

# Public Document Pack



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PUBLIC

To: Members of Improvement and Scrutiny Committee - Resources

Wednesday, 9 September 2020

Dear Councillor,

Please attend a meeting of the **Improvement and Scrutiny Committee - Resources** to be held at **10.00 am** on **Thursday, 17 September 2020.** This meeting will be held virtually. As a member of the public you can view the virtual meeting via the County Council's website. The website will provide details of how to access the meeting., the agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S Hobbs', written over a white background.

**Simon Hobbs**  
**Director of Legal and Democratic Services**

## **A G E N D A**

### **PART I - NON-EXEMPT ITEMS**

1. Apologies for Absence  
To receive apologies for absence (if any)
2. Declarations of Interest  
To receive declarations of interest (if any)

3. Minutes (Pages 1 - 8)

To confirm the non-exempt minutes of the meeting of the Improvement and Scrutiny Committee – Resources held on 23 July 2020

4. Public Questions (30 minute maximum in total) (Pages 9 - 10)

(Questions may be submitted to be answered by the Scrutiny Committee, or Council officers who are attending the meeting as witnesses, on any item that is within the scope of the Committee).

5. Regular Committee Update on Financial and Budgetary Position and Input into 2021-22 Budget planning (Pages 11 - 20)

6. Management of Customer Feedback (including complaints) (Pages 21 - 28)

7. Health, Safety and Wellbeing Update (Pages 29 - 32)

8. Verbal Update from the Chairman on the Review of Scrutiny

**MINUTES** of a meeting of the **IMPROVEMENT AND SCRUTINY COMMITTEE – RESOURCES** held via MS Teams on 23 July 2020.**PRESENT**

Councillor T A Kemp (in the Chair)

Councillors N Barker, B Bingham, J Boulton, R George (substitute member) C Short, J Twigg, M Wall and G Wharmby.

Also in attendance were Councillors A Foster, T King and P Murray

Apologies for absence were submitted on behalf of Councillor C Moesby

**12/20** **MINUTES RESOLVED** that the minutes of the meeting of the Improvement and Scrutiny Committee – Resources held on 4 June 2020 be confirmed as a correct record.

**13/20** **PUBLIC QUESTIONS** There were no public questions.

**14/20** **REGULAR COMMITTEE UPDATE ON THE FINANCIAL AND BUDGETARY POSITION** Peter Handford, Director of Finance and ICT attended the meeting to provide an update on the financial position.

Looking back to 2019-20 Mr Handford referred to the Outturn highlights which included,

- few Covid costs in this accounting period;
- continued pressure on Children's Social Care;
- some savings targets were not met through base measures;
- A year of emergencies – maintenance backlogs; and
- Overall underspend.

In relation to Budget Monitoring 2021 and Covid costs Mr Handford referred to, and gave updates on the

- £42m of non-ringfenced Covid funding;
- Income Guarantee;
- Funding for care homes, Track and Trace and other specific initiatives;

- High monthly run rate of costs;
- Procurement Policy Notes; and
- Council Tax and Business Rates

In terms of recovery there were several key areas, including Home to School Transport; getting back to the office; enhanced collaborative working; wider Derbyshire economy; market stability; and opportunity for transformation.

Financial sustainability would rely on Financial Planning with robust reserves and effective financial management and whilst the Chief Financial Officer had the option of a S114 Notice, Mr Handford explained that there was no intention to use this. There would also be an important role to play for MHCLG and the view of the external auditors Mazars would be received later in the year and it was hoped they would recognise the efforts the authority had made.

Mr Handford referred to threats moving forward and referred specifically to Covid costs continuing at the current level; no further government support being received; recovery costs escalating; the uncertainty of what a second wave would look like; capacity in the market; and wider financial failure.

Members made a number of comments and asked questions which were duly noted or answered by Mr Handford, who confirmed that he would keep members updated moving forward.

The Chairman thanked Mr Handford for his update.

**RESOLVED** to note the update on the financial and budgetary positions.

**15/20**      **DISCUSSION WITH CABINET MEMBER FOR CORPORATE SERVICES** Councillor Angelique Foster attended the meeting to discuss current issues within her portfolio. Good progress was being made with the ICT Strategy prior to Covid19. The remote working component of the strategy has been accelerated. There has been an increase in the demand for and supply of hardware and software with 4000 logins from home. Derbyshire was also one of the first Councils to hold online meetings. The Health and Wellbeing Strategy now, more than ever, has become a key focus for HR supporting the mental health needs of employees as they adjust to new ways of working and living.

Property Services have been proactive in providing support in response to the impacts of Covid19. County Hall had remained open, facilities management

for schools had continued as had asset valuation and redesigned activities. Work had begun on contingency planning in preparation for the post Covid market.

The Corporate Property 2020 project had been progressed but because of the pandemic the “go live date” for the property services joint venture with Suffolk County Council had been changed from 1 April to 1 September 2020. All stakeholders had been kept informed of this change.

Members made a number of comments and asked questions regarding the Corporate Services portfolio. Cllr Wall stated that the meeting was the last opportunity for Members of the Committee to question the Cabinet Member before the “go live date” for the property services joint venture (for which the relevant Cabinet decision was taken in March 2020). Questions were asked about, DCC’s decision making capability as a shareholder owning 49% of the company, who was representing DCC on the board of directors, what was the rationale presented in the business case, and whether there are plans to move other functions into the joint venture. In particular, clarification was sought about future plans for the Disability Modification Service. On a different topic Councillor Boulton enquired about the County Councils approach to supporting employees to return to their normal places of work, given the significant increase in domestic violence during lockdown. Cllr Foster responded to these questions and undertook to provide further information regarding Derbyshire’s representation on the board of the joint venture company.

The Chairman thanked Councillor Foster for attending the meeting.

**RESOLVED** (1) to note the update on the Corporate Services portfolio; and.

(2) that the Chairman invited members to submit questions in writing to Cllr Foster and confirmed that the written response would be published. He also drew attention to the potential for members to submit written questions on specific issues in advance of the meeting which would ensure a full reply could be given (within the public meeting).

**16/20      PREPARING FOR ECONOMIC RECOVERY IN DERBYSHIRE**

Joe Battye and Alison Westray-Chapman attended the meeting and provided a presentation to members on preparing for economic recovery in Derbyshire

The presentation provided details of how the approach was being developed focusing on a framework of the 5Rs: Rescue; Resume; Revive; Regenerate; and Renewal .

In terms of timescales for the recovery:

**Immediate/ rescue and resume** –0 to 4 months (June to October)

**Medium term/ revive and regenerate** –5 to 18 months (November 2020 to April 2021)

**Long term/ regenerate and renew** –18 months onwards (April 2021 onwards)

In terms of the recovery principles, the Economy, Business and Transport Cell would :

- Directly support wider objectives of the Strategic Recovery Group to secure comprehensive and coherent response;
- Ensure contribution of all key partners -local authorities, sector leads (e.g. FE, HE, VE etc), local businesses, Government departments;
- Build on existing place-based and sector-based recovery thinking;
- Utilise existing networks and key agencies (e.g. Chamber, LEP, DEP) - best use of local capacity, expertise and resources;
- Inform wider D2N2 discussions and liaison with Government departments –lobbying of key issues;
- Share data and intelligence working closely with the LEP;
- Produce Derbyshire Economic Recovery Strategy(ERS);
- Develop a clear exit strategy that is sustainable and leaves a legacy of enhanced partnership working across the county; and
- Evaluate -to understand how well economy is recovering

In order to build back better it was hoped to use the recovery period to redefine economic strategy and assess the changes needed for a sustainable future, and drive transformational change in the economy and communities.

The recovery and renewal process would be used to:

- Work towards longer-term regeneration and a more circular and distributed economy;
- ‘Level up’ key areas of economic and social disparity;
- Accelerate work to mitigate and adapt to climate change –sustainable, good growth;
- Reset the economic profile of Derby and Derbyshire -maximise contribution to UK plc; and
- Build resilience into the local economy and reinforce/ restore public and business confidence.

Details were given of the different aspects of the LRF Communications group and how they would deliver the recovery

In terms of the work:

**Economic development** –support to business, development of intervention programmes.

**Transport infrastructure** – to support and encourage continued expansion of sustainable transport networks and active travel -including bus and rail infrastructure and operators.

**Highways Network** – improvements to network management, safe and active travel implementation, strategic transport development.

**Digital infrastructure** – digital capability in businesses and broadband infrastructure.

**Employment and skills** – matching supply and demand issues, routes into work, support programmes for vulnerable cohorts (young people, disabled etc), redundancy and retraining support programmes.

**Regeneration** – including major construction sites and town centre, promotion of land use development.

So far there had been strong progress on rescue and resume:

- Supported bus companies with continued payment of contracts and rescheduling around key routes to work;
- Survey of bus users to assess confidence and level of patronage/ future use;
- Lobbying and dialogue with Government departments e.g. Cross Country rail services, public transport, visitor economy;
- Supporting re-opening of key economic sectors -hospitality sector opening;
- Adopted and marketed Industry Standards for Hospitality ‘we are good to go’ and undertaken consumer and business surveys;
- Repurposed ERDF projects to focus on business survival e.g. in hospitality sector and completed 3 business surveys and 1 consumer survey;
- Shopappy–to support local retailers online;
- Footfall count – in town centres, preparing for bidding;

- And a whole lot more

The next steps would include:

- Continue to build up local intelligence –use direct discussions with businesses and visitors and national/ regional information from LEP and Chamber etc;
- Monitoring health and economic impact of COVID on businesses and communities;
- Production of DEP Economic Recovery Strategy and Employment and
- Continue to build up proposals for medium and long term recovery strategy Framework is starting to emerge: revive through to renewal; and
- Have a strong voice in the region

Members made a number of comments and asked questions regarding arrangements for safe travel to facilitate economic growth, the Councils response to Crosscountry Train’s decision to reduce the number of stops at Chesterfield Station, and how Active Travel and infrastructure project decisions are being made. The officers present provided reassurance that through conversations involving a wide network of transport organisations some of the commuter services at Chesterfield had been reinstated and that further discussions were ongoing. In terms of the Active Travel Projects a collaborative process had been established involving district and borough councils, parish Councils and the County Council to decide how funds will be spent.

The Chairman thanked the officers for their presentation

**RESOLVED** to note the update.

**17/20**      **UPDATE ON LEP SCRUTINY REVIEW** Members were informed of the proposed next steps of the working group established to scrutinise the activities of the D2N2 Local Enterprise Partnership (LEP).

The working group was established, in September 2019, to scrutinise the activities of the D2N2 LEP. It was made up of Members from this Committee and a representative from each of the following councils: Bassetlaw District Council, Chesterfield Borough Council and Nottingham City Council. The meetings held to date had considered delivery of the Local Growth Fund programme, because, the LEP’s delivery progress was considered to “require improvement” in the 2019 Annual Performance Review (APR). Now in 2020, following the most recent APR delivery is rated as “Good”.



The 2020/21 Financial Year was the final year of the 6-year LGF programme, all funding for the entirety of the programme must be spent by 31st March 2021. Any grant that was given to projects must be able to evidence they had used the LGF by proving their expenditure figures on the project. Central Government had made clear the 31st March 2021 deadline still must be met and there would be no extensions to the LGF programme, which includes no further funding being made available.

On 3 June 2020 Sajeeda Rose (Chief Executive, D2N2 LEP) and Tom Goshawk (Head of Capital Programmes, D2N2 LEP) attend a working group meeting. Their presentation focused on the impact of the Covid-19 pandemic on the delivery of Local Growth Fund (LGF) programme.

Lockdown conditions from the Covid-19 pandemic had an initial impact on projects which were on site, whilst all those projects were now back on site, social distancing and supply chain issues were causing additional cost and time pressures to projects. Projects which were near completion and had mainly indoor work left to be completed had been hardest hit. The LEP is working closely with projects to look at what flexibilities are possible and review the situation around costs once full assessments can be carried out to understand the extent of price increases to the projects across the whole programme.

Most projects yet to be finally approved had continued to progress and some had been able to submit full business cases and come forward for approval. One project had now been withdrawn from the programme as the Local Authority promoter did not want to commit to any additional borrowing in the current climate to fund the project. This had now left the programme under programmed by £710k. The LEP were now in discussions with 2 further projects from the pipeline to see if these projects could be brought forward onto the programme. These must be able to do two things, be compliant with the Local Assurance Framework as quickly as possible to ensure it was 'contractually committed' and spend its allocation before 31<sup>st</sup> March 2021. Lobbying Government for an extension of the programme would continue as these types of projects would play a vital role in the recovery from the pandemic with new jobs being created, jobs being safeguarded, new homes being built, and new learners engaged.

Some projects were rethinking the delivery of their project and presenting different ways of bringing them forward, for example re-phasing them in a different order to ensure the deadline could be met

The working group would meet again in November 2020 when the mid-year data would be available. The focus would be on the LEP's Strategic Economic Plan and how it was tailored to local need to support economic

recovery. Members had indicated that they wished to consider the local skills base, opportunities to repurpose local industry, access to learning, jobs and training and projects to boost productivity in Derbyshire.

**RESOLVED** to note the update.

## **Procedure for Public Questions at Improvement and Scrutiny Committee meetings**

Members of the public who are on the Derbyshire County Council register of electors or are Derbyshire County Council taxpayers or non-domestic taxpayers, may ask questions of the Improvement and Scrutiny Committees, or witnesses who are attending the meeting of the Committee. The maximum period of time allowed for questions by the public at a Committee meeting shall be 30 minutes in total.

### **Order of Questions**

Questions will be asked in the order they were received in accordance with the Notice of Questions requirements, except that the Chairman may group together similar questions.

### **Notice of Questions**

A question may only be asked if notice has been given by delivering it in writing or by email to the Director of Legal Services no later than 12noon three working days before the Committee meeting (i.e. 12 noon on a Wednesday when the Committee meets on the following Monday). The notice must give the name and address of the questioner and the name of the person to whom the question is to be put.

Questions may be emailed to [democratic.services@derbyshire.gov.uk](mailto:democratic.services@derbyshire.gov.uk)

### **Number of Questions**

At any meeting no person may submit more than one question, and no more than one such question may be asked on behalf of one organisation about a single topic.

### **Scope of Questions**

The Director of Legal Services may reject a question if it:

- Exceeds 200 words in length;
- is not about a matter for which the Committee has a responsibility, or does not affect Derbyshire;
- is defamatory, frivolous or offensive;
- is substantially the same as a question which has been put at a meeting of the Committee in the past six months; or

- requires the disclosure of confidential or exempt information.

### **Submitting Questions at the Meeting**

Questions received by the deadline (see **Notice of Question** section above) will be shared with the respondent with the request for a written response to be provided by 5pm on the last working day before the meeting (i.e. 5pm on Friday before the meeting on Monday).

It is at the Chairman's discretion whether the questions and responses are read out at the meeting.

### **Supplementary Question**

Anyone who has put a question to the meeting may also put one supplementary question in writing to the person who has replied to his/her original question. A supplementary question must arise directly out of the original question or the reply. The Chairman may reject a supplementary question on any of the grounds detailed in the **Scope of Questions** section above.

Supplementary questions must be emailed to [democratic.services@derbyshire.gov.uk](mailto:democratic.services@derbyshire.gov.uk)

## Agenda Item No 5

## DERBYSHIRE COUNTY COUNCIL

## IMPROVEMENT &amp; SCRUTINY COMMITTEE - RESOURCES

17 September 2020

## Report of the Director of Finance &amp; ICT

REGULAR COMMITTEE UPDATE ON FINANCIAL & BUDGETARY  
POSITION AND INPUT INTO 2021-22 BUDGET PLANNING**1 Purpose of the Report**

To seek the Committee's views on the Council's financial position and budget planning for 2021-22.

**2 Information and Analysis****Current Financial Position – 2020-21****Background**

On 5 February 2020, Council approved the Revenue Budget 2020-21 including details of service pressure allocations, savings targets and Council Tax levels.

Since that time, local authorities have been faced with the financial consequences of responding to the Covid-19 pandemic. Details of the estimated cost of the pandemic were reported to Cabinet on 4 June 2020 and again on the 30 July 2020.

**Budget 2020-21**

The Council set a net revenue budget of £560.211m which included substantial budget increases for both adults and children's social care, which are summarised below:

- An extra £20.7m for children's services to fund increased demand and costs including placements, support for care leavers, safeguarding, special educational needs and more social workers;
- An extra £18.9m for adult social care to cover growing demand due to an ageing population, winter pressures and the implementation of a transformation programme to promote greater independence for older people;

- An extra £4m to develop measures to address the threat of climate change, with an on-going £0.200m each year to co-ordinate and plan activity to reduce the council's and county's carbon footprint;
- An initial sum of £0.270m to begin planning to tackle ash dieback.

In setting its budget, the Council set a 2% Council Tax rise utilising the Government's legislation to raise income to support services for older people. There was no additional increase in Council Tax for other services, resulting in one of the lowest council tax rises in the country compared to similar authorities.

### **Covid-19**

To date, the financial costs of Covid-19 to the local government sector are significant. Analysis undertaken by the Local Government Association (LGA) in respect of the DELTA Covid-19 returns for June, shows a total projected cost, loss of income (including council tax and business rates) for local government totalling approx. £11bn.

The Government, to date, has provided a number of funding streams to local authorities, which includes:

- £1.6bn of additional funding to support local authorities. This was in addition to £1.3bn being allocated to clinical commissioning groups (CCGs) and the NHS to support discharge from hospitals (£22.996m allocation for the Council).
- a further £1.6bn was allocated to local government to support the immediate impacts of COVID-19. Individual allocations were announced on 28 April 2020 (£14.111m allocation for the Council).
- £600m infection control fund was allocated to local government, which is ringfenced to social care and is intended to support care homes to implement measures to reduce transmission of COVID-19 (£9.740m allocation for the Council, however, the funding is to be passported to the social care sector).
- £300m was allocated to local authorities to support test and trace services in their areas (£3.859m allocation for the Council).
- £63m was allocated for local welfare assistance schemes for local authorities to use 'at their discretion' to help the most vulnerable families affected by the pandemic (£0.808m allocation for the Council).
- £500m to respond to spending pressures (details still awaited).

In addition to the above funding the Government has also announced a scheme to reimburse lost income during the pandemic.

Despite the above funding measures, the latest indication of potential in-year Covid-19 costs is of a significant overspend between £10m and £20m. The July budget monitoring report indicated a much higher overspend, however, the revised expectation on the costs of Home to School Transport and the

expectation that much of the recovery spend will be met by capital borrowing has reduced this figure. It must be recognised that the estimates are based on a number of assumptions, which have a high degree of volatility, but the range of potential outcomes will start to narrow in later periods of the financial year as budget monitoring is completed. Any significant variations will be reported to Cabinet.

The forecast overspend does not reflect the potential for further funding support from the Government. Therefore, it is hoped that the funding gap will not be as significant.

### **Lobbying**

The Council continues to lobby for additional funding through special interest groups such as the Local Government Association and County Council Networks. The Council's Director of Finance & ICT has expressed his concerns in a recent call with officers from the Local Government Finance Directorate at the Ministry of Housing, Communities and Local Government.

Whilst there was no explicit promise of additional funding, it is hoped that additional funding support will be allocated to local government, particularly in the event of a second wave of the pandemic.

There are a number of uncertainties at this stage and these are set out in more detail in the Risk section below. On the basis that local authorities will be appropriately funded for both response and recovery costs, the Council should be able to manage and balance the budget in-year, however, there may be a call on the general reserve to meet any unfunded costs.

The financial position will be closely monitored throughout the year and reported to CMT/Cabinet in accordance with the Council's Budget Monitoring Policy.

### **Future Years Impact**

The key issue and concern of the Council is the impact in future years and the Director of Finance & ICT was explicit in expressing his concerns during the conversation with MHCLG. There are several unknowns in respect of local authority funding over the medium term which are hindering the financial planning of local authorities. Without the certainty of funding allocations, the sector will have to make decisions on how it will deliver its services in a post Covid-19 environment, without the foresight of a fiscal plan from Government on which to base its plans and priorities.

These funding uncertainties include:

- A comprehensive spending round that will cover 2021-22 plus two further years;

- Fair funding and business rates retention reviews have been delayed.

### **Budget 2021-22**

The loss of Council Tax and Business Rates income will have a significant impact on the Council's budget for the next financial year. Early indications suggest that loss of Council Tax income will impact the collection funds with an estimated deficit as much as £10m expected. This loss of income will be challenging against the backdrop of bids for service pressures which are expected as the Council looks to invest in recovery whilst maintaining and delivering Council Plan objectives.

### **Risks**

The key risk to the Council's finances are the continuing costs of the first wave of the pandemic and the potential for a second wave of the pandemic, which will unquestionably give rise to additional costs such as increased demand for social care.

Further risks include:

- **Hospital Discharge Scheme**

The current Covid-19 Hospital Discharge Scheme has health funding for the cost of any care packages for clients leaving hospital and for prevention admissions. To date this has totalled approximately £2m. This funding is due to cease imminently. Whilst cases will still attract Continuing Healthcare funding and client contributions, there will still be a cost which is currently unquantifiable at this stage.

- **Home to School Transport**

Work is ongoing to understand the longer term implications of pupils returning to school in September as the Government releases further guidelines for local authorities.

- **Loss of Income**

A second wave is likely to see lockdown measures imposed and therefore there is likely to be further losses of income which are not reflected in current projections.

### **Summary**

At the time of setting the Revenue Budget 2020-21 in February 2020, there were a number of unknowns such as the cost of independent sector fees and the pay award. There is sufficient funding set aside in the contingency budget to meet these costs.

The costs of Covid-19 are substantial and this is reflected in the July Budget Monitoring Report. The Council expects Government to provide sufficient



funding to meet the costs of Covid-19 and will continue dialogue with Government in expressing the concerns of the Council.

With sufficient financial support from Government to meet the costs of Covid-19, the Council should be in a position to manage the in-year budget.

A number of Section 151 Officers in England have indicated that they may be inclined to issue a Section 114 Notice. The Director of Finance & ICT does not consider that this is appropriate at this stage.

The concern is the Council's ability to set a balanced budget in 2021-22 and subsequent years. Local authorities need the funding certainty of a three-year settlement from Government to plan the delivery of its services, whilst seeking assurance that any Covid-19 related costs will be fully funded.

### **Preparation of Budget 2021-22**

The production of the Council's budget is undertaken in accordance with the requirements of the Council's Constitution. The Constitution requires that a timetable is publicised by Cabinet for making proposals to the full Council in relation to the annual Revenue Budget, along with arrangements for consultation with stakeholders, which should be for a period of not less than six weeks. The proposed timetable is attached at Appendix 1.

A key element of the Council's budget setting process is consultation with stakeholders.

It is proposed to undertake the following consultation activities:

- Online "Your Council, Your Voice Survey". Hard copies will be available on request. A report to Cabinet and CMT in October 2019 set out proposals for the Your Council, Your Voice 2019 Survey. The online survey, which was developed using the findings from a number of focus groups held across the county at the end of September and early October 2019, combined both the budget and residents' consultations and ran for six weeks from 18 October 2019 to 1 December 2019. The 2020 survey will further build and develop this approach of positioning the planning cycle for the budget with that for the Council Plan. A key change is that the 2020 survey will take place earlier, running for six weeks during September and October 2020, enabling the findings to better align with the budget setting, Council Plan and service planning timetables.
- The consultation will be publicised as follows:
  - E-mail to respondents to past consultations who have consented to be contacted.

- Articles on the Council's website and in Our Derbyshire employee newsletter and Derbyshire Now.
  - Promotion in employee payroll letter.
  - Facebook paid-for campaign.
  - E-newsletters to community groups, parish councils, partner organisations and community publications.
  - Media releases and blogs.
  - Organic social media campaign.
- Whilst carrying out the survey has provided useful public budget consultation information and enabled a tracking of changes over time, information gathered is limited to direct responses to the questions posed and therefore gives a limited understanding of the reasons behind respondents' choices. It is therefore intended to undertake additional activity to explore a number of issues in greater detail. This will begin with a series of virtual conversations and focus groups with residents, which will commence in September 2020 and carry on through and during the survey period, to the end of October 2020. By inviting residents to be involved in this way, it is hoped that the Council will gain a better understanding of what residents think about the Council, their local area and which services are important to them and why.
  - Residents who have expressed an interest in being involved in further consultation will be invited to take part in the initial conversations. As part of the approach for 2020 it is proposed that weekly reports of headline survey findings will be reported to CMT with significant emerging issues becoming the subject of virtual focus groups carried out during the survey period. These will involve residents who have responded to the survey and who have agreed to take part in further consultation.
  - As a result of this combined approach, the Council will have a rich blend of both quantitative and qualitative information available, to not only support this year's budget setting, Council Plan development and service planning but to also form the basis for further work, to build a better insight into residents' views about the Council, their local area and services.
  - Statutory consultation with business ratepayers, corresponding with the East Midlands Chamber of Commerce (Derbyshire, Nottinghamshire and Leicestershire), the Federation of Small Businesses (FSB) in Nottinghamshire and Derbyshire and the CBI East Midlands on the Council's budget proposals.
  - Consultation with the trade unions at a Corporate Joint Committee.
  - Consultation with the Council's Improvement and Scrutiny Committee.

Cabinet will take account of the consultation when drawing up firm proposals to the Council. Results will be communicated after the consultation has ended.

As in previous years, an initial Equality Impact Assessment (EIA) will be undertaken at a corporate level. It is anticipated that this corporate assessment will help identify areas where there is a significant risk of adverse impact which would then be subject to a full equality impact assessment process. Alongside the budget consultation, the budget saving proposals in the updated Five Year Financial Plan will be considered to assess which proposals will need a separate targeted consultation with staff, the public and/or with current/potential service users. The outcomes of these processes will be reported to Council/Cabinet as part of the budget process and specific assessments/consultation outcomes reported to Cabinet before decisions are made on individual services.

### **Five Year Financial Plan**

The Council's Five Year Financial Plan 2020-21 to 2024-25 (FYFP) is being updated during 2020-21 and the results will be included in a report later in the year.

The FYFP will be updated again as part of the budget setting process, to reflect the Government's Autumn Budget, the outcome of the Comprehensive Spending Review 2020 for the period 2020-21 to 2023-24 and the Provisional Local Government Finance Settlement, which are expected to be announced in November / December 2020.

### **Reserves**

The Council has in place a Reserves Policy which sets out the framework within which decisions will be made regarding the level of reserves. In line with this framework the balance and level of reserves over the medium term are regularly monitored to ensure they are adequate to manage the risk of the Council. This covers both the General and Earmarked Reserves.

The results of a review of the General Reserves Position is included in the FYFP in a separate report to this meeting. A review of the Earmarked Reserves Position is being undertaken and the results will be included in a report to Cabinet in November 2020.

### **3 Other Considerations**

In preparing this report the relevance of the following factors has been considered: financial, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property, transport and social value considerations.

#### **4 Background Papers**

Papers held electronically by Technical Section, Finance & ICT Division, Room 137, County Hall.

#### **5 Key Decision**

No.

#### **6 Officer's Recommendations**

That Committee:

- (i) Notes the timetable for completion of the 2021-22 budget, including arrangements for consultation with stakeholders and the carrying out of an assessment of the need for full equality impact assessment on budget saving proposals.
- (ii) Notes the proposals for reviewing and updating the Five Year Financial Plan.
- (iii) Notes the arrangements for reviewing Earmarked Reserves and updating the General Reserve projections.

PETER HANDFORD

Director of Finance & ICT

## APPENDIX 1

## Budget Preparation Timetable

<i>Mid September 2020</i>	Deadline for 2021-22 budget savings proposals to be submitted to the Director of Finance & ICT approved by Executive Directors for direct inclusion in Revenue Budget Report.
<i>September - October 2020</i>	Public budget consultation, forming part of the "Your Council, Your Voice Survey".
<i>September - October 2020</i>	Virtual conversations and focus groups with residents.
<i>October 2020</i>	Results of public budget consultation available for informing the Revenue Budget Report and reporting in the Budget Consultation Report.
November - December 2020	Priorities for revenue and capital spending, budget savings and risks facing the Council are evaluated. Improvement and Scrutiny Committee consulted. Trades Unions consulted. Business Ratepayers consulted. Outcome of the Government's Autumn Budget and Comprehensive Spending Review 2020 analysed.
<i>December 2020</i>	Government announces details of Provisional Local Government Finance Settlement.
<b>15 January 2021</b>	Deadline for collection fund and business rates figures to be submitted to the Council by district/borough councils.
21 January 2021	Cabinet considers report on final revenue/capital settlements, results of consultation/budget priorities, reserves position and five year financial plan and determines budgets and Council Tax recommendations to Full Council.
<b>31 January 2021</b>	Deadline for taxbase figures to be submitted to the Council by district/borough councils.
3 February 2021	Council debates Cabinet recommendations/results of consultation and determines revenue/capital budgets and Council Tax level for 2021-22.
<b>1 March 2021</b>	Notify district/borough councils of precepts.

\* Dates in bold are statutory deadlines. Date in italics is a key milestone in the timetable. These dates must be met. The other dates are for indication only.

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**Resources Information and Scrutiny Committee****17 September 2020****Report of the Director of Organisation Development & Policy****Management of customer feedback (including complaints)**

## 1. Purpose

This paper summarises the work undertaken between October 2019 and July 2020 to analyse the management of customer feedback including complaints, compliments and comments and makes recommendations for future delivery.

## 2. Background

As part of its work to improve the customer experience, and considerations of technical platforms to support resident interaction, the Communications & Customers area was asked by the Director of OD & Policy to undertake an independent review of the complaints process in Autumn / Winter 2020.

The review found that:

- In FY2018/19, the Council received 2,014 compliments. This was double the number of complaints (1,001).
- In FY2018/19, 63.6% of Stage 1 complaints were responded to across the Council within 10 working days. This response rate was slightly higher for Stage 2 complaints (70.6%).
- Last year, the Council adopted a new one-stage approach to corporate complaints for all directorates except Children's Services. This replaced a two-stage process which was previously in operation.

The current methods of delivery vary widely across departments. This approach does not optimise the opportunity to take a consistent council-wide approach to learning and improving from feedback and does not support the corporate reporting of complaints, comments and compliments.

The Local Government and Social Care Ombudsman's (LGSCO) "Guidance on running a complaints system" document, recommends that all learnings from resident feedback – compliments, comments and complaints – should be fed into a Quality Management System (QMS) and adopted into future best practice. This approach is not always consistently applied under the current methods of delivery.

The current complaints processes can be confusing for residents: there are a number of different processes and timescales for response are not always clear, leading to further contact and possible resident dissatisfaction.

### **3. Where we want to be**

- Ensuring that we are able to meet all statutory reporting requirements.
- Meeting the best practice recommendations of the LGCSO.
- Producing reports for management teams that are consistently used to improve service delivery and outcomes.
- Having a robust approach to learning from resident feedback, implementing lessons learned into policy and process changes to improve the customer experience.
- Welcoming feedback from our residents and having a clear, effective and easy to use process for residents to give comments, complements and complaints.
- Having clear ownership and responsibility for customer feedback at an appropriate senior level within the council, ensuring a 'one council' approach and accountability.

It is important to recognise that an opening up of the feedback process, making it easier to navigate and for residents to engage with us, may result in a temporary increase in complaints. This should reduce as the council implements meaningful improvements as a result of the lessons learned from feedback and supports our commitment to being an open, accountable and value for money organisation.

### **4. Statutory requirements for complaints reporting and discretionary reporting**

There are two statutory reports required for social care complaints within Adult Care and Children's Services, plus a requirement for complaints to be included in Public Health's annual report. These reports must continue to be produced in future.

Additionally Children's Services and Adult Social Care currently report internally on both a regular and ad-hoc basis to support service management and delivery.

It should be noted that the LGSCO write to every local authority annually, summarising the complaints they have directly received about that authority and updating on the cases they have upheld. This contact is managed by Legal Services.

### **5. Current departmental processes**

As stated above, all directorates except Children's Services standardly operate a one-stage approach to corporate complaints. Some parts of Adult Social Care have secondary processes for handling more complex cases (i.e. those which require an independent investigation to adjudicate).

The four council directorates currently use different systems for managing complaints (these systems are not used for handling compliments and comments).



Main software systems used today for handling complaints			
Adult Care	CCP	Children's Services	ETE
<ul style="list-style-type: none"> <li>Mosaic</li> </ul>	<ul style="list-style-type: none"> <li>Flare</li> <li>APEX</li> </ul>	<ul style="list-style-type: none"> <li>Spreadsheets and folders</li> </ul>	<ul style="list-style-type: none"> <li>Confirm</li> </ul>

Currently around 4.0 FTE support resident feedback processes across the council, with some specific roles and some people undertaking complaints resolution as part of their wider work.

The management of the current complaints policy, coordination of complaints at a corporate level and the quality assurance of data in addition to the annual reporting of complaints has previously been managed by the Policy & Research Team, whose time is not included in the above. Staff within the team also spend time signposting and handling various complaints which do not fall easily within one department across the Councils. Capacity for such delivery has been removed from the team and as such they will not continue to fulfil this role.

It should also be noted that the Netcall system, in place within Call Derbyshire, affords a number of reporting options that will facilitate and support a more robust practice for complaint management. The recent upgrade now enables email blending and workflow management which means we have the ability to prioritise between incoming complaints and those already in the system but pending resolution. This will support any improvement of the wider complaints process by smoothing the provision of information from Call Derbyshire and integrating with the procured solution (see below).

## 6. Channel Shift Complaints system procurement

The Channel Shift procurement exercise saw tender papers released in June 2020 which include the procurement of a technical complaints solution. The procurement of this solution was agreed by CMT and Cabinet in March 2020 to support more effective statutory and non-statutory complaints reporting and resolution.

This procurement will provide a technical platform for complaints monitoring and reporting. It will not address processes within departments which need to support the use of the technical solution or how we embed customer feedback as an organisation. To do this requires a review of current feedback management and agreement on how the organisation wants operate moving forward.

Any supplier of the technical solution will need to understand the council's approach and methods of complaint management over Autumn 2020 in order to implement the chosen system, so progress on the below is required at pace.

## 7. Options for delivery

A range of options for delivery were considered by CMT on 1<sup>st</sup> September 2020 and Cabinet / CMT on the 9<sup>th</sup> September 2020 (see below). Option C is recommended by both as the most appropriate model.

**Option A: Use of the new technical complaints solution, departmental processes stay the same.**

Under this recommendation, people who currently look after complaints will be trained to use the new system. In all likelihood this would see continued use of Department’s current systems, with the new technical solution used as an ‘add on’, potentially resulting in information being entered in an incomplete way and or duplicated.

Minimal change feedback model			
People impacts	System impacts	Process impacts	Other impacts
<ul style="list-style-type: none"> <li>No change – resident feedback resources continue to work within individual directorates.</li> <li>Colleagues are familiar with current processes. Training only required on the new technical solution.</li> <li>Reporting will need to move away from the Policy Team as the resources previously used have been removed.</li> </ul>	<ul style="list-style-type: none"> <li>Minimal change – directorates continue to track resident feedback differently and duplicate information in the new technical solution as they see fit.</li> </ul>	<ul style="list-style-type: none"> <li>Decline – there will be a threat to delivering statutory reports on time and there will be duplication on data entry.</li> <li>Difficulty in standardising processes as many people take part in the process.</li> </ul>	<ul style="list-style-type: none"> <li>Continued overreliance on individual staff with specialist knowledge.</li> <li>Lack of consistency in approach detrimentally affecting the customer experience.</li> <li>Failure to adequately reflect and learn from resident feedback.</li> </ul>

- Staffing implications:
  - Staff will stay within both Adult Social Care and within Children’s Services.
  - CCP and ETE will continue to use existing resources as they do now: CCP may want / need to develop a more cross-department approach.
  - A new reporting mechanism will be required as the capacity has been removed from the Policy team.

**Option B. A completely centralised feedback / complaints model**

Under this recommendation, all staff currently involved in complaints on a full time basis would be pulled in to a central team. Any part-time handling of complaints within Departments would cease and resource created in the centralised team as required to manage the whole customer feedback process. The centralised team would be responsible for complaint reporting both at a statutory level and reported into departments under service level agreements. The team would work with directorates to implement lessons learned and changes to policy / process. All officers within the team would work across all departments. It is suggested that the

centralised team would sit under the Head of Customer Services (within the Communications & Customers portfolio).

Centralised feedback model			
People impacts	System impacts	Process impacts	Other impacts
<ul style="list-style-type: none"> <li>Resident feedback roles centralised under the Head of Customer Service giving clear accountability.</li> <li>Opportunity for specialist skill development within the team.</li> </ul>	<ul style="list-style-type: none"> <li>New centralised and standardised feedback system used by all directorates.</li> <li>Consistent approach to handling feedback.</li> </ul>	<ul style="list-style-type: none"> <li>Easier to gather and publish data as a result of using a corporate system.</li> <li>Consistent approach to reporting which is produced by the central resident feedback team.</li> <li>A centralised function supports ease of reporting, speedier resolution complaint timescales, escalation stages and dispute resolution workflows.</li> </ul>	<ul style="list-style-type: none"> <li>Resident feedback elevated in importance within the Council by becoming a dedicated function.</li> <li>Pooling of specialist knowledge in one place.</li> <li>More efficient communication.</li> <li>Greater focus on compliments, comments and continuous learning.</li> </ul>

- Staffing implications:
  - The full time roles within Adult Social Care and Children’s Services would move in to a central team.
  - Additional roles will be created to manage feedback, best practice learning, reporting and to add capacity into the Children’s complaints area.

**Option C: Hybrid feedback model – Recommended option**

Under this model, a centralised team would be created under the Head of Customer Service with both Adult Social Care and Children’s Services each having a dedicated officers to support their requirements. This approach would allow for a consistent approach to feedback, effective reporting and the implementation of lessons learned whilst maintaining specialist support for those areas of greatest complexity and statutory requirement.

Hybrid feedback model			
People impacts	System impacts	Process impacts	Other impacts
<ul style="list-style-type: none"> <li>Resident feedback roles centralised under the Head of Customer Service giving clear accountability.</li> <li>Dedicated resources within ASC and CS, managed by the centralised resource but acting as complaints specialists for the two departments given the complexity of their feedback.</li> </ul>	<ul style="list-style-type: none"> <li>New centralised feedback system used by all directorates.</li> <li>Consistent approach to handling feedback.</li> </ul>	<ul style="list-style-type: none"> <li>Top-down resident feedback process.</li> <li>Easier to gather and publish data as a result of using a corporate system.</li> <li>Consistent approach to reporting which is produced by the central resident feedback team.</li> </ul>	<ul style="list-style-type: none"> <li>Resident feedback elevated in importance within the council by becoming a dedicated function.</li> <li>Specialist knowledge retained and combined.</li> <li>Greater focus on compliments, comments and continuous learning.</li> <li>Closer working relationship maintained with ASC and CS.</li> </ul>

- Staffing implications:
  - The roles for Adult Social Care and Children's Services will be managed by the central team but will remain dedicated to and within those services.
  - Additional roles will be created to manage feedback, best practice learning, reporting and to add capacity into the Children's complaints area.

The hybrid model is recommended as the most suitable option for the council as it maintains expertise within complex department areas whilst ensuring we take a 'one council' approach and can report effectively, improve the resident experience and embed learning from feedback.

## 8. Portfolio representation

In terms of portfolio responsibility, it is suggested that the Cabinet Member for Strategic Leadership, Culture and Tourism have feedback management included within his portfolio recognising both its cross-cutting nature and proposed position with Customer Services. Given that this is a council-wide area of work, each Cabinet Member will also hold responsibility for feedback and complaints falling specifically within their areas of remit.

## 9. Financial implications

The costs of the technical solution and associated training for relevant staff are being met by the Channel Shift project.

The centralised and hybrid model both suggest the potential creation of three roles to work alongside the two members of staff whose current role is purely complaint management.

Currently a large number of staff are involved in complaint process and reporting across departments but there are only two for whom this is their only role: most people carry out this work as part of their wider job. Whilst removing this work from those people and creating three additional specific roles will provide an efficiency saving for the council – as those many members of staff who currently process complaints and manage reporting will have their time released to pursue other work – it will be an additional ‘hard’ cost to the organisation.

Establishing exact costs will require the creation of role profiles and grading but it is expected that costs will be met either through a base budget bid or by top-slicing departmental budgets.

## 10. Stage two development

Once the revised customer feedback approach has been agreed and implemented successfully, stage two of this process will look at:

- How best to integrate with Legal Services regarding management of the relationship with the Local Government and Social Care Ombudsman – clearly work will be needed within stage one to ensure that any new complaints approach supports the LGSCO requirements.
- Any required integration of Subject Access Requests (SARs) and Freedom of Information requests (FOIs) with the feedback management approach.

Further papers on this will be brought before CMT and Cabinet in due course.

## 11. Recommendations

- That Resources Information & Scrutiny consider the proposed approach, noting that it will improve the customer experience and a ‘one council’ approach, and offer any suggestions for alteration or improvement.

**Emma Crapper**

**Director of Organisation Development and Policy**



**Resources and Improvement Scrutiny Committee****17<sup>th</sup> September 2020****Report of the Director Organisation Development and Policy****Health, Safety and Wellbeing Update****1. Purpose**

To update the Resources and Improvement Scrutiny Committee on developments relating to the Wellbeing Strategy and its associated action plan.

**2. Introduction**

The Council's Wellbeing Strategy and accompanying action plan were approved in early 2019. Since then a number of the interventions within the plan have been achieved, such as the development of the Mental Health Policy and mental health first aider network. Whilst the COVID-19 pandemic has impacted hugely on the Council's capacity to fully progress some of the identified actions, employee wellbeing has and continues to be crucial throughout our response to the COVID-19 pandemic.

The Council has implemented a wellbeing system for employees which consists of five levels of support, ranging from general support through to more specific and specialist individual support. The introduction of a smartphone app 'Thrive' enables employees to download the app providing access to mental health support as well as signposting employees to other support which is available. Furthermore, the Council has introduced an Employee Assistance Programme, commissioned initially 6 months, providing support for employees and family members within the same household, available 24 hours a day, 7 days per week.

It has therefore been timely to review the wellbeing action plan in light of the implications arising for the workforce as a result of COVID-19 to ensure a holistic approach to health, safety and wellbeing and practical steps that can be taken to achieve improvements.

**3. Aims**

The purpose of the original action plan was to meet the broad aims of the Wellbeing Strategy namely:

- bring together all initiatives currently in place within the council that support and maximise the health, safety and wellbeing of employees
- ensure a safe working environment and culture of wellbeing
- clarify the roles and responsibilities for safety and wellbeing
- identify areas for development and enable improvement
- identify the measures by which we will assess whether our workplace wellbeing support and interventions have been successful and are targeted effectively

This has now been reviewed and redefined to deliver the aims of the strategy within three core areas which complement each other and enable improved clarity and more clearly defined targets:

- Systems
- Resources/People
- Data

Our focus is on not only on statutory compliance but also on ensuring a healthy and robust workforce, when considering the wellbeing of our employees.

This approach is further underpinned by the Council's moral, legal, economic and social responsibility and aims to demonstrate that the Council values all employees aligned to becoming an Employer of Choice. We aim to have an engaged, safe and healthy workforce delivering first class services for the people of Derbyshire.

#### **4. Priorities**

##### **4.1. Short Term Focus**

Our short term focus is based on three key themes:

1. Reviewing what we are currently doing.
2. Reviewing internal structures to support our wellbeing performance going forward.
3. Establishing appropriate systems to support the delivery of health, safety and wellbeing across the Council.

Reviewing our current performance is vital to provide a starting point from which our revised wellbeing journey will commence. It is important that we not only understand our current performance but that it is contextualised by comparing our performance with similar organisations both in the public and private sector. The development of appropriate and real time recording of data is a key part of the strategy, to ensure this can be analysed and fully understood to inform our decision making and actions.

In order to further develop a health, safety and wellbeing culture within our organisation, it is key that internal structures support, develop and challenge health, safety and wellbeing performance. This means not only reshaping the health, safety and wellbeing function but ensuring that all leaders within the organisation not only continue to champion health, safety and wellbeing performance, but drive improvement in required areas.

The establishment of a health, safety and wellbeing challenge group will oversee the delivery of the actions and ensure health, safety and wellbeing performance is considered at a senior management level. It will establish future wellbeing delivery targets and monitor departmental management performance. Existing wellbeing working groups will be reviewed and realigned to the delivery of key parts of the strategy and action plan. The Council continues to ensure that all employees fully understand their responsibilities in relation to health, safety and wellbeing.

The redefined approach will support sustainable health, safety and wellbeing performance ensuring that the Council has in place easy to understand and practical health, safety and wellbeing guidance which is consistent across all departments. This one council approach will continue to ensure that all employees fully understand their responsibilities in relation to health, safety and wellbeing.

##### **4.2. Medium Term Focus**

Our medium term focus will develop and build upon the immediate actions undertaken to ensure sustainable change in all three key areas: people, data and systems.

We will further develop manager and employee awareness and understanding of the benefits of positive health safety and wellbeing. Secondly, we will look to refine and improve the data



we collect to drive targeted work initially identified to develop longer term proactive and preventative interventions.

Finally, we will focus on developing appropriate systems to support our ability to fully embed practices and accountability to drive continuous improvements in our employee health, safety and wellbeing.

#### **4.3. Long Term Focus**

Our long term focus is to embed within the organisation future behavioural change that will lead to the development of a positive and sustained health safety and wellbeing culture. The long term data targets will be determined by the findings of the initial review of performance.

#### **4.4. Sickness Absence Management**

To provide improved clarity and focus, separate sickness absence related actions have been defined, which are intrinsically linked to the overall action plan, and will focus on delivering outcomes against the same key themes (systems, data and people).

The Council has a target of 10.0 days average days lost per appointment, underpinned by the following departmental targets:

- CCP 8.5 days
- ASCH 13.0 days
- CS 7.0 days
- ETE 9.3 days

At end March 2020, the Council's average days lost due to sickness was 10.40 days. In comparison to the prior year, average days lost due to sickness has increased from 9.87 at March 2019. The Council has since seen a decrease in average days lost due to sickness to 10.0 days at June 2020. Ongoing monthly analysis is in place to outline and review sickness absence trends.

The sickness absence delivery plan will complement the overall wellbeing action plan ensuring improved data accuracy and clear definition of the roles and responsibilities of line managers when managing sickness absence. The introduction of a Sickness Absence Delivery Group, aligned to the Wellbeing Challenge Group will enable focused interventions at pace. Departmental specific interventions will be determined to further enhance the delivery plan.

#### **5. Continual Review**

Our revised approach will be formally reviewed on an annual basis (with the first review at end March 2021) and progress will be reported internally quarterly through CMT and Cabinet/CMT aligned to the defined sickness absence delivery plan.

#### **6. Officer Recommendations**

It is recommended that Resources and Improvement Scrutiny Committee:

- Note the revised focus of the Wellbeing Strategy and its associated action plan.

**Emma Crapper**

**Director Organisation Development and Policy**

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