The Highland Council

Agenda Item	5
Report No	CP/25/23

Committee:	**Communities & Place**
Date:	**29 November 2023**
Report Title:	**Communities & Place – Revenue Budget Monitoring and Service Performance Reporting for Q2 – 1 June 2023 to 30 September 2023**
Report By:	**Executive Chief Officer, Communities and Place**

1.   Purpose/Executive Summary

1.1   The report also provides Members with the monitoring statement as at Quarter 2 position for 23/24. The Service budget is £41.431m with a predicted year end overspend of £0.934m.

1.2   This report also provides performance information on:
- Corporate Indicators
- Contribution to the Corporate Plan
- Service Plan Progress
- Mitigation of Service Risks
- Service updates outwith the Corporate Indicators or Service Plan

The content and structure is intended to:
- assist Member scrutiny and performance management
- inform decision making to aid continuous improvement, and
- provide transparency and accessibility

2.   Recommendations

2.1   Members are invited to:
  i.   **Consider** the Service's revenue monitoring position
  ii.   **Scrutinise** the Service's performance and risk information.

3.   Implications

3.1   **Resource**
         These are described throughout the report including discussing the latest budget positions.

3.2   **Legal**
         This report contributes to the Council's statutory duties to report performance and secure best value in terms of; Section 1(1)(a) of the Local Government Act 1992, and Section 1 of the Local Government in Scotland Act 2003, respectively.

3.3 **Community (Equality, Poverty, Rural and Island)**
There are no Community implications arising from this report.

3.4 **Climate Change / Carbon Clever**
There are no relevant implications arising from this report

3.5 **Risk**
Risk implications to the budget position will be kept under regular review with updates reported to this Committee.

3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people).**
There are no immediate health and safety implications arising from this report.

3.7 **Gaelic**
There are no implications for Gaelic arising from this report.

4. Communities and Place Revenue Budget – Quarter 2 23/24

4.1 The revenue monitoring statement for 23/24 showing net expenditure as at Quarter 2 and year-end forecasts can be found at **Appendix 1. Appendix 2** provides further information including the gross position and more detailed information on the variances against each activity. The forecasted outturn is an overspend of £0.934. The budget for Quarter 2 at £41.431m is £0.663m higher than at Qtr 1 and reflects drawdowns during Quarter 2 from earmarked reserves in respect of Ward Place-Based Investment expenditure incurred.

4.2 This forecast includes the delivery of all approved savings of £1.455m (**Appendix 3).** As reported to this Committee in August 23, there is a risk that the digitisation of the Garden Waste application service will not complete until 24/25 due to other greater Council-wide ICT/digital transformation priorities including the replacement of its Finance and HR system. Nonetheless, the latest income projections for this particular service area are £0.041m ahead of prior year and perhaps reflect the ongoing efforts to promote the service and benefits and quality of service delivered.

4.3 The current forecast outturn also includes overspends in Kerbside Refuse collections, Public Conveniences, and Fleet & Plant. These are partially offset by underspends in the other sections in the Service including Waste disposal, street cleaning, Grounds Maintenance & customer contact. An overspend of £569k is forecasted for the Administration heading. This is attributable to efficiency savings yet to be allocated to other budget headings in the Service.

4.4 **Appendix 2** provides further information against each activity. The Waste budget is forecasted to underspend by £0.042m. This is attributable to staff underspends with high fuel costs providing particular challenge.

4.5 Public Health and Bereavement Services is forecasted to overspend by £0.201m. Staff costs and repairs in Public Conveniences are cost pressures with sale of lairs within Bereavement Services reporting a current pressure.

4.6 The Community Spaces budget is forecasted to come in largely within budget. The various budgets associated with ward management, community support, service points and registrars are forecast to underspend by £0.273m and largely due to staff vacancies and higher than expected Registration income.

4.7   The Stores and Logistics budget is forecasted to overspend by £0.462m. This is predominantly due to staff vacancies and the consequential impact on internal recharge / income and higher lease renewal costs.

4.8   As per the Service structures the Council has in place, the budget and responsibility for other aspects of the costs of service sit outwith the budgets shown above. Examples include property rates, energy, maintenance, servicing, facilities management, cleaning etc. which sit within the Property and Housing Service budget. Similarly, support services and central teams including Finance, HR, legal, ICT sit within their respective budgets. The costs in these instances will often not be readily allocated down to Communities and Place service level, nor is there any need to do so for internal Council budget management. These costs of course form part of the overall cost of any particular service function/area service irrespective the Service or budget in which they are held.

5.   Service Performance - Corporate Indicators

5.1   Service performance in relation to Absence, Complaints, FOIs, and Invoice Payments are set out in the following sub-sections.

5.2   <u>Service Attendance Management</u>
       Staff absence is a nationally benchmarked indicator. Effective absence management supports staff, maintains productivity, and contributes to the Council's benchmarked performance. In Quarter 2 the Service lost an average of 4.20 days per employee compared to an average of 2.09 for the Council as a whole.

5.2.2

Communities and Place

Average number working days per employee lost through sickness absence

Average Days Lost	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24
Communities and Place	3.53	3.42	3.42	3.45	2.74	3.60	3.80	4.20
Highland Council	1.83	2.22	2.24	1.58	1.89	2.88	2.48	2.09

5.2.3   The Service will continue to focus on increased engagement and support to staff utilising all HR Policies available to improve this area. This includes fully utilising the Occupational Health services that have become available and critically appraising the range of data including long-term absences to better understand the reasons for absence and how best to support staff back into work wherever practicable. Positively, short-term has reduced compared to Quarter 1 but long-term absence (that is over 28 days) has increased. The HR Attendance Support Officers continue to play an important role in assisting both managers and employees and their support extends to situations where absence has become very complex or when an employee faces a life changing or terminal diagnosis.

5.3   <u>Service Complaints Response Times</u>
       Monitoring complaints provides important feedback which can facilitate decision making and service design. Services are responsible for responding to complaints which are issued on their behalf by the Customer and Resolution Improvement Team ('CRIT').

5.3.1   Performance for complaints during Quarter 2 against a corporate target of 80% was as follows:

Number of closed complaints and the % compliant with the legislative timescale

Frontline Resolution within 5 days

	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
Communities and Place	57	60 %	39	74 %	71	70 %	64	94 %	33	100 %	22	95 %	64	97 %	37	92 %
Highland Council	207	62 %	161	62 %	170	61 %	163	90 %	137	93 %	101	90 %	160	92 %	135	79 %

Investigation Resolution within 20 days

	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
Communities and Place	1	0 %	4	75 %	6	17 %	4	100 %	2	50 %	4	0 %	11	36 %	8	38 %
Highland Council	68	54 %	48	44 %	65	46 %	54	31 %	49	47 %	63	41 %	97	63 %	85	49 %

Escalated Resolution within 20 days

	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
Communities and Place	8	75 %	7	57 %	6	33 %	5	20 %	3	33 %	2	50 %	8	75 %	4	75 %
Highland Council	45	51 %	57	37 %	38	18 %	34	32 %	22	36 %	15	33 %	32	50 %	32	41 %

5.3.2   Reflecting the frontline nature of many of the services Communities and Place deliver, the Service recognises the importance of this area and performance overall is positive. The majority of complaints fall under the 5 days frontline resolution category. Complaints in the other categories are generally very complex and therefore require more time to respond. Nonetheless overall performance compared to the Council average is positive.

5.4   Service Freedom of Information ('FOI') Response Times
FOI requests are co-ordinated by CRIT in collaboration with the Service teams which may hold information relevant to the request.

5.4.1   The performance for FOI response times during Quarter 2 against a corporate target of 90% was as follows:

% of FOIs closed compliant with the legislative timescale

% FOIs Compliant - Communities and Place	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
	86	90 %	77	75 %	77	84 %	63	92 %	101	86 %	96	84 %	63	90 %	58	95 %

% FOIs Compliant - Highland Council	Q3 21/22		Q4 21/22		Q1 22/23		Q2 22/23		Q3 22/23		Q4 22/23		Q1 23/24		Q2 23/24	
	414	84 %	400	76 %	462	73 %	364	82 %	478	81 %	536	75 %	399	84 %	333	88 %

Tables display the number of FOIs closed within the quarter and % of those that were compliant with the legislative timescale (20 working days) for the service and the Highland Council overall.
The Scottish Information Commissioner requires the Council to achieve a minimum compliance rate of 90%.

Quarter 2 performance exceeded the target of 90% and continues to compare favourably to Council performance.

5.5   Service Invoice Payment Times
Payment of invoices within 30 days of receipt is a Council Statutory Performance
Indicator. The Council also monitors the number of invoices paid within 10 days of receipt.

The performance for invoice payment times within 30 days and 10 days during Quarter 2
against a target of 95% and 77%, respectively, was as follows:

Communities and Place - Invoice Payments

Invoice Payment within 30 days	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24
Communities and Place	93.2 %	93.2 %	97.2 %	97.2 %	96.8 %	96.4 %	97.5 %	98.4 %
Highland Council	94.2 %	89.1 %	94.1 %	94.2 %	95.1 %	94.9 %	95.1 %	96.7 %

Invoice Payment less than 10 days	Q3 21/22	Q4 21/22	Q1 22/23	Q2 22/23	Q3 22/23	Q4 22/23	Q1 23/24	Q2 23/24
Communities and Place	76.2 %	57.0 %	78.1 %	78.6 %	75.2 %	72.7 %	81.2 %	90.6 %
Highland Council	67.8 %	53.1 %	67.5 %	73.4 %	70.4 %	71.6 %	72.8 %	80.9 %

The Service continues to achieve a high standard for Invoice Payments within 30 Days
achieving 98.4% and for Invoice payments less than 10 days we have paid 90.6%. Both
exceed target and Council performance overall.

6.   Service Contribution to the Corporate Plan

6.1

Communities and Place - PIs and Actions in Corporate Plan

PIs/Actions in the Corporate Plan	Period	Data	Period	Data	Period	Data
Involved Communities: Area Place Plans for each Council area || CP2.04/CP3.07/CP4.03/CP5.06	Q4 22/23	On Target	Q1 23/24	On Target	Q2 23/24	On Target
Street Cleanliness Score || CP2.07 || ENV3c	FY 20/21	94.96 %	FY 21/22	93.70 %	FY 22/23	96.10 %
Continue partnership with ILM || CP4.06	Q4 22/23	On Target	Q1 23/24	On Target	Q2 23/24	On Target
% Household waste recycled || CP4.06 || ENV6a	FY 20/21	35.7 %	FY 21/22	37.3 %	FY 22/23	37.1 %
Increase areas identified for food growing and ecological benefit || CP4.11	Q4 22/23	On Target	Q1 23/24	On Target	Q2 23/24	On Target
ERDs being completed - CPL || CP5.01	Q4 22/23	Some Slippage	Q1 23/24	Some Slippage	Q2 23/24	Some Slippage
The 'My Council' project || CP5.03	Q4 22/23	On Target	Q1 23/24	On Target	Q2 23/24	On Target
Supporting and engaging with Community Councils || CP5.05	Q4 22/23	On Target	Q1 23/24	On Target	Q2 23/24	On Target

6.2   Overall, progress against the PIs and actions are positive. Work continues to deliver
ERDs across the Service in line with the new ERD process designed by HR. The
recycling rate for 2021/22 remained in a relatively stable state as the UK entered a period
of post-Covid recovery. The Council' s Net Zero Strategy was approved on 29 June 23
which includes a range of actions and themes. The successful application for external
funding – in full – for £6.5m from the Recycling Improvement Fund (RIF) managed by
Zero Waste Scotland will also support the Council's aims to increase recycling. A more
detailed report on Waste Management including RIF is on a separate item to today's
agenda.

7.   Service Plan Progress

7.1   The tables below present progress updates against the actions and indicators.

Community Development and Involvement Approaches Q2 23/24

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Agreement of new Allotments policy	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q4 23/24
Involved Communities: Area Place Plans for each Council area || CP2.04/CP3.07/CP4.03/CP5.06	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 25/26
Develop and implement a new integrated impact assessment tool	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 24/25
Develop a marketing approach to promote and increase civil ceremonies offering	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q1 24/25
Development of Community Benefits Policy Procured and Voluntary Benefits	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q4 23/24
External Annual Examination by National Records of Scotland	CY 2021		CY 2022		98 %	Update due November
Implementation of new SPSO Child Friendly Complaints process – UNCRC	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q4 23/24
Review of the Community Council Scheme	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 25/26
Undertake Review of Customer Services process/operations and implement changes	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q1 24/25

Bereavement Services, Transforming Services for Significant Life Events Q2 23/24

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Bereavement: Progressing Lean review of burials	Q1 23/24	Some Slippage	Q2 23/24	On Target		Due to complete Q4 23/24
Delivery of Burial Ground Projects	Q1 23/24	On Target	Q2 23/24	On Target		Targets set in project plan
Develop an approach for refurbishment /modernisation of Inverness crematorium	Q1 23/24	On Target	Q2 23/24	On Target		Review by Q4 23/24

Environmental Health Q2 23/24

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
95% of high risk private water supplies are inspected and sampled	FY 21/22	42 %	FY 22/23	44 %	95 %	HC update - due August
Business case to review resources re sampling private water supplies	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 23/24
Develop revised PI for food safety based on risk of premises	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 23/24

Transforming our Approach to Community Spaces Q2 23/24

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Review playpark strategy	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 23/24
Develop community volunteering policy	Q1 23/24	Some Slippage	Q2 23/24	Some Slippage		Due to complete Q3 23/24
Progress the workstreams in the Amenities Review	Q1 23/24	On Target	Q2 23/24	Completed		Completed Q2 23/24

Fleet Rationalisation [Sustainable Business Travel] Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/Update Date
Continue low emission approach for provision of heavy fleet	Q1 23/24	On Target	Q2 23/24	On Target		Review by Q4 23/24
Design Sustainable Business Travel Approach and Action Plan	Q1 23/24	On Target	Q2 23/24	Completed		Completed Q2 23/24
Reduce size of light fleet	FY 21/22		FY 22/23			

Waste Q2 23/24						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/Update Date
Street Cleanliness Score || CP2.07 || ENV3c	FY 21/22	93.70 %	FY 22/23	96.10 %	94.40 %	LGBF update - due December
% Household waste recycled || CP4.06 || ENV6a	FY 21/22	37.3 %	FY 22/23	37.1 %	35.9 %	HC update - due September LGBF update - due December
Deliver RIF Project – Implementation [phased]	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q2 25/26
Deliver the Lochaber Waste Transfer Station Project	Q1 23/24	Some Slippage	Q2 23/24	On Target		Due to complete Q3 24/25
Delivery Bulky Waste Shredders	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q1 24/25
ENV1a - Net Cost of Waste Collection per Premise	FY 21/22	£ 90.50	FY 22/23			HC update - due November LGBF update - due December
ENV2a - Net Cost of Waste Disposal per Premise	FY 21/22	£ 100.11	FY 22/23			HC update - due November LGBF update - due December
ENV3a - Net Cost of Street Cleaning per 1000 popn	FY 21/22	£ 8,805	FY 22/23			HC update - due November LGBF update - due December
ENV7a - % adults satisfied - refuse collection	FY 21/22	91.3 %	FY 22/23			LGBF update - due December
ENV7b - % adults satisfied - street cleaning	FY 21/22	65.7 %	FY 22/23		58.7 %	LGBF update - due December
Undertake feasibility assessment into Energy from Waste Plant	Q1 23/24	On Target	Q2 23/24	On Target		Due to complete Q3 23/24

7.2 Overall, progress against the PIs and actions is very positive and Members are reminded that this is also within a financial environment including approved Service savings of £1.455m to be delivered as reported earlier in this report. Work continues on the review of the Community Volunteering Policy and there is a risk it will not complete until Qtr 2 24/25.

8. Service Risks

8.1 The Service is further developing the administration of the Service Risk Register to be managed on PRMS. This includes delivery of key projects, availability of parts/stock/vehicles, finance and sustainable workforce.

Designation: Executive Chief Officer, Communities and Place

Date: 10 November 2023

Authors: Allan Gunn, Executive Chief Officer, Communities and Place;
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COMMUNITIES AND PLACE SERVICES BUDGET - SEPTEMBER 2023/24				
	£'000 Annual Budget	£'000 Actual YTD	£'000 Year End Estimate	£'000 Year End Variance
BY ACTIVITY				
Waste Management Services	24,847	9,357	24,805	(42)
Public Health & Bereavement Services	2,763	1,773	2,964	201
Community Spaces	2,182	2,581	2,199	17
Community Support, Contact & Engagement	3,528	2,762	3,255	(273)
Stores & Logistics	8,428	8,905	8,890	462
Administration	(317)	394	252	569
TOTAL	**41,431**	**25,772**	**42,365**	**934**
BY SUBJECTIVE				
Staff Costs	36,118	18,197	34,786	(1,332)
Other Expenditure	31,290	18,146	32,523	1,233
Gross Expenditure	**67,408**	**36,343**	**67,309**	**(99)**
Grant Income	(305)	681	(538)	(233)
Other Income	(25,672)	(11,252)	(24,406)	1,266
Total Income	**(25,977)**	**(10,571)**	**(24,944)**	**1,033**
NET TOTAL	**41,431**	**25,772**	**42,365**	**934**

COMMUNITIES AND PLACE SERVICE BUDGET - SEPTEMBER 2023/24

	GROSS EXPENDITURE				VARIANCE ANALYSIS		GROSS INCOME				NET TOTAL			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Staff Costs Variance	Other Costs Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance	Annual Budget	Actual YTD	Year End Estimate	Year End Variance
BY ACTIVITY														
Waste Management Services														
Kerbside Refuse Collections	9,607	4,531	10,051	444	400	44	(5,918)	(3,587)	(5,916)	2	3,689	944	4,135	446
Waste Disposal (Transfer, Haulage & Landfill)	13,911	5,401	13,772	(139)	(135)	(4)	(559)	(247)	(664)	(105)	13,352	5,154	13,108	(244)
Recycling Centres, Transfer & Treatment	5,925	2,522	6,074	149	84	65	(249)	(156)	(423)	(174)	5,676	2,366	5,651	(25)
Street Cleaning	2,180	894	1,961	(219)	(213)	(6)	(50)	(1)	(50)	0	2,130	893	1,911	(219)
Public Health and Bereavement Services														
Environmental Health & Regulation	3,292	1,681	3,118	(174)	(179)	5	(867)	(167)	(736)	131	2,425	1,514	2,382	(43)
Bereavement Services, Burials & Cremations	5,678	2,693	5,532	(146)	(252)	106	(6,279)	(2,986)	(6,068)	211	(601)	(293)	(536)	65
Public Conveniences	1,204	630	1,252	48	53	(5)	(265)	(78)	(134)	131	939	552	1,118	179
Community Spaces														
Grounds Maintenance & Play Areas	8,361	4,735	7,999	(362)	(681)	319	(6,179)	(2,154)	(5,800)	379	2,182	2,581	2,199	17
Community Support, Contact and Engagement														
Ward & City Management	533	477	526	(7)	12	(19)	0	(25)	0	0	533	452	526	(7)
Ward Discretionary Grant	1,108	177	1,090	(18)	0	(18)	0	0	0	0	1,108	177	1,090	(18)
Policy & Community Support Co-ordination	437	248	422	(15)	(21)	6	(8)	807	(15)	(7)	429	1,055	407	(22)
Customer Contact (Service Points, Service Centre & Registrars)	2,121	1,432	1,939	(182)	(185)	3	(663)	(354)	(707)	(44)	1,458	1,078	1,232	(226)
Stores and Logistics														
Fleet & Plant	11,407	9,487	11,453	46	(710)	756	(3,778)	(1,269)	(3,366)	412	7,629	8,218	8,087	458
Stores	1,550	892	1,574	24	31	(7)	(996)	(317)	(995)	1	554	575	579	25
Travel Desk	245	112	224	(21)	(23)	2	0	0	0	0	245	112	224	(21)
Administration														
Service Leadership	(151)	431	322	473	487	(14)	(166)	(37)	(70)	96	(317)	394	252	569
TOTAL	67,408	36,343	67,309	(99)	(1,332)	1,233	(25,977)	(10,571)	(24,944)	1,033	41,431	25,772	42,365	934

Saving Description	Agreed Saving £m	BRAG status
Waste - Team redesign reducing reliance on overtime and agency	0.200	G
Vacancy Management - including opportunity-led by natural turnover, flexible retirements etc. and Attendance Management (especially LTAs)	0.250	G
Community Support & Engagement structure review	0.100	G
Waste: Digitisation of Garden Waste (application process)	0.030	A
Waste: Review of Public Holiday Collections	0.050	B
Environmental Health: Review of resource management and structure	0.045	G
Public conveniences – honesty boxes	0.020	G
Garden waste - increase income	0.040	G
Review of Registration charges	0.025	B
Review of Site Charging Policy at Storr	0.047	B
Increase charge for Bulky Uplifts	0.005	B
Business Waste Collection - Targeted work already being done	0.300	B
Business Waste Collection - Business growth - securing more customers	0.200	G
Business Waste Collections (Commercial)	0.100	G
Lair Purchases	0.023	B
Provision of Sites Local Operator Services to the AURN (Air Quality)	0.020	B
Total	**1.455**	