

Item: 6.1.

Policy and Resources Committee: 18 June 2019.

Performance Monitoring – Chief Executive’s Service.

Report by Chief Executive.

1. Purpose of Report

To advise on the performance of the Chief Executive’s Service for the reporting period 1 October 2018 to 31 March 2019.

2. Recommendations

The Committee is invited to scrutinise:

2.1.

The performance of the Chief Executive’s Service for the reporting period 1 October 2018 to 31 March 2019, as set out in sections 3 to 5 and Annexes 1 and 2 of this report.

It is recommended:

2.2.

That the actions, referred to at section 3.2 of this report, that have been progressed to completion, be removed from the Chief Executive’s Service Service Plan.

2.3.

That the Chief Executive’s Service Risk Register, attached as Annex 3 to this report, be approved.

3. Service Plan – Performance Reporting

3.1.

The service plan action plan, attached as Annex 1 to this report, provides the detail of the agreed service priorities, as expressed in the service plan, and contains SMART (Specific, Measurable, Attainable, Relevant and Time-bound) targets for the life of the service plan. The service plan action plan also provides the mechanism through which the time-limited aspects of the service plan will be progressed to completion.

3.2.

Set out below are those service plan actions assessed as Blue within Annex 1, namely those which have been progressed to completion, and are now being recommended for removal from the service plan.

- 01 – Review of Audiocasting – Consider options for expanding the audiocasting system to all committee meetings and undertake a review of the audiocasting system hardware and software.
- 06 – Customer Services – Introduce Customer Services Standards across the Council.
- 08a - Councillor Training – With elected members and members of the Senior Management Team, carry out a review of the current Councillors Induction Programme to identify any gaps in the programme, and/or any areas where development or improvement could be made.
- 09 – Communication Strategy – Communication Strategy Action Plan to be developed in consultation with the Member / Officer Working Group.
- 11a – Investment Strategy – Review the strategy for the OIC Pension Fund.
- 11b – Investment Strategy – Review the Investment Strategy for the Strategic Reserve Fund.
- 13 – Long-term Financial Plan – Draft a long-term Financial Plan to assist the Council in developing its budget process.

4. Service Performance Indicators

Service performance indicators provide the mechanism through which the performance of aspects of the services provided year on year are monitored. The monitoring report is attached as Annex 2.

5. Complaints and Compliments

5.1.

Table 1 below sets out numbers of complaints and compliments made to the Chief Executive's Service in the six month period 1 October 2018 to 31 March 2019, and for the preceding two six month monitoring periods.

Table 1.	Six months ending 31 March 2018.	Six months ending 30 September 2018.	Six months ending 31 March 2019.	Totals.
Complaints.	3.	3.	1	7.
Compliments.	8.	7.	3	18.

5.2.

When considering the data within Table 1, it should be noted that the Council has adopted a policy of encouraging staff to record all complaints against the Council through the Complaints Handling Procedure. This includes complaints that are quickly and satisfactorily resolved by the frontline service, thereby enabling the Council to identify any trends that would help to improve the service.

5.3.

There is no discernible relationship in terms of the types of complaints received over the monitoring period.

6. Risk Register Review

Managers within the Chief Executive's Service have recently carried out the annual review and update of the service risk register, along with the list of actions to mitigate these risks. The updated risk register is attached at Annex 3 to this report.

7. Corporate Governance

This report relates to the Council complying with its performance management policies and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan. That said, service plans are developed taking cognisance of the Council's policies as outlined in the Council Plan.

8. Financial Implications

There are not anticipated to be any significant financial implications arising as a result of the report recommendations.

9. Legal Aspects

The Council's performance management systems help the Council to meet its statutory obligation to secure best value.

10. Contact Officers

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Gareth Waterson, Head of Finance, extension 2103, Email
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11. Annexes

Annex 1 – Summary of the performance of the Chief Executive’s Service against the targets within its service plan.

Annex 2 – Summary of the performance of the Chief Executive’s Service against its performance indicator targets.

Annex 3 – Updated Chief Executive’s Service risk register.

Chief Executive's Service – Service Plan Actions for Six Months Ending 31 March 2019

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
01 - Review of Twinning. Lead: Karen Greaves.	Undertake a review of Twinning arrangements.	In progress	Green	01/04/2016	30/04/2019	In progress	Amber
		Comment Work on the review of twinning arrangements has commenced with discussions in respect of the student exchange programme. Council dialogue with Norwegian colleagues continues.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
02 - Audio Casting. Lead: Karen Greaves.	Consider options for expanding the audio casting system to all committee meetings and undertake a review of the audio casting system hardware and software.	In progress	Amber	04/07/2017	30/04/2019	Complete	Blue
		Comment Options were considered at the meeting of the Policy and Resources Committee held on 19 February 2019. It was agreed to continue audio-casting, replace the hardware and expand to Planning Committee. Procurement is now underway as the review is complete.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
03 – Our Islands Our Future.	Develop and deliver joint programme of work with Shetland Islands Council	In progress	Green	04/07/2017	30/04/2019	In progress	Green
		Comment					

ANNEX 1

Lead: Alistair Buchan.	and Comhairle nan Eilean Siar.	A joint programme of work is underway. The Council has agreed a programme of work until March 2021.
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Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
04 – Empowering Communities. Lead: Karen Greaves.	Implement the expanded Empowering Communities Project to two additional areas.	In progress	Green	04/07/2017	30/04/2019	In progress	Green
		Comment Link Officers in Hoy and Sanday have been appointed. The overall project is being evaluated and reviewed.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
05 -Customer Service Platform. Lead: Karen Greaves.	As part of the Change Programme, CR06, implement the new Customer Services Platform project	In progress	Green	04/07/2017	30/04/2019	In progress	Amber
		Comment Implementation of the project is underway, although slower than anticipated due to various factors. The target end date will therefore require reviewing.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
06 – Customer Services.	Introduce Customer Services Standards across the Council.	In progress	Green	04/07/2017	31/12/2018	Complete	Blue
		Comment					

ANNEX 1

Lead: Karen Greaves.	Standards were agreed by the Corporate Management Team on 20 March 2019.
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Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
07 – Workforce Plans. Lead: Karen Greaves.	Develop detailed service workforce plans – one for each of the five services, skills and financial constraints.	In progress	Green	19/06/2018	31/03/2019	In progress	Red
Comment							
Corporate Plan has now been approved. Review and development of service workforce plan has been delayed but will be underway in due course.							

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
08a – Councillor Training. Lead: Karen Greaves.	With elected members and members of the Senior Management Team, carry out a review of the current Councillors Induction Programme, in order to identify any gaps in the programme, and/or any areas where development or improvement could be made.	In progress	Green	01/04/2018	31/12/2018	Complete	Blue
Comment							
Review of Induction Programme undertaken at Members' Seminar on 30 October 2018. Feedback collated and programme in development to commence in Autumn 2019.							

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
08b – Councillor Training.		In progress	Green	01/04/2018	31/12/2019	In progress	Green

ANNEX 1

Lead: Karen Greaves.	In response to the outcome of the review of the current Councillors Induction Programme, develop an ongoing training and development programme to address any gaps and/or areas in need of development or improvement.	Comment
		Review of Induction Programme undertaken at Members' Seminar on 30 October 2018. Feedback collated and programme in development to commence in Autumn 2019.

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
08c – Councillor Training. Lead: Karen Greaves.	Encourage a greater level of engagement with personal development opportunities amongst elected members.	In Progress	Green	01/04/2018	31/12/2019	In progress	Green
		Comment					
		Initial session to encourage engagement with continuing professional development was held on 30 October 2018.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
09 – Communication Strategy. Lead: Karen Greaves.	Communication Strategy Action Plan to be developed in consultation with the Member/Officer Working Group	In progress	Green	01/04/2018	31/12/2018	Complete	Blue
		Comment					
		The draft Action Plan was developed and considered by the Communication Member Working Group. This Action Plan is now being implemented and the group will monitor progress against the actions.					

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Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
10 – Budget Monitoring. Lead: Gareth Waterson.	Budget Monitoring for the capital programme.	In progress	Green	01/04/2018	31/01/2019	In progress	Green
		Comment					
		Capital monitoring reporting to the Policy and Resources Committee is in progress.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
11a – Investment Strategy. Lead: Gareth Waterson.	Review the strategy for the OIC Pension Fund.	In progress	Green	01/04/2018	30/04/2019	Complete	Blue
		Comment					
		A revised strategy has been agreed and is now in the process of being implemented.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
11b – Investment Strategy. Lead: Gareth Waterson.	Review the Investment Strategy for the Strategic Reserve Fund.	In progress	Green	01/04/2018	30/04/2019	Complete	Blue
		Comment					
		A revised strategy has been approved and is now in the process of being implemented.					

Action	Description	Previous Period: 30/09/2018	Current Period: 31/03/2019
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		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
13 – Long-term Financial Plan. Lead: Gareth Waterson.	Draft a long-term financial plan to assist the Council in developing its budget process.	In progress	Green	01/04/2018	31/01/2019	Complete	Blue
		Comment					
		A long-term financial plan has been drafted and approved in March 2019.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
14 – Long-term Capital Strategy. Lead: Gareth Waterson.	Draft a long-term capital strategy to assist the Council in developing its budget process.	In progress	Green	01/04/2018	31/01/2019	In progress	Red
		Comment					
		Work has started on developing a long-term capital strategy.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG
15 – Phase 2 Change Reviews. Lead: Karen Greaves.	Support and co-ordinate the implementation of high-level change reviews in financial year 2018 to 2019.	In progress	Green	01/04/2018	31/03/2019	In progress	Green
		Comment					
		The Change team continued to support the change programme during Q4 of 2018/19.					

Action	Description	Previous Period: 30/09/2018		Current Period: 31/03/2019			
		Overall Status	BRAG	Start Date	Target Date	Overall Status	BRAG

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16 – Phase 1 Change Reviews. Lead: Karen Greaves.	Support and co-ordinate change reviews during the scoping, options appraisal and recommendations period in financial year 2018 to 2019.	In progress	Green	01/04/2018	31/03/2019	In progress	Green
Comment							
The Change team continued to support the change programme during Q4 of 2018/19.							

Personnel key

Chief Executive – Alistair Buchan.

Head of Finance – Gareth Waterson.

Head of Executive Support – Karen Greaves.

BRAG key

Red - the agreed action is experiencing significant underperformance, with a medium to high risk of failure to meet its target.

Amber - the agreed action is experiencing minor underperformance, with a low risk of failure to meet its target.

Green - the agreed action is likely to meet or exceed its target.

Blue - the agreed action has been progressed to completion.

Chief Executive's Service – Service Performance Indicators for Six Months Ending 31 March 2019

Performance Indicator	Previous Period: 30/09/2018		Current Period: 31/03/2019			
	Actual	RAG	Actual	Target	Intervention	RAG
01 - CCG - Sickness absence - The average number of working days per employee lost through sickness absence, expressed as a percentage of the number of working days available. Lead: Karen Greaves.	1.6%	Green	3.15%	4%	6.10%	Green
	Comment Sickness Absence has increased slightly since the previous reporting period and is still within target. Service Managers will, within the context of the Council's sickness management policy, continue to address the sickness absence levels.					
02 - CCG - Sickness absence - Of the staff who had frequent and/or long-term sickness absence (they activated the sickness absence triggers), the proportion of these where there was management intervention Lead: Karen Greaves.	80%	Amber	100%	90%	79%	Green
	Comment Since the last reporting period, the management intervention has improved. Service Managers will, within the context of the Council's sickness management policy, continue to address the sickness absence levels.					
03 - CCG - Staff accidents - The number of staff accidents within the service, per 30 staff per year Lead: Karen Greaves.	0.33%	Green	0.96	1.00	2.10	Green
	Comment The has been a slight increase in this indicator as a result of a small number of minor accidents.					

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Performance Indicator	Previous Period: 30/09/2018		Current Period: 31/03/2019			
	Actual	RAG	Actual	Target	Intervention	RAG
04 - CCG - Budget control - The number of significant variances (priority actions) generated at cost centre level, as a proportion of cost centres held Lead: Karen Greaves.	13%	Green	15%	15%	31%	Green
	Comment A slight increase since the last reporting period however budget holders continue to demonstrate budget management within the service.					

Performance Indicator	Previous Period: 30/09/2018		Current Period: 31/03/2019			
	Actual	RAG	Actual	Target	Intervention	RAG
05 - CCG - Recruitment and retention - The number of advertised service staff vacancies still vacant after six months from the time of advert, as a proportion of total staff vacancies Lead: Karen Greaves.	0%	Green	0%	2%	4.10%	Green
	Comment Recruitment strategies are ongoing to attract staff.					

Performance Indicator	Previous Period: 30/09/2018		Current Period: 31/03/2019			
	Actual	RAG	Actual	Target	Intervention	RAG
06 - CCG - Recruitment and retention - The number of permanent service staff who leave the employment of Orkney Islands Council – but not through retirement or redundancy – as a proportion of all permanent service staff Lead: Karen Greaves.	5.48%	Amber	1.43%	5%	10.10%	Green
	Comment Staff retention within Chief Executive's Service remains high.					

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Performance Indicator	Previous Period: 30/09/2018		Current Period: 31/03/2019			
	Actual	RAG	Actual	Target	Intervention	RAG
07 - CCG - ERD - The number of staff who receive (at least) an annual face-to-face employee review and development (ERD) meeting, as a proportion of the total number of staff within the service Lead: Karen Greaves.	92.4%	Green	82.20%	90%	79%	Amber
	Comment The Service continues to prioritise the completion of ERDs on an annual basis.					

Performance Indicator	Previous Period: 30/09/2018		Current Period: 31/03/2019			
	Actual	RAG	Actual	Target	Intervention	RAG
08 - CCG - Invoice payment - The number of invoices that were submitted accurately, and paid within 30 days of invoice date, as a proportion of the total number of invoices paid Lead: Karen Greaves.	86.1%	Green	86.85	80%	69%	Green
	Comment The Service will continue to ensure systems are in place to improve this indicator.					

Personnel key

Head of Executive Support – Karen Greaves.

RAG key

Red - the performance indicator is experiencing significant underperformance, with a medium to high risk of failure to meet its target.

Amber - the performance indicator is experiencing minor underperformance, with a low risk of failure to meet its target.

Green - the performance indicator is likely to meet or exceed its target.

Chief Executive's Service Risk Register – 31 March 2019

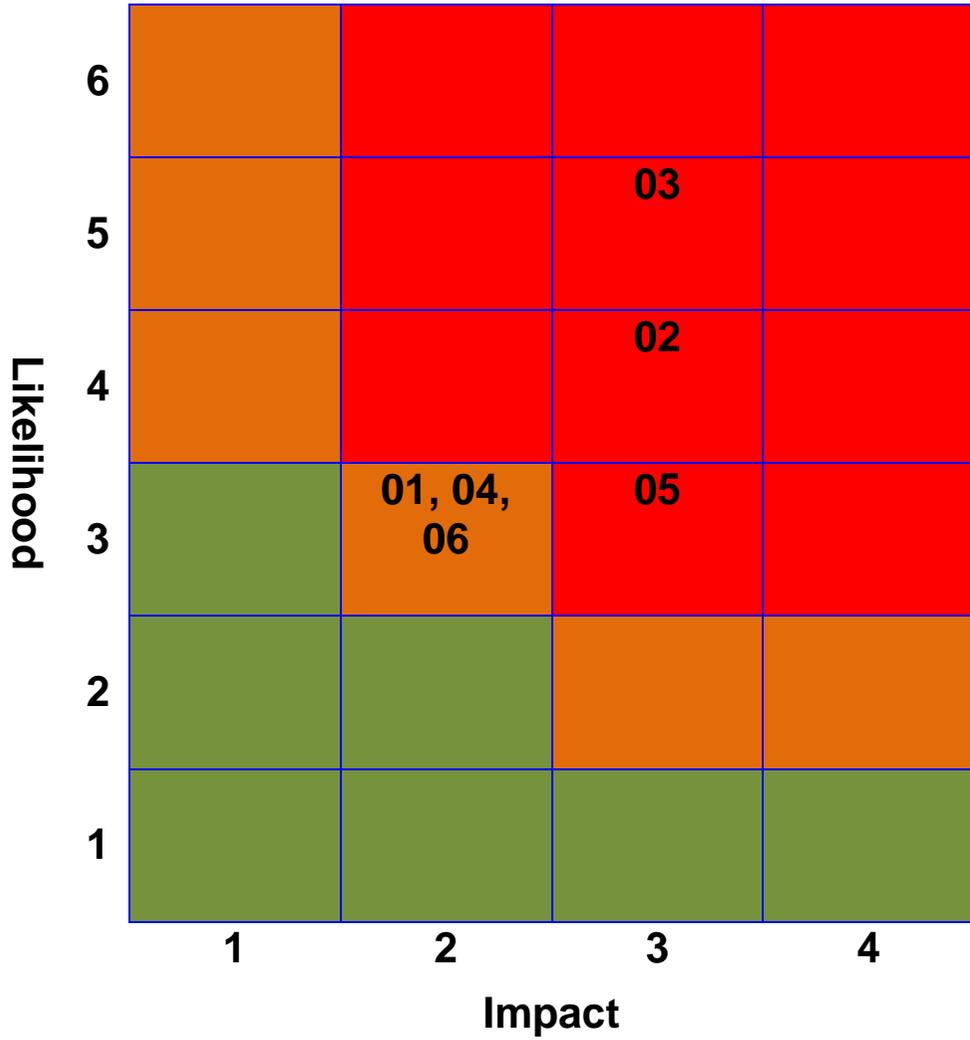
Operational Risks

Cluster.	Risk number.	Owner.
Financial.	5.	Head of Finance.
Staffing.	3, 4.	Heads of Service and all Managers.
Economic Recovery and Sustainability.		
Political.		
Partnerships.		
Governance.	6.	Head of Executive Support.
Communication.	1, 2.	Heads of Service and all Managers.

Strategic Risks

Cluster.	Risk number.	Owner.
Financial.	5.	Head of Finance.
Staffing.		
Economic Recovery and Sustainability.		
Political.		
Partnerships.		
Governance.		
Communication.		

ANNEX 3



KEY

Impact:
4 = Catastrophic
3 = Critical
2 = Significant
1 = Negligible

Likelihood:
6 = Very High
5 = High
4 = Significant
3 = Low
2 = Very Low
1 = Almost Impossible

Risk Title: 01 – Internal Communication and Engagement.

Likelihood.	3.	Impact.	2.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	4.
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Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The Service could improve its internal communication with staff to facilitate improved working relationships and understanding between Services.	We fail to explain clearly to staff key Service and Council information and we fail to meet internal customer's expectations.	Disengagement and resistance to change; Uncertainty among some staff; Poor staff morale; Lack of ownership of the change agenda and the need for change; Unhappy customers; Disruption to achieving Service objectives.	01.1. Monitor quarterly at Chief Executive's Service Management Team meetings. 01.2. Development of staff newsletter. 01.3. Progress the actions arising from the Staff Survey in relation to communications. Managers to ensure distribution of correspondence, minutes of meetings.

Risk Title: 02 – Social Media Communication.

Likelihood.	4.	Impact.	3.	RAG.	Red.	Current Risk Score.	12.	Target Risk Score.	9.
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Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Instant, uncontrollable and unpredictable nature of the medium is highly resource intensive and 24/7.	Failure to manage how we respond to social media.	Reputational risk; Impact on staff directly; Impact on staff morale; Legal implications.	02.1. Ensure Communications staff have the knowledge to respond effectively via social media. 02.2. Communication strategy for budget setting process includes social media.

Risk Title: 03 – Continuity of staffing and knowledge.

Likelihood.	5.	Impact.	3.	RAG.	Red.	Current Risk Score.	15.	Target Risk Score.	9.
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Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Smaller teams are less resilient and more vulnerable. Recruitment and retention is ongoing challenge due to changing job markets.	Unplanned and planned staff absence; Unexpected and unplanned events.	Impact on staff morale and ability to take leave; Impact on team effectiveness; Poor communication; Impact on management capacity; Inefficient use of staff; Inability to implement planned work and deliver statutory functions.	03.1. Staffing arrangements are constantly under review. 03.2 Take a flexible approach to staffing to help cover workloads. 03.3 Develop a flexible post / job description to cover more than one area in the service.

Risk Title: 04 – Staff Training and development.

Likelihood.	3.	Impact.	3.	RAG.	Red.	Current Risk Score.	9.	Target Risk Score.	6.
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Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Staff may not be fully trained or experienced; Staff may not be aware of or may inadvertently breach Council policy or Code of Practice; Limited access to training budget. Staff may not feel valued if no investment in continuing professional development is made.	The Service and Council are unable to deliver functions effectively; Lack of corporate consistency.	Lack of resilience; Poor staff morale; Legal and financial implications; Reputational loss; Increased rate of error; Unable to meet professional ERD requirements.	04.1. Continue annual ERD's and review Service and team training plans. 04.2 Promote Council's Learning and Development programmes and resources.

Risk Title: 05 – Inability to deliver core services and expand demand-led services in line with expectation.

Likelihood.	5.	Impact.	3.	RAG.	Red.	Current Risk Score.	9.	Target Risk Score.	6.
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Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The risk of insufficient financial resources to meet current and future demand.	The Council's inability to deliver essential services within the funding package provided by Scottish Government; Expectations outstrip capacity to deliver.	Community unrest; dissatisfied service users and elected members; Unmet demand; Loss of credibility of the Council; Failure to deliver the range of services expected.	05.1. Revenue Budget monitoring process and procedures. 05.2. Communication with Scottish and Westminster Governments including through the Our Islands Our Future campaign. 05.3. Implement strategy for efficiency savings for 2017/18 and work with the Change Programme for longer term strategic planning.

Risk Title: 06 – Insufficient ongoing training and development programme for elected members and co-opted members.

Likelihood.	3.	Impact.	2.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	4.
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Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
An inadequate ongoing training and development programme may lead to decisions which are made with inadequate information or training around governance processes.	Members do not receive relevant information for informed decision making within governance arrangements.	Decisions are made which may be unlawful or ultra vires resulting in reports from the Monitoring Officer. Complaints regarding the conduct of members in respect of governance may be made to the Standards Commission if members	06.1. Deliver ongoing training and development programme. 06.2. Undertake an annual follow up with individual Councillors to identify any areas for further development or training. 0.6.3. Encourage Councillors to sign up to professional development scheme.

ANNEX 3

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
		<p>are unaware of governance procedures.</p> <p>Increase in Complaints to the Council, Increased number of appeals against planning or licensing decisions.</p>	