

REPORT UNDER RULE 2(vi) OF THE COUNCIL PROCEDURE RULES

Report by Councillor R Metcalfe, Portfolio Holder for Corporate Management and Customer Services

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1. INTRODUCTION – a changing political landscape

The national political landscape has now changed, with consequences for the council which are, as yet unclear.

At the time of writing, the government's intentions about the future structure of local government, future policy on public sector pay and whether there is to be any relaxation on continued reduction in public expenditure, all remain doubtful.

One imperative that can be taken as given is the country's decision to withdraw from the European community and the potential economic threat this will pose if there is an economic downturn, with consequences for the council's income and our still hard pressed revenue budget.

The fall of the Local Government Finance Bill, with the announcement of the General Election has left considerable uncertainty about the move to finance the cost of local government services through Business Rates.

However, there is no doubt that in Lincoln we are seeing an unprecedented period of public and private sector growth. Our two Universities continue to invest heavily, our visitor economy will receive a huge boost from the Heritage Lottery funding for the enhancements to our wonderful Cathedral, and our engineering/ manufacturing sector remains vibrant as evidenced by the recent announcement by Siemens of new investment.

The challenge to align our expenditure with our income remains, with approaching £1 million savings still to find within the lifetime of the current MTFS.

The council will need to continue to be innovative and entrepreneurial in its approach to achieve this.

2. THE COUNCIL'S PRIORITIES

This year we have developed and launched Vision 2020 - a new 3-year strategic plan, covering the period 2017 to 2020. This vision identifies four key strategic priorities:

- Let's drive economic growth
- Let's reduce inequality
- Let's deliver quality housing
- Let's enhance our remarkable place

These four priorities are underpinned by a final key element of Vision 2020 - professional high performing service delivery. We will ensure that the council is well run, builds a consensus with the communities we serve and with our partners around our vision and strategic priorities, and can demonstrate that we are capable of delivering these.

We will focus on the refreshing and delivering the citywide Growth Strategy as the way to deliver economic growth within the City. The scale of the transformation is huge, ranging from projects such as the completion of the Lincoln Transport Hub, the development of

the Western Growth Corridor, to the development of a prospectus for Lincoln designed to bring in the most appropriate business for the city.

We will address inequality through a range of projects including unlocking potential employment opportunities and developing skills to help people compete more successfully in the labour market; further development of the Anti-Poverty Strategy and the Welfare Reform Strategy and their action plans, as well as looking to ensure that we deliver social value through our own procurement practices and encourage organisations in Lincoln to embrace corporate social responsibility.

The shortage of good quality affordable housing remains a significant issue for the city – the introduction of the new Lincoln Housing Strategy has prepared the way forward to address this problem. In conjunction with our partners, will do all we can to increase the supply of new affordable housing to meet the demand as well as work to improve current property standards across all tenures of housing.

We are already proud of our city's parks, commons and green spaces which provide great recreational facilities for the residents of Lincoln, and in our vision we look forward to making them even better. We also want to increase our recycling rates and reduce our carbon footprint. By doing this we will help make the city a better place for all of us.

Our programme for maintaining professional high performance services is the basis for providing the environment in which we can successfully deliver the aims within each strategic priority. As we enter the fifth year of our plans to deliver a sustainable budget, the programme has moved towards the development of more commercial income generating opportunities.

In terms of how we have been doing in general over the last year - you will be aware that in February 2017 we undertook a Corporate Peer Challenge (CPC) led by the Local Government Association (LGA), which is aimed at helping councils help themselves to improve in a non-judgemental way. This opportunity has been running since 2011, in which time 179 councils took part, and as we moved forward with a new management structure and a newly developing Vision, we felt it was the right time for us to take part.

The experienced CPC team, consisting of 3 senior officers and a Leader of another district, completed their review of the city council's ways of working, including three additional specialist areas that we requested, reporting back in April 2017. The final report was extremely positive in its findings, making just six recommendations – all of which are being taken forward through an activity plan.

Moving on to what our services have delivered this year - there are many aspects to my portfolio and I will cover as many services as I can, especially where there are changes, achievements or issues to share.

This report will now deal on a service by service basis with:

- Key achievements in 2016/17
- Key performance challenges as we move into 2017/18
- All other future challenges

3. KEY ACHIEVEMENTS IN 2016/17

3.1 Progress on Reshaping Local Government

There was a very disappointing outcome to our efforts to achieve a Greater Lincolnshire combined authority and a substantial devolution deal with government. The opposition of Lincolnshire County Council and South Kesteven District Council led to the collapse of the deal and the obvious displeasure of government and ourselves over the wasted effort and opportunities the deal would have offered.

Discussions continue on the way forward, with the council's position being absolutely clear about maintaining the democratic autonomy for the governance of Lincoln.

3.2 Financial Savings

The council has a successful track record in delivering savings and has to date, since the onset of austerity measures in 2008, delivered £7.3m of annual revenue savings. The council's approach has centred on planning ahead, securing savings in advance, re-investing in more efficient ways of working and adopting a more commercial approach whilst making careful use of reserves to meet funding gaps, it's an approach that has served the council well. Although inevitably there has had to be some withdrawal of services the council has tried to keep this to a minimum and has sought to protect its core services that matter most.

Despite this success we must continue to reduce our levels of expenditure or identify additional resources if we are to achieve the current savings targets assumed in the MTFS and to remain sustainable.

The Towards Financial Sustainability (TFS) programme is and continues to be the vital element in ensuring that the council maintains a sustainable financial position and delivers the required reductions in the net budget. The programme itself continues to focus on the following prioritised key strands of activity:

- Generation of new income streams, commercial opportunities and trading activities whilst ensuring that appropriate charging regimes for services are implemented.
- Optimisation of usage and commercial returns of the City's property and land portfolio.
- Redesigning and modernising services to ensure the provision of professional, high quality service provision.
- Driving greater value from procurement and commissioning activity.
- Focussing on sustainability and the savings that can be gained by making greener choices in the way that we work.
- Withdraw or part withdraw from some services not deemed to be of sufficient priority or any longer affordable.

With a limit nearly being reached on the number of services that can be reviewed and redesigned; the value that can be continually driven out from procurement exercises and

the number of non-priority discretionary services that can be withdrawn the focus of the TFS programme will now concentrate more heavily on the first two strands, income streams and asset use.

Alongside this programme the council continues to seek ways to maximise its tax bases through economic development measures which enhance the economic prosperity of the City, such as the significant investment in the Lincoln Transport Hub and its new Council House Building Programme. Although not directly contributing towards the TFS savings targets these measures allow future assumptions of growth in the council's resources to be factored into the revenue forecasts.

This new approach by the council focuses its efforts on sustainability for the future.

Based on the delivery of the current TFS Programme saving secured to date the council is in a strong position to deliver the required level of savings required in 2017/18. However beyond 2017/18 the current programme does not deliver the size of savings required leaving a gap of £0.720m in 2018/19.

The delivery of the current strategy and programme will leave the council in a strong position to achieve the current savings targets for 2017/18. Nevertheless the overall emphasis on delivering the savings targets must remain strong to achieve those from 2018/19 and beyond.

3.3 Revenues & Benefits Shared Service

I am pleased to report that 2016/17 has been another year of significant progress with a number of improvements for our Revenues and Benefits shared service with North Kesteven District Council; with some extremely positive performance outcomes as well as significant work undertaken in relation to the ongoing legislative changes (including welfare reform and Business Rates), whilst continuing to make financial savings in excess of £0.5m across the shared service partners.

In terms of performance:

- Council Tax collection has a slight reduction of 0.02%, which equates to £11k. When considering the current collection level, it should be noted that the total net receipt for City of Lincoln has increased from 2015/16 by £1.78m.
- Business Rates in-year collection for 2016/17 was 99.43% - whilst this is a reduction of 0.35% compared to 2015/16, it should be noted that the total net receipt has increased from 2015/16 by £0.66m. However, in-year collection has exceeded 99% in each financial year our shared service has been in operation. Effective collection is particularly important due to the financial risk to the local authority since the introduction of the Business Rates local retention scheme from April 2013. There are a number of reasons that contributed to the drop in collection rate. Historically, rateable changes from the Valuation Office Agency have not been entered into the Business Rates ICT system during the last six weeks of the year. Due to the impact this has on the local authorities' financial position and to ensure that accounts and returns are prepared in accordance with proper accounting principles and best practice, this work will take place going forward. As a result, this did and could continue to have a detrimental impact on in-year collection rates, as an increased collectable debit is added towards the

end of the year but realistically cannot be then fully collected in the limited time remaining in that year. Equally, there could be a reduction in collectable debit. The Lincoln Business Improvement District (BID) levy collected by the shared service achieved 99.14% in year (the BID financial year ending 30th June 2017). The total Net receipts for the year is £376,104.67. This leaves just £3,252.39 which has not been collected

- The average number of days to process a reported Housing Benefit change of circumstance reduced by more than 0.91 days – to 4.49 days. This was as a result of a number of new initiatives which were introduced during the year such as promotion of channel shift and re-allocation of staffing resources to ensure response to workload was pro-active and not reactive.
- The level of outstanding customer changes in the revenues team stood at 298 at the end of Q4, a reduction of more than 33% from the end of Q4 2015/16 (when 448 changes were outstanding). However, it should be noted that this is only 'part of the picture' and e-mail and telephone demands on the Revenues Team remain high and an action plan is in place to tackle these issues.
- The outstanding level of Housing Benefit customers awaiting for their claim to be processed has significantly decreased again – to 892 at 31st March 2017, compared to 1,064 at the end of March 2016. This figure was 2,401 at the end of March 2012 – so real progress in this area over the last few years.

The welfare reform agenda has continued to place some major challenges on the service and required significant resources to deliver these from the staffing establishment.

The shared service continue to be extremely proactive regarding the implementation of the national welfare reform agenda, with all areas being delivered on time, within budget and achieving effective communication to internal and external stakeholders.

Positive outcomes have been achieved including:

- The recent Management of Change process introduced a permanent Welfare Reform and Project Officer role, with the Officer continuing the good work already being undertaken and utilising the Welfare Reform Strategy which was approved by Executive in 2015 – reviewing the aims and objectives to ensure crucial projects are delivered;
- Link to two Vision 2020 projects – 1) Further support the residents to adapt to Welfare Reform, and 2) Maintaining support for people moving to Universal Credit;
- Central government grant for Discretionary Housing Payments (DHP) pro-actively spent and policy reviewed annually to assist those most in need in the City for additional help towards housing costs, including additional funding agreed by Executive,
- Significant review of the Localised Council Tax Support scheme for 2017/18; with a full consultation process – with a result of a changed scheme being introduced from 1 April 2017 – the first change to the scheme since April 2013;
- Preparation for, and ongoing support for Universal Credit customers;
- Delivery under requirements of Universal Credit Delivery Partnership Agreement with Department for Work and Pensions (DWP) – e.g. digital support and personal budgeting support;

- Effective partnership meetings through LUSP (Local Universal Support Partnership) to deliver holistic and effective response to Universal Credit;
- Analysis and impact mitigation (wherever possible and appropriate) regarding various welfare reforms and legislation changes announced in annual budgets.
- Successful and positive project through Lincolnshire County Council's Health and Wellbeing Fund to deliver educational courses to citizens on low incomes – the first few months have seen 16 students either move into work or progress with their current employer; and
- Our Welfare/Money Advice Team continues to provide proactive and vital support to customers, under the backdrop of demands increasing in the current economic climate and with the impacts of welfare reforms, - also providing Personal Budgeting Support as part of a Universal Credit support agreement with Department for Work and Pensions.

Our shared service has also worked as a key partner in the Lincolnshire County Fraud Partnership, utilising fixed-term funding from central government to help raise the profile of fraud and put initiatives in place to tackle this. Projects carried-out in 2016/17 were a review of the Business Rates base which has resulted in a fundamental review of the business rates accounts and properties within the City, resulting in an increase to the rateable collection for 2016/17 of £39,468.

The shared service successfully secured an additional £42k funding from the Department for Work and Pension for a new initiative to reduce Fraud and Error within the Benefits System. As a result of this, staff have been able to express an interest in undertaking this work, with a view to backfill those positions through City of Lincoln's vacancy management process.

Channel shift has also been a focus for the shared service with significant improvements:

- Introduction of Citizens Access Benefits – an online new claims portal which allow all Housing Benefits customers to make their claim online. In introducing this, customers receive a 'call-back' within 24 hours of their claim being made, advising them of the information required to enable processing of the claim – prior to the introduction of this, turn-around was between 4 and 6 weeks;
- Introduction of E-forms within the Council Tax teams – integrated e-forms are now on the website for Council Tax customers to complete. There is a full interface to the Council Tax back office system, which reduces the amount of time spent by staff re-keying the information and providing a customer with a quicker response to their notified change. As a result, amendments to council tax accounts are quicker and bills are issued in a timely manner; and
- Successful outsourcing of Revenues correspondence.

In achieving all of this, a Management of Change process has also been undertaken which has result in the following changes to the structure since March 2017: -

- Reduction of 4 benefit team leaders to 3;
- Reduction of 1FTE Benefits Officer without the need for redundancy (due to natural movement within the team);
- Implementation of permanent Welfare Reform and Project Officer post;
- Implementation of permanent Subsidy and Quality Control post;
- Removal of £20k contingency budget;

- Removal of agency workers (no negative impact on performance); and
- Removal of fixed term contracts – with almost all staff on fixed term contracts gaining permanent employment within the shared service.

Moving into 2017/18, the shared service is now established and been able demonstrate year-on-year improvement, and now needs to further respond to some significant challenges and initiatives ahead which the service will aim to tackle head on, including:-

- Successfully delivery of Vision 2020 projects;
- Ongoing key 'Channel Shift' initiatives around outsourcing of correspondence for Housing Benefit, Council Tax Support and annual billing process for 2018, integrated e-forms, e-billing and introduction of Citizens Access-Benefits (change in circumstances);
- Rollout of Universal Credit full service in March 2018 with impacts on customers, as well as potentially for staff including the need to re-skill and develop roles as required;
- Continuing to develop and implement mechanisms to ensure Business Rates retention financial scheme impacts are analysed and addressed, as well as preparation for the full retention scheme;
- Review of the localised Council Tax Support scheme, with a view to considering the council's scheme for 2018/19 and how this may interact with Universal Credit;
- Identification and progression of further partnership opportunities with other organisations;
- Continuing with a key role in The Network facility in City Hall for the NEET group, ensuring effective working arrangements are in place and positive outcomes for customers;
- Re-negotiation of ICT contract for Revenues and Benefits, to achieve the best possible system and value for money; and
- Year-on-year uncertainty of funding from DWP and DCLG makes service planning extremely difficult, however officers are looking to continue stabilising and improving the service as much as possible, progressing the service through effective partnership working and bidding for other potential funding opportunities as they arise. Officers continue to pursue and successfully bid for additional post funding wherever possible to support delivery of the shared service.

I hope you will agree with me that 2016/17 has been a year of significant success for the shared service, with some real improvements in a number of areas across the service, in a difficult and uncertain time for customers and staff. There are a whole of host of challenges ahead – but the service is well placed to proactively address these matters and continue making positive impacts for the citizens of Lincoln.

3.4 Complaints against the Council

For the full year 2016-17 we received 368 corporate complaints, which was 10 less than the previous year's total of 378. These complaints were answered in an average of 7 days, which was a slight increase on the previous year's average of 6 days. This is still lower than the target we had of 15 days, before this was removed under the lean principals.

The Local Government Ombudsman (LGO) reported on 3 complaints which were escalated for independent jurisdiction, of these only 1 was upheld which resulted in

£150.00 being paid out in compensation. There was 1 Housing Ombudsmen complaint which was upheld again the resulted in a compensation payment of £150.00.

	Number of formal complaints received	Average time to respond to formal complaints	Number of LGO complaints upheld	Number of LHO complaints upheld
CX	87	7.1	0	
DCE	87	5.3	1	
DMD	0	0	0	
DHR	194	7.8	1	1
Total	368	7.0	2	1

Note – There has been an amendment to the DCE figure quoted in the Q4 outturn report, bringing the average time taken down to just 7 days

3.5 Customer Services

Our Customer Service team continues to resolve a large number of enquiries from the public, either face to face in City Hall, over the telephone or increasingly by email or through our website enquiry forms.

During 2016-17 we have continued to work closely with both the Property Shop and the Credit Union in the combined customer enquiry area. Since December 2016 we have seen an increase in customers renewing their travel concession passes. The team were seeing around 800 per month, but this has now increased to an average of 2050. This is a legacy effect, following the change of responsibility between the County Council and the District Council, however we expect this higher demand to continue until the end of this year.

Last year's telephone response performance was good throughout the year, with the average time to answer a call standing at 36.45 seconds, with quarter 4 being the best at just over 27 seconds. Demand on the telephones remains high – the team answered 139,545 in the contact centre, answering 95.6% of all calls offered.

The current quarter has shown a small drop in performance to 60 seconds, however it should be noted that quarter 1 is normally our busiest quarter and the loss of two of our most experienced Customer Services Assistants has left the team both short of staff and also on knowledge. Recruitment will be completed during July so we expect performance to improve soon after that.

We are making progress in encouraging customers to use our online offering. New benefit claimants are advised of the online claim form, and take up of this is going well. We have assisted a number of face to face customers with the completing the on-line form on the self-service PC's in the DWP area.

As a council we went cashless on the 1 June 2017 meaning we are no longer taking cash or cheques for payment. For those customers who state they have no other option but to pay by cash we are discussing alternatives available with them. If there are genuinely no other ways for them to pay, we then provide paying in slips which they can use at a bank.

A recent Star Survey undertaken by BMG research on behalf of Directorate for Housing and Regeneration, reported back (from the 453 completed surveys) that 79% of respondents were satisfied the customer services were able to deal with their problem, and 83% found staff helpful.

It was also reported that 42% of those surveyed did not have access to the internet. The over 65s were represented highly as were those claiming housing benefit. This result goes against the Office of National Statistics advice who have stated that 82% of adults access the internet daily. It is possible the section of the tenants who completed the survey swayed the outcome, but we continue to be aware that there are some sectors of our community who do not have access to a personal computer as we drive forward with our transition to online services.

We have launched our new Customer Experience Strategy 2017-2020, as part of the Vision 2020 programme. The aim is to provide high performing services that achieve value for money, while ensuring our residents are placed at the heart of service delivery.

There are 17 themes in the strategy which will help us achieve the strategic outcomes. These include:

- Accessible staff, continuing to offer local sessions and home visits for vulnerable residents
- On-line requests and claims, to work across the council to create on-line forms that can integrate with our other systems and to continue to develop our My Info service to allow customers to monitor their account balances and benefit payments
- Payment methods, we have already started this process by making City Hall cashless and we will continue to encourage payment by Direct Debit where ever possible
- Customer feedback, we currently undertake 100 telephone surveys per month to benchmark our repairs service and the use of customer comment cards, to develop face to face surveys
- Call quality monitoring, using our Contact Centre system to listen in to live and recorded calls, to improve transactions and tackle any issues with additional training
- Commercialisation - Innovation is a key principle in Vision 2020 and is one of our new core values, we will be exploring new ideas for the commercialisation of our existing services

We are fully committed to this strategy and we will work with other sections and partners to meet the themes objectives and improve the customer experience. Overall we aim to improve our offering, bring forward technological advances and make processes more efficient for many customers, whilst at the same time supporting the council by making savings to help achieve its financial targets.

3.6 Website Development

Over the past 12 months the website has been continually developed to improve content layout and functions. Core services such as Council Tax, Planning Applications and Building Control now have revamped website content with a focus on supporting our customers in finding the correct information and services as quickly as possible.

In addition, a core focus of the programme of development has been in moving existing e-forms to a new and improved system with the same supplier. The team have been working on key digital services by reviewing current processes and applications to be more efficient for both the customer and staff dealing with requests. (You will have seen some of these mentioned earlier)

Significant services and projects launched from July 2016 to June 2017 include:

- Redesigned Council Tax paperless billing sign up and bill delivery process
- A campaign developed in-house delivered a 120% increase in customers signed up to paperless billing
- Addition of “Contact us” online forms allow customers to contact departments directly online
- Redesigned landing pages for top services and tasks to improve customer journey
- Rebranded website and microsites in line with Vision 2020
- Supporting the Boultham Park project with re-design and development of website
- Launched new website for Lincoln markets offering to support ongoing development of Central Market and the city’s market provisions
- Launched e-benefits application service allowing customers to start an application online
- Myinfo, the online sign in facility for Council Tax, Benefits and Rents, has seen a number of improvements including:
 - Better account creation process whereby less manual staff intervention is required
 - Changes to the system to comply with data retention policies
 - Ability for an account to be created when a customer signs up for paperless billing
 - Advanced integration in to Northgate systems to improve quality of data available to customer

Moving forwards to 2018 the team will continue to develop online services to improve and assist customers in their digital interactions with the council. A number of key projects are underway including:

- Online sign up for and amend Direct Debits for Council Tax
- Report a move fully integrated
- Apply for single person discount online
- Continuing to migrate and optimise existing e-forms
- Full website audit and content overhaul

3.7 Procurement

As detailed elsewhere within my report the current financial situation has meant that procurement continues to be one of the areas where there is potential to generate savings. However this is with the acknowledgement that the majority of the council’s high value contracts have already been reviewed in recent years.

Negotiations have been ongoing with Active Nation and are now in their latter stages in respect of the Birchwood Leisure Centre contract provision. It is anticipated that this will generate significant savings over the remainder of the contract.

Further analysis is currently being undertaken to identify whether there are any other potential spend areas and/or contracts which could be renegotiated or procured in order to generate savings.

The Procurement Officer has recently developed a number of strategies/policies which it is hoped will enable the council to generate more added value to its procurement activity. These are currently under review by the council with a view to formal adoption into the procurement process early autumn.

Notice has been served on Procurement Lincolnshire as it was agreed by the council's Executive that we have the necessary specialist expertise to carry this work out in-house. This will take effect from 1st April 2018.

The Procurement Officer is currently preparing an exit strategy and reviewing internal operations in order to ensure as seamless a transition as possible.

In addition to the savings achieved, substantial procurement support has been provided within the last year to a number of the key strategic priorities including the Housing New Build Programme, the Boultham Park Restoration Project, and Western Growth Corridor as well as a number of the priorities of Vision 2020.

3.8 Asset Management

Another key element of the Towards Financial Sustainability is 'rationalising the City's property and land portfolio to optimise usage and commercial returns'.

Under this project phase 2 of the co-location project was successfully delivered to ensure that the City Hall is once again at full occupancy. Phase 2 involved the refurbishment of a further 17,800 sq. ft. of office space to house the DWP call centre and medical assessment centre. The public sector hub is now complete with the following occupiers; Lincoln Credit Union, Voluntary Sector Services, The Network, DWP & Citizens Advice Bureau who occupy Beaumont Manor. Customers are now able to access a wide variety of public sector services from the City Hall building.

An opportunity arose for the council to purchase the freehold interest at Broadgate car park. The council were previously tenants under a lease for a term of 50 years expiring in 2025. The freehold interest was purchased in September 2016 and resulted in a significant revenue saving when compared against the rent previously paid under the lease. The purchase also secured the future of car parking in this area which was essential given its very high occupancy.

The sale of the Lawn to RW Stokes completed and significant refurbishment work has been undertaken by RW Stokes including an extended visitor car park of around 200 spaces and building/alteration works to the main Lawn Building. RW Stokes are working to attract new tenants to the property to reinforce the role of the Lawn as a key visitor attraction.

Work continued on the review of council assets and land at Crofton Close was sold for industrial development and capital receipt.

Maintenance/Refurbishment of Assets

A major project to refurbish Lincoln crematorium was completed on the 6th October 2017. The works included general improvements to the main chapel including installation of bi-folding doors, internal redecorations, new chairs, new audio equipment, additional car parking and a redesign to the offices. The refurbishment has increased capacity for services and made interior space more flexible.

Protection of Heritage Assets

The council continues to work with Heritage Lincolnshire to develop a full Heritage Lottery Fund bid for Greyfriars; work will be undertaken in the next six months to assess the condition of the building and look at viable end uses for it.

The exterior of 42 Michaelgate which is currently let to the National Trust was fully redecorated and further essential work was carried out as part of a rolling programme to historic walls at Westgate.

3.9 Business Development & Information Technology (BDIT)

The BDIT team have again been working hard to improve the efficiency of services both directly through improvements in infrastructure and indirectly by proving services with new tools and techniques to help customers.

Over the last year the team has:

- Improved and offered new services to customers using self-service via the website, including enhanced e-forms e.g. notifications of moving house
- Completed of the technical Disaster Recovery solution, providing enhanced backup and recovery facilities off-site.
- Significantly increased the number of customers receiving council tax e-bills
- Reduced postage costs by providing off-site postage production and despatch
- Implemented new planning and building control software
- Procured a new telephony solution for implementation in the next few months
- Improved information governance processes and practices

Over the next 12 months, key focus will be

- Further improving the technology supporting our Customer Experience Strategy including new services available on the website
- Support to the Vision 2020 programme
- Implementation of the new telephony solution
- Assisting with the modernisation of services with new technologies and processes
- Preparing for new data protection legislation
- IT Service improvements for users

3.10 Emergency Planning and Business Continuity

Both Emergency Planning and Business Continuity fall within my remit. We have an Emergency Plan that provides a common framework for the control and co-ordination of a response to an emergency affecting the council. The plan is refreshed annually. Three

of our four strategic (gold) commanders have recently had refresher training and the fourth is due soon. Throughout the forthcoming year refresher training will be delivered to all tactical (silver) and operational (bronze) levels to ensure that we continue to have a sufficient number of staff who are suitably trained.

During the last year we reviewed the City Centre Evacuation Plan and carried out a multi-agency table top exercise testing the plan. The plan provides a framework to facilitate a co-ordinated and flexible multi-agency response in the event of any incident that necessitates the partial or full evacuation of Lincoln City Centre. While the emergency services would lead on the actual delivery of any evacuation we are the author of that plan on behalf of the other agencies.

We have briefed around 80 staff on Project Griffin over the last year including colleagues from the DWP. Project Griffin is a national police initiative to protect our cities and communities from the threat of terrorism by familiarising staff of organisations such as ours on security, counter-terrorism and crime prevention issues.

Business Continuity

Business Continuity Management (BCM) is a framework that assists in the management of risks which might impact the smooth running of our organisation or the delivery of key services. These risks could be from the external environment (e.g. power outages, severe weather etc.) or from within an organisation (e.g. systems failure, loss of key staff etc.) Well organised Business Continuity plans will facilitate the recovery of key business systems within agreed timescales whilst maintaining the council's critical activities and the delivery of vital services to the public.

Business Continuity Management complements and interrelates with other corporate activities, notably risk management and emergency planning.

The council's overarching business continuity plan is reviewed each year. We have 21 service area plans all of which undertake an annual review, led by the service area and supported by the council's Emergency Planning Officer who is from the Joint Emergency Management Service at Lincolnshire County Council. All plans are scheduled to be completed by July of each year. Work is currently ongoing with service areas in relation to disaster recovery plans which will continue in 2017-18. The council's Business Continuity Co-ordinator is the Chief Finance Officer and regularly meets with the council's Emergency Planning Officer, who sits on relevant internal meetings such as Safety Advisory Group and the Christmas Market Safety Advisory Group to provide necessary support and guidance.

3.11 Risk Management

Risk management is co-ordinated activities to direct and control how we respond to the risks we face when conducting council business and delivering services. Our support for risk management is provided through a combination of in-house resource provided by our Chief Finance Officer and external support from Lincolnshire County Council. This arrangement continues to work well with Lincolnshire County Council.

As I have already noted the next few years will continue to present unprecedented challenges for the council in delivering its priorities, with the need to identify and manage risks being even more crucial. As the impact of the budget reductions continues to be felt

the council will inevitably be forced to have more of an appetite for risk as 'it cannot do everything' and will face hard choices. Effective management of risk is essential in ensuring that the council is prepared for the challenges ahead and encouraging a move from a 'risk averse' to a 'well measured' risk approach

It is worth noting that the council's risk appetite statement is 'Creative and Aware', in practice, this means that we wish to be creative and open to considering all potential delivery options, with well measured risk taking whilst being aware of the impact of its key decisions. This means that our risk and assurance systems need to be working well so to create an environment of 'no surprises'.

The Risk Management Strategy has been reviewed and updated and a new toolkit has been developed and was rolled out with training for service managers/Team Leaders and Project Managers in November 2016. Training for members is to be scheduled in 17/18.

The Service Managers Forum has recently taken on the role previous held by the Risk Advisory Group, and will now proactively identify, understand and manage risks within their services, review the Directorate and Strategic Risk Registers and feed any comments back to Corporate Leadership Team and Corporate Management Team.

The strategic risk register is reviewed quarterly by officers (CMT) and members i.e. Executive, Performance Scrutiny and is also sent annually to Audit Committee.

A Risk Management Audit was conducted by our internal audit team in April 2017 and was given "substantial assurance", a number of recommendations identified within the audit report are currently being actioned by officers within the CX Directorate.

3.12 Human Resources

During 2016 a new HR and Work Based Learning (WBL) Manager joined the team and has developed a People Strategy for the council. The purpose of the three year strategy is an enabling framework which supports the delivery of Vision 2020.

Through the People Strategy we aim to attract and retain the best staff to assist the council to become "an employer of choice" whose values are based on the needs of the residents, businesses and visitors of Lincoln.

The Strategy is divided into three key themes which support our new strategic priorities:

- A focus on the promotion of health and wellbeing initiatives that supports healthier lifestyles
- Ensuring the highest standards of leadership and management throughout the organisation to support a motivated and engaged workforce
- Deliver professional high performing services and becoming high performing teams including a re-branding of the appraisal system to "Your Performance Matters".

Our positive working relationship with North Kesteven District Council (NKDC) who provide our payroll service continues. We have extended the service level agreement this year to incorporate provision for NKDC to undertake additional work in relation to West Yorkshire Pension fund queries.

We continue to review HR policies to ensure clarity, harmonisation and compliance with legislation. The reviews are incorporated within a timetable to ensure that all policies are checked at least every three years. The Trade Unions have been actively involved in these reviews. As part of each review, training continues to be provided for all staff who have supervisory duties.

The positive relationship with the Unions continues, largely as a result of the monthly joint HR and Union meeting, where Unions are updated on staffing issues and are given the opportunity to give their opinions and input.

3.13 Work Based Learning (WBL) - Apprenticeships

The arrival of the HR and WBL Manager also provided an opportunity for implementing a new model for merging both teams under one manager.

The two partnerships with Lincolnshire County Council and First College continue and working relationships remain extremely positive.

Following the introduction of the Apprenticeship Levy in April 2017 the team have been preparing for the new complex system to deliver our own internal apprenticeship scheme.

In addition the team are heavily involved with maximising opportunities to provide support to employers. As the national picture has begun to evolve we are reviewing delivery models to explore opportunities to enter in additional sub-contracting relationships.

Despite a decline in numbers on the programme for the past academic year 100% of apprentices have achieved on time and 100% have moved into education, employment or training. The team continue to focus on quality and excellence – an achievement being included in the top 100 Employers for School Leavers Awards coming sixth out of the top ten Public Sector Employers category.

Over the coming year the WBL team will continue to support apprenticeships, provide career advice and interview support across the council.

WBL will also support the People Strategy by utilising existing skills and expertise within the team to deliver core training identified from the new appraisal process.

Craft Apprenticeship Scheme

We currently have seven apprentices in position at Hamilton House – five of which are in post (One plumber, two plasterers, one joiner and a painter), in September, the plumber, plasterers and the painter will have completed their apprenticeships with the authority. We currently have two positions at the recruitment stage (a plasterer and a painter) both due to start in September this year.

Considerable effort has been made to ensure that vacancies are seen as widely as possible, with information available on the website, on social media and in HOME, the tenant's magazine. As a result we have seen an increase in the level of applications over recent years.

A commitment has been made to recruit two apprentices annually, the trade to be determined in consultation with the Housing Repairs Services workforce who provide the day to day supervision.

Housing Repairs continue to work closely with our partners and contractors to provide as much technical and workplace experience as possible. The apprentices are also going to be getting experience of new build on the new housing schemes.

As well as the long term apprenticeships we also provide opportunities for shorter placements - we have links with Lincoln college and provide work experience for 8 full-time students on a minimum two week placement; and we currently offer work experience one day per week for a pupil from STS (Sleaford school for children no longer attending mainstream school)

3.14 Audit Arrangements

Internal Audit continues to operate effectively, working as part of the Assurance Lincolnshire Partnership, and the team continues to work with, and provide Audit services to other councils.

The team itself also has to be assessed against a set of government standards to ensure it is in compliance (External Quality Assessment). In Q2 last year the team went through this assessment (conducted by CIPFA professional standards and guidance) and were deemed as having no areas of non-compliance – an excellent result.

Internal Audit have provided assurance in some key areas during 2016/17 including financial systems, infrastructure projects and other service areas. Internal Audit has continued to use its 'Combined Assurance' model to provide a broader level of assurance to management and members.

I am very pleased to report that the latest annual Internal Audit report (2016/17) provided substantial (green) assurance across all areas of governance, risk and internal control.

External Audit is undertaken by KPMG. Their most recent annual governance report/Annual audit letter provided an unqualified opinion on the statement of accounts including a positive Value for Money conclusion.

3.15 Electoral Activity

The team have had a challenging year after the retirement of the Principal Democratic Officer, in the summer of 2016. During the transitional arrangements officers pulled together to prepare for the County Council election in May 2017 where there was a turnout of 22.2%. A new Principal Democratic Officer was appointed in December 2016.

During the preparations for the election in May, the announcement for the General Election was made and the team had less than 8 weeks to prepare for this and once again, this was successfully concluded on 8 June 2017 with a turnout of 66.75%. If the team receive the resignation of the new MP, then a by-election will need to be organised for the vacant seat.

The council used the local Explorers as runners to help with the ballot boxes at both counts which worked very well and we hope will continue.

An updated register was published on the 1 February 2017 with a total electorate of 61,716. The team continue to maximise registration and by May it was 62,556 and then by June it was 66,862. The total number of eligible electors for the Lincoln Borough Parliamentary Elections was 73,111.

The Individual Electoral Registration system (IER) is now implemented and the Annual Canvass will commence with the Household Enquiry Forms being sent out on 21st July 2017. Preparation for the City Elections 2018 will commence early January 2017.

3.16 Communications

Our communications team continues working hard to ensure our reputation is protected and enhanced. Staff are communicated with effectively and often, and the team continues to ensure that Vision 2020 and its priorities are embedded across the organisation and within the local community.

Our social media channels continue to go from strength to strength and we have had some fantastic outcomes using these tools.

- On Facebook, our Lincoln Christmas Market page proved very popular in the run up to the event. One message sent out announcing one month to go reached 133,654 people. All messages sent out during the week of the event had a combined reach of 834,538 – we hope to reach the magic million mark this year!
- One of the city's big stories this year was the success of its football club, which the city council helped celebrate by organising an open-top bus tour of Lincoln. Our comms team played a big part in making this event a huge success, from helping decorate one of the coaches to giving social media messages out about the #ImpsParade. Some of these messages were incredibly successful, with two of our tweets being the most successful local government tweets of the day and one Facebook post reaching 117,963 people
- Our social media followers have continued to increase. We now have almost 13,000 followers to our corporate twitter account - this continues to see us with the most number of twitter followers for district councils in the East Midlands and one of the five highest population to followers ratio in the UK
- The number of Christmas Market Facebook 'likes' has increased from 27,100 last year to more than 30,000 this year. This continues to be an excellent tool which allows us to communicate directly with many of the visitors to the city and quickly gauge opinion on how successful the market is or any issues arising.
- The council's Proud to be Lincoln campaign was launched earlier this year – supported by 'Proud Knight' situated near to the Guildhall. The campaign has been associated with the football club's success, the Waddington and Scampton Freedom March and an ongoing social media campaign. Much more is planned in the coming year for this important campaign that celebrates how pride in the city is on the increase and needs to be celebrated

3.17 Allotments

From November 2017 the city council intends to commence investment of a significant sum of money to support much needed improvements at many of the city's allotment sites. This programme of improvements, which will end in March 2019 at the latest, is linked to the sale of the former Ermine allotment site and will allow for improvements to on-site facilities, as well as some site security and drainage improvement work. In addition, it is anticipated that a new allotment site will be established in the Birchwood area in conjunction with Birchwood BIG Local. The list of specific developments at each site has been sent out to all allotment tenants and can also be viewed on-line.

In September the council will write to tenants to begin a process which will see a new tenancy agreement come into force. This review is necessary to ensure the tenancy agreement accurately reflects the current context in which the allotment service operates, and will allow it to react more effectively to the needs of allotment tenants. Consultation on the draft for the new tenancy starts shortly, and will end in late October. The final version of the new agreement will come into force in February 2019 alongside the annual tenancy invoicing procedure.

3.18 Equality and Diversity

The Equality Duty requires that we set at least one equality objective every four years. In April 2016 we set equality objectives for the four years March 2020, which are to ensure:

1. Our services are more accessible and do not discriminate on any unjustifiable grounds.
2. Local communities and stakeholders are empowered to influence the way our services are provided to them.
3. Equality and diversity is at the heart of decision making at all levels within the city council.
4. Our workforce at all levels reflects the makeup of the local community.
5. Equalities, Social Inclusion and Community Cohesion have all improved within our communities

An Equality and Diversity action plan underpins these objectives and is monitored by the Equality and Diversity Group, with new actions being added as they are identified. In 2016/17 there were 42 actions, with 33 being completed by the end of the year (79%). In addition to these specific actions equality analyses have been undertaken for new policies and changes to services. These help to identify which protected characteristics will be impacted on the most, and have been particularly useful in helping develop a focus for consultation in respect of changes to services such as Neighbourhood Working.

A summary of work undertaken on equality and diversity actions is provided in the 2016 Equality Journal (in effect the council's Equality and Diversity Annual Report), together with equality information required to be published under the Public Sector Equality Duty. The 2017 Equality Journal is due to be published in September 2017.

3.19 Annual Report

The 2016 Annual Report was again presented in the less formal style, and approved by Full Council in September 2016. The 2017 report will report progress on Vision 2020 and

is due to go to Performance Scrutiny Committee in August, followed by Executive and Full Council in September. The current report will always be found on the website

4. KEY PERFORMANCE RESULTS up to Quarter 4 2016/17

(For full data see **Appendix 1** set out on landscape format at the end of this report)

This year we added targets to appropriate measures so that we can see how they are faring against a set target as well as comparing progress year on year. Four areas did really well with Business rate collection, time taken to answer telephone calls, time taken to process change of circs benefit changes and the level of quality in benefit checks all achieving above their stretch targets. The only slight area of disappointment was that the average days taken to process new benefit claims was outside of its lower target – although it had improved through the year.

As you will be able to see from the comments in the main body of the report and the summary table at the end - overall performance for the year is very strong.

- Both Council Tax and Business Rates teams have performed well, maintaining high collection rates, whilst at the same time reducing their outstanding workload levels
- Despite facing significant extra calls and visits, Customer Services achieved phone response times of just under 28 seconds at Q4. However, there have been some periods when people renewing travel concession passes have had to wait for longer than we would like – but that peak has now passed
- Complaints are now being resolved in an average of 7 days, which is 1 day slower than last year, but still impressive
- Our apprentice scheme continues to provide opportunities for young people – during 2016/17 we had 87 people on the programme of which 83 completed their course on time and 79 moved on to Education Employment or Training. Numbers of new starters are lower towards the year end as we work with the implications of the new levy mentioned in my main report
- However I do need to once again bring your attention to the level of sickness days taken over the year, which, although slightly lower than last year, is still not improving as fast as I would like it to (see the table below). This area is a key focus for CMT over the coming year as part of the High Performing Services remit

Sickness trends - CoLC (Excl. apprentices figures)

Year	Q1	Q2	Q3	Q4
2013/14	2.68	5.18	7.69	10.78
2014/15	2.99	6.68	9.93	13.43
2015/16	3.01	5.7	8.6	11.63
2016/17	2.43	5.10	8.27	11.52

Once again we have seen a pretty static picture in terms of the number of staff we employ (finishing 2015/16 on 591.99, and this year on 590.90) and also on % staff

turnover at just 3.35%. It is worth noting that the percentage of the establishment vacant as of the end of Q4 stood at 10.4% and we are currently actively recruiting to almost half of these vacancies.

5. FUTURE CHALLENGES

It was Charles Darwin who said that it is not the strong or even the cleverest who will succeed, but the most adaptable. So the key to the council's success will I believe depend on its ability to understand and respond to the changes it faces.

The council continues to make significant progress in improving the quality and standard of its services.

The council continues to provide effective community leadership for the City and enjoys high levels of public support and a good reputation with its stakeholders.

Considerable challenges remain. We will need to make the strongest possible case to retain autonomous governance of the City, to maintain the progress we are making in our crucial service provider role, and to secure long term financial sustainability.

We are however extremely well equipped with highly committed elected members and very many able and dedicated professional officers.

There are, as we enter the new Municipal year, many reasons to be cheerful.

I would like to express my appreciation to the really excellent range of officers who support me with the work of the Portfolio and to specifically say thank you to the following officers for their assistance in the preparation of this report:

Rob Baxter, Claire Burroughs, Heather Carmichael, Simon Colburn, Jo Crookes, Kevin Galjaard, Heather Grover, Frances Jelly, Pat Jukes, Bruce Kelsey, Claire Moses, Becky Scott, John Scott, Matt Smith, Lara Trickett, Steve Welsby and Mark Wheeler.

Councillor Ric Metcalfe (Leader of the Council)
Portfolio Holder for Corporate Management and Customer Services

6. Appendix 1 KEY PERFORMANCE RESULTS up to Q4 2016/17

We have a set of around 70 strategic measures that ensure the performance of our key services is monitored and reported regularly through committee. In addition to this, the IMPS system still holds all other performance data accessible to all Members through a series of dashboards in which further detail can be obtained whenever required. Those that feature in the quarterly reports from my portfolio are shown below, plus others that are available through the IMPS performance system

Key annual measures

	Measure description	2014/15	2015/16	2016/17	Status
DCT 6	Percentage of invoices paid within 30 days	95.68%	95.38%	97.03%	Maintaining
DEM 8	The number of individuals registered on the electoral register	n/a	62,552	66,862	Maintaining
PRO 4	Percentage spend on contracts that have been awarded to local contractors	43.4%	41.1%	Available Q3	Maintaining

For all measures the key is: Green = Improving performance; Amber = Maintaining Performance within expected boundaries; Red = Performance deteriorating (needs a closer look)

We have no 'red' performance areas in the annual measures this year

Following the change of process from household to individual electoral registration a decision was taken to start collecting a new measure looking at the number of people registered to vote. The initial count showed 62552, and has now risen to 66,862 demonstrating a clear interest in the latest general election.

Key quarterly measures

	Measure description	Q4 2015/16	Q1 2016/17	Q2 2016/17	Q3 2016/17	Q4 2016/17	Status
WBL5	Percentage of apprentices completing on time	89%	100%	92%	94%	100%	Improving
WBL6	Number of new starters on apprenticeships	13	22	30	14	9	Maintaining
WBL7	Percentage of apprentices moving on to education, employment or training	88%	90%	92%	83%	100%	Improving
WBL8	Number of early leavers	1	1	3	1	5	Maintaining
WBL9	Employers/supervisors rating the WBL team as good/very good	99%	96%	100%	100%	100%	Maintaining
CS4	Number of face to face enquiries	n/a	9631	9475	8977	12768	Maintaining
CS5	Number of telephone enquiries answered	33871	38894	33400	31232	36019	Maintaining
CS6	Number of users logged into the self-serve system My-info this quarter	3918	4092	5246	5256	6980	Improving
CS8	Average time taken to answer a call to customer services	41	48	41	44	28	Improving
HU5	Number of grievances	1	1	2	1	1	Maintaining
HU6	Number of disciplinaries	2	1	3	4	7	Maintaining
ACC8	Average return on investment portfolio	0.46%	0.64%	0.59%	0.62%	0.64%	Maintaining
ACC9	Average interest rate on external borrowing	4.24%	4.23%	4.23%	4.07%	4.04%	Maintaining
REV4	Council tax – in year collection rate for Lincoln	97.12%	26.93%	53.03%	79.72%	97.09%	Maintaining
REV5	Business tax – in year collection rate for Lincoln	99.78%	33.01%	60.08%	85.28%	99.43%	Maintaining
REV6	Level of outstanding customer changes in the revenues team(YoY)	448	443	289	228	296	Improving
BE4	Average (YTD) days to process new housing benefit claims from date received	25.45	29.62	30.01	31.41	29.44	Maintaining
BE5	Average (YTD) days to process housing benefit claims change of circumstances from date received	5.4	7.8	10.79	10.3	4.49	Maintaining
BE6	Number of Housing Benefit/Council Tax support customers awaiting assessment	1064	1204	1021	468	646	Improving
BE7	Percentage of risk based quality checks made where Benefit entitlement is correct	83%	0%	100%	88%	91%	Maintaining
BE8	The number of new benefit claims YTD (Housing benefit/CT support) (Year on year)	6926	1577	3279	5212	7138	Maintaining
AM 8	Percentage occupancy of allotment plots	82%	85.5%	86.6%	86.5%	82.3%	Maintaining

For all measures the key is: Green = Improving performance; Amber = Maintaining performance within expected boundaries; Red = Performance deteriorating (needs a closer look)