

## EXECUTIVE MEMBER REPORT TO COUNCIL WEDNESDAY 26<sup>TH</sup> July 2017

### Queen's Speech

1. I have previously referred to the government's plan to remove the Revenue Support Grant, a major source of funding for councils, and instead expect councils to raise revenue locally by means such as council tax and business rates. The Government had already informed us that the grant to Middlesbrough is to steadily reduce from £27.6million in 2016/17 to just under £12million in 2019/20, prior to removal of the government grant from 2020/21.
2. The Queen's Speech failed to re-introduce the Local Government Finance Bill which had contained a framework to allow local authorities in England to keep all of the £26billion in business rates that they raise locally each year.
3. This leaves all councils with a great deal of uncertainty for the period 2020 onwards, leaving us facing a potential cliff edge when the plug is pulled on government funding. Unless the Government's agenda becomes clear soon we will be left guessing when formulating the Medium Term Financial Plan as our ability to plan for the future will be limited.

### Southlands

4. Following the decision by the Executive Sub-committee for Property, to task officers to seek a viable use for the Southlands Centre, and a subsequent discussion between officers and myself with some of the licensees of Southlands a productive meeting between licensees and officers was held on May 24th.
5. During that meeting a number of actions were agreed
6. Continue to operate and promote Southlands as a business and community facility until after a report is delivered to the Executive in September 2017 that details recommendations from an options appraisal on the future of the Southlands site.
7. Provide an opportunity for the Licensees to produce a viable business proposal/model to continue to manage the facility as a business and community venue.
8. Include that proposal (upon successful completion) as part of the options appraisal report to deliver to the Executive in September.
9. Create a core officer group that will work alongside a representative group from the Licensees to assist in the development of the business proposal.
10. Cease any discussion related to "supportive packages" for current licensees wishing to leave Southlands until after the Executive decision is taken in September.

11. Make the general public aware of this process through an appropriate press release.
12. Guarantee to both Licensees and Community groups that should the Licensee business proposal prove to be unsuccessful we will allow for a 6 month period to decant their business or community group from the Southlands.
13. Determine the likely exit costs associated with decanting businesses if it is decided that the Southlands is to close.
14. Members for the three wards which cover the site have been informed of this progress and a further briefing for those ward members has been arranged for July 18<sup>th</sup>.

### **Extra Help with Council Tax**

15. The Executive agreed on 11<sup>th</sup> July, to move to consultation on proposals to provide extra support to help Middlesbrough residents who are on the lowest incomes.
16. In 2013 the Conservative-led Government slashed funding for Council Tax benefit and passed on to local authorities the task of implementing this grossly unfair cut to working age people on the lowest incomes. Since that date thousands of people in Middlesbrough, least able to pay, were required to pay at least 20% of Council Tax for the first time and others, many from working households, have had to pay an increased amount. This came at the same time as many were hit by the Bedroom Tax and other austerity measures.
17. Middlesbrough Council currently provides support to those most in need through the Local Council Tax Support Scheme which can help people with up to 80% of their bill. The new proposals would see a consultation on whether that figure should remain the same or increase up to 82.5% or 85%. This can be achieved largely by the use of existing hardship funds and adjusting court costs, so can be delivered without affecting the amount paid by other local council taxpayers.
18. As well as helping those in greatest need this is expected to have a positive impact on Council tax collection.
19. The consultation document can be found on the website and will also be available at Community Hubs.

### **Improving Council Tax Collection**

20. Alongside the proposed additional help it was agreed to increase the level of staffing in Revenue Services for the rest of this financial year to increase collection rates.
21. Following the draconian governments cuts implemented in 2013 onwards mentioned above, hitting people least able to pay, the in-year council tax collection rate (that used by the government for statistical purposes) unsurprisingly fell for only the second time ever nationally in 2013/14, with this being most noticeable in areas with high numbers of benefit claimants such as Middlesbrough.

22. As the council continues to collect council tax outstanding after the year end, the overall collection rate rather than in-year rate is the one that has the real impact on council finances and the one that is used when calculating the budget. In the 19 years prior to April 2013 Middlesbrough Council consistently had an overall collection rate of around 99%, but this also dropped following the cut to benefit funding in 2013/14 and now stands at just over 97%. This was highlighted in one of my reports to Council last year
23. The increase in staffing resource is aimed to improve in-year collection by over £1million this financial year, which will also ultimately have a subsequent impact on overall collection. If the in-year collection does not increase to a level whereby it covers the cost of the staff employed, the Council will receive up to 50% of the staffing costs back from Kier Business Services, therefore mitigating the financial risk to the Council. The performance will be closely monitored by the Council with updates provided by Kier Business Services on a monthly basis to establish the effectiveness of this initiative.
24. The two measures above are aimed at redressing some of the imbalances both to help those who struggle to pay but also to improve the amount collected in the interest of all local taxpayers.
25. Despite the reduction in collection rates, the actual cash amount collected has risen, largely owing to the additional homes that have been built in the borough, generating an additional £4m-a-year in Council Tax for the people of Middlesbrough and reducing the need for further service cuts and job losses.

### **Customer Strategy**

26. Middlesbrough House Customer Centre was formally opened on 18 May by the Mayor Dave Budd, Residents and other customers have experienced a substantial reduction in waiting times from an average of 25 minutes to 5 minutes within the first 4 weeks of opening.
27. The new layout provides a more welcoming experience, with excellent self-serve facilities, but with face-to-face help still available for those who need it.
28. A member of the Corporate Peer Review team visited the Middlesbrough House unexpectedly during their recent visit and was very impressed with the Customer Centre as a whole and the customer services staff that he met with.

### **HR**

#### **People Strategy**

29. On 11<sup>th</sup> July I presented a report on the People Strategy for approval to the Executive.
30. This is a very important document and is a result of a lot of hard work by the HR team in particular.

31. It has been put in place because the Council recognises the importance of its staff in delivering its key strategic principles. The vision for the People Strategy is that:
32. *'Every member of staff will be proud to work for Middlesbrough Council, will be the best they can possibly be and deliver excellence. We will all have the ambition and aspiration to individually contribute to the Mayor's vision and improve the opportunities for all that live and work here'*
33. The Strategy sets out and defines how the workforce will be equipped to help achieve the Mayor's 2025 vision. It is structured against five critical elements outlined in strategy that are the key to delivering the Council's organisational development ambitions:
- Great Leadership
  - Attract and retain great people
  - Great place to work
  - Develop our people
  - Deliver excellence
34. The strategy aims are that by 2019 the People Strategy will have supported delivery of the Mayor's 2025 vision by ensuring Middlesbrough Council has:
- a diverse workforce who are proud to work for Middlesbrough Council;
  - staff are high performing with a customer centric ethos;
  - leaders who are leading by example;
  - demonstrating the right behaviours; and
  - a strong talent agenda & pipeline.

### **Digital inclusion**

35. Over 40% of employees are currently 'digitally excluded' by the Council. HR is working closely with ICT to provide access to an employee portal over the internet through personal devices, or alternatively through Community Hubs or designated site kiosks. This will facilitate these employees to have their own personalised profile page which will act as a portal to enable them to receive corporate communications direct, access to the Intranet, Middlesbrough Learns and HR Pay Employee Self-Serve.

### **Appraisal Update**

36. Appraisal meetings have taken place during March and April. Employees will then have a minimum of 3 further feedback meetings with their manager during the course of the year. HR are currently consolidating the appraisal data for those carried out in March and April, early indications show a much improved rate of completion.

### **Managing Attendance**

37. Work continues on reviewing policy, procedures and support measures around Managing Health, Attendance and Wellbeing. Moving forward HR will be working closely with Public Health to deliver the Extra Life initiative within Middlesbrough Council which should:

- create a healthier workforce
- reduce sickness absence increasing productivity
- support work-life balance
- help retain staff
- support Middlesbrough Council to become an 'Employer of Choice'.

### **Team Awards**

38. The deadline for submissions for the Middlesbrough Council Team Awards was Friday, 16<sup>th</sup> June. There was a terrific response with over 75 submissions received. Shortlisted teams have been invited to attend the awards night on Friday, 14<sup>th</sup> July, at which the category winners and Team of the Year will be announced. Unfortunately this year, I will not be able to attend.

### **Staff Survey Results & Corporate Action Plan**

39. There were 1173 respondents overall. There was an upward trend in response rates and staff satisfaction at a corporate level. The increased response rate in Environment (28.9% up from 8.6% in 2015) is particularly noteworthy and results from close working between HR and the Trade Unions. 84.5% of respondents claim that they are very or fairly satisfied with their jobs, up from 80.8% in 2015. Overall 85.4% of respondents are satisfied working in their service area, compared to 80.8% in 2015, and 85% of respondents are satisfied working for the Council, compared to 71.8% in 2015.

40. Staff will be updated using a 'You Said, We Did' approach. Directors have been provided with breakdown of comments for their Outcome areas and are expected to produce action plans to address any local issues identified from the results.

### **Induction Project**

41. The Operational Development team have developed a comprehensive induction programme which went live on 12<sup>th</sup> June to ensure new starters hit the ground running when joining Middlesbrough Council.

42. Induction is a vital part of taking on a new employee. A lot of hard work goes into filling the vacancy or a new role, so it is worth working just as hard to make the new starter feel welcome, ready to contribute fully and want to stay with us.

### **ICT**

### **Agile Working**

43. As mentioned in earlier reports to Council Middlesbrough Council's Agile Working offer is entirely voluntary and is designed to enhance service provision and staff productivity by adopting the most appropriate and effective way of 'getting the job done'. Middlesbrough's agile solution provides staff with one of three options:

- Agile Worker - working between home and office
- Mobile worker - working between home, office and other locations
- Office Based - permanently office based

44. In a survey conducted in December 2016, 99% of staff said that Agile Working either met or exceeded their expectations (46% said it exceeded expectations, none believed it failed to meet expectations, 1% didn't comment).

45. Agile Phase 2 has now commenced for volunteers in the Council's satellite offices. To date 1100 Tablets have been rolled out in total.

### **Members Tablets**

46. The roll-out of tablets is progressing and has a phased schedule. Currently 19 Members have received their Tablets, 10 Members are in the process of arranging their installation date and the 13 remaining Members will complete the final phase.

**NICKY WALKER**  
**EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE**