. In total there are 20 amber actions in the One Council Strategic outcome.

8.12 Resident Wellbeing and Perception Survey & Resident Budget Consultation

8.12.1 In May 2022 the Council commissioned Enventure, a market research agency, to conduct a borough-wide residents' survey to support evidence-based policy, service delivery and performance management. This was a large-scale quantitative survey covering several themes and particularly aligned to LGA Benchmarking resident satisfaction surveys (June 2022 was used).

8.12.2 The survey was undertaken by telephone, with an adult sample that was designed to be representative of the wider borough by gender, age, ethnicity, employment status and geography. Provision was made for communicating with typically under-represented, or 'hard-to-reach' groups and respondents whose first language is not English through community groups and networks and the use of translators and interpreters.

8.12.3 The residents' survey secured 1,062 responses, which is a sample large enough to provide statistically highly reliable findings at the borough level and sufficient responses to examine the results by sub-groups including at town level. These will be analysed in detail by the Research & Intelligence Team to inform a programme of dissemination within the Council and more widely.

8.12.4 The Council simultaneously commissioned Enventure to undertake a budget consultation survey with residents to inform the budget setting process. The representative budget consultation was conducted via



telephone and face-to-face with quotas set on age group, gender, disability, ethnic group and area of the borough. In addition, some interviews were undertaken face-to-face on-street and in local community groups to consult with hard to reach residents.

8.12.5 Alongside the representative survey was an online survey open to all Sandwell residents. In total, 1,070 responses were received to the representative resident survey and 577 responses to the open online survey.

8.12.6 Appendix 6 details the key findings from the Resident Wellbeing and Perception Survey and the Budget Consultation.

9 Improvement Plan

9.1 The Council's Improvement Plan was agreed in June 2022 and responds to the Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities, and the findings of three external reviews.

9.2 The Improvement Plan focuses on the governance arrangements of the council and areas of improvement across the organisation. The deliverables set out in the Improvement Plan will achieve long-term sustainable improvements in how the council operates and is able to make effective decisions focused on improving outcomes for residents and experiences of service users. The underpinning objective of the Improvement Plan is to ensure that the council is able to deliver on the aims and priorities as set out in the Corporate Plan.

9.3 Progress of the Improvement Plan is monitored monthly by Directors and Cabinet Members and is reported to Cabinet Quarterly. The next report to Cabinet will be made alongside this Q2 performance report.

9.4 Audit & Risk Assurance Committee and Scrutiny Committees will be used for maintaining oversight of the actions and implementation of the Improvement Plan. The Improvement Plan Risk Register and overall progress is reported to the Audit & Risk Assurance Committee regularly. The next report will be made on 15 November 2022. Budget & Corporate Management Scrutiny Board has included several elements of the Improvement Plan on their work programme as well as regular reports on overall progress. The next report to Budget & Corporate Management Scrutiny Board will be made on 29 November 2022.



9.5 External assurance will continue to play a part in our improvement journey. Grant Thornton, CIPFA and the LGA have been conducting reviews over Autumn 2022 to monitor our progress in addressing the recommendations in their reviews. They will produce further review reports for the council's consideration.

10 Corporate Transformation

10.1 An Assistant Director for Transformation, a Corporate Transformation Manager and two Business Analysts have recently been appointed. Their initial focus is on a review of all Transformation activity across the Council, and bringing forward proposals for a Corporate Transformation Programme, with the required Governance and Resources to ensure its delivery.

10.2 A Framework for Corporate Transformation was approved in October 2022. The represents a key milestone in Sandwell Council's maturity towards Portfolio, Programme and Project Management (P3M). The Framework sets out how P3M will be carried out, what standards we expect and functionally, how we carry out Programme and Project Management. It will help meet the Strategic Objectives of the Council's Corporate Plan and Improvement Plan including Service Improvement Plans and other strategic objectives.

10.3 The Project, Programmes and Portfolio Management Methodologies adopted by Sandwell Council are a blend of best practice and formal industry recognised approaches within the Public Sector. The main Methodologies adapted by Sandwell Council are PRINCE2, MORE Framework, ADKAR and Systems Thinking.

10.4 The Portfolio will have a Benefits Framework which sets out how we are going to measure success of the Portfolio and how we report progress to Elected Members.

10.5 Corporate Transformation will assure that risks are being identified documented and escalated where necessary. CTO will report on risk at



Programme and Portfolio Boards and be responsible for escalation of risks.

11 Strategic Risk Register

- 11.1 Effective risk management is a key element of good corporate governance, as noted in the council's [Code of Corporate Governance](#), and is essential to the overall performance of the council in meeting its corporate plan objectives. Good risk management will ensure that resources are used efficiently and effectively and that assets and resources are protected against risk in the most efficient way.
- 11.2 The Audit and Risk Assurance Committee (ARAC) receive the Council's Strategic Risk Register on a regular basis for review and comment. The role of the ARAC is to provide assurance to the Council that it has a system of governance, risk management and internal control in place and that the adequacy and effectiveness of these arrangements continue to inform decision making
- 11.3 The Strategic risk register does not include all of the risks faced by the Council. Other risks are captured within directorate, programme and project risk registers in line with the Council's risk management framework. The SRR as at August 2022 was presented to ARAC on 22 September 2022 and was also included in the Q1 PMF report to Cabinet.
- 11.4 Following their consideration of the SRR, ARAC requested and has received further details and assurances in respect of the impact that the high levels of inflation are having on the council's finances and the spending control measures being implemented to assist in the mitigation of this risk. In addition, ARAC have in place a programme to receive directorate-level risk registers.
- 11.5 The next update on the Strategic Risk Register will be provided to Cabinet as part of the Q3 PMF report and to ARAC in March 2023.

12 Customer Experience

- 12.1 Since Q1, work has taken place to establish a Customer Journey Programme which will be governed within the Corporate Transformation Programme. The programme will consist of 5 workstreams as follows: Service Backlogs, Customer Experience Strategy, One Stop Shop/Community Hubs, Contact Centres, and Technology.



12.2 The Q2 Customer Experience performance report is attached in Appendix 7 and summarised below.

12.3 Channel Shift

12.3.1 In terms of channel shift (the ways that customers choose to contact the council), Q2 performance has followed the trends from Q1. In Q2, the majority of contact was made via MySandwell (53%) and by telephone (40%). The amount of contact in Q2 was lower than Q1 across all channels.

12.4 Contact Centre Performance

12.4.1 The Council operates three contact centres. Over Q2 all contact centres have experienced reduced performance. The common reasons for the reduced performance are due to staff vacancies and recruitment problems which will continue to impact on performance at Q3.

12.4.2 The Adults Social Care Contact Centre has been experienced reduced performance across all KPIs since Q1 and targets have not been met for the average wait measure and the average call time. At Q2 customers were waiting an average of 1minute (against a target of 30seconds), and call time exceeded the target by 30 seconds. The main reasons for this performance are due to staffing issues and some specific issues with Blue Badge payments which have led to repeat calls and longer call times.

12.4.3 The Revenues and Benefits Contact Centre has experienced reduced performance across two of the three KPIs since Q1 and targets have not been met for the abandonment rate or the average call time. At Q2 the abandonment rate of 19.93% was above the quarterly target of 15% and slightly higher than the Q1 rate of 19.2%. The average call time was 9 minutes, in line with Q1 performance but a minute over target. The average wait was nearly 15minutes at Q2, a minute increase on Q1. The reasons for this performance were due to staffing issues, demand for annual leave during the school holiday, re-introduction of Council Tax recovery, high demand linked to the energy rebate and the customer base requesting more support with household expenses. Over this quarter, some vacancies have been recruited to and training will be complete in December.

12.4.4 The Corporate Contact Centre, which receives general enquiries, housing and children's safeguarding calls, has experience reduced performance since Q1 across all 3 KPIs and the abandonment rate and



average wait measure did not meet their targets. The abandonment rate increased to 10.5% in Q2 from 5.9% at Q1 and was 2.5% above target. The average wait increased by 2 minutes from Q1 to 4.5 minutes at Q2. The reasons for this performance were due to staff vacancies and absence, recruitment difficulties, and pressures caused by staffing the OSS.

12.5 Information Requests

12.5.1 The number of Subject Access Requests (SARs) received at Q2 (46) has reduced from Q1 (66). Compliance against timescales for responding is significantly below the 95% for Q2, however, some system limitations have been identified which impacts on the data validity.

12.5.2 Legislation and guidance from the Information Commissioners Office (ICO) allows us to 'stop the clock' on the statutory timescale where we need to go back to the customer for clarity on the request, to request identification, to extend the timescale for complex requests or where we are waiting for the customer to confirm how they want to receive the information. The system doesn't allow the compliance timescales to be amended accordingly which means that there will be several requests that have been answered in line with statutory requirements but the system and therefore the performance outcome will be reflecting these as non-compliant.

12.5.3 In order to produce validated data on SARs for future quarter, a manual data analysis has commenced. Work is also underway to identify a new system which will allow for improved reporting.

12.5.4 The number of FOIs received at Q2 is slightly lower than at Q1. The compliance against the statutory timescales for responding is significantly below 95% target at 68%, but this has improved by 2% since Q1. Work has now concluded to manage a backlog of FOIs within the system which is allowing officers to focus on keeping on top of incoming requests. Steps continue to be taken to bring performance in line with the target including regular meetings with Directorates and Directors to discuss performance, improved reporting, Governance Team Case Workers being allocated to Directorates to give more dedicated support, and training being provided across the Council. It is expected that these actions will continue to improve performance.



12.6 Customer Feedback

12.6.1 Q2 figures show a decrease in complaints compared to Q1, however, the total number of stage 1 is still an increase of 26% for the same quarter last year. Around 95% of Stage 1 complaints do not progress any further and are resolved at the stage 1 phase. There has been a decrease in the number of Stage 1 complaints upheld, but a slight increase in Stage 2 upheld complaints, however numbers are small. 7 Stage 2 complaints were upheld in Q2 compared with 4 at Q1.

12.6.2 The number of MP enquiries received has reduced since Q1 but is still higher than the quarterly average for last year. Positive feedback has been received on the new MP process that was implemented last year and the quality of responses that are now being received.

12.6.3 The number of compliments received has reduced since Q1 with 68 received in Q2.

12.6.4 Work is currently underway to resolve a backlog of complaints and this is expected to be completed in early 2023. In addition, analysis is taking place to look more closely at the types of complaints; trends and lessons learnt, initially focusing on Housing.

13 Alternative Options

13.1 The Directions issued by the Secretary of State, including the requirement to have a performance management framework in place, are a statutory requirement and the council has a legal obligation to respond appropriately. Failure to do so would likely result in further intervention measures.

13.2 The council had various options on what type of performance management framework to establish. Our approach has been developed through understanding the needs of the organisation and drawing on best practice from other local authorities. As we continue our improvement journey, the PMF will evolve to meet our changing requirements.



14 Implications

| | |
|------------------------------|--|
| Resources: | There are no direct financial implications to this report. |
| Legal and Governance: | A corporate performance management framework was identified as a key gap in the council's governance arrangements by Grant Thornton in 2021. The establishment of the corporate performance management framework was a key action in the council's Improvement Plan agreed by Council in January 2022 and updated in June 2022. The PMF will enable officer and political leadership to improve oversight and corporate grip of the council's performance. |
| Risk: | Should the council not implement a robust performance management framework, then it will not have the corporate oversight and intelligence to inform decision making and effectively manage risks to achieving service delivery and the strategic objectives identified in the Corporate Plan. These risks and the associated mitigations are noted in the SRR. The corporate performance management framework is a key mechanism to report progress and performance to the Government appointed Commissioners. |
| Equality: | Equality measures are included in the PMF, including the Organisational Health workforce indicators and the progress of the Corporate Plan. |
| Health and Wellbeing: | The measures to track progress of the Corporate Plan include a series of health and wellbeing indicators. This enables the council's leadership to see at a high level the direction of travel of the borough's health and wellbeing and seek to continue good practice or identify mitigating actions to address issues. |
| Social Value | Measures in the PMF include looking at percentage of spend in the local area. |



15 Appendices

1. Finance Q2 Performance Report
2. Sandwell Children's Trust Q2 Performance Report
3. Sickness Absence Q2 Report
4. Organisational Health 6 monthly report 2022-2023
5. Corporate Plan Q2 Monitoring Report
6. Residents Survey and Budget Consultation – Key Findings
7. Customer Experience Q2 Performance Report

16 Background papers

16.1 Report to Council 21 April 2022:

- [Performance Management Framework for the Council](#)
- [Appendix 1-3 – Organisational Health, Customer Experience and Finance & Contract Measures](#)
- [Appendix 4 – Corporate Plan PMF](#)

16.2 [Report to Cabinet 28 September 2022](#)

16.3 [Report to Budget and Corporate Scrutiny Management Board 13 October 2022](#)

