

Causeway Coast and Glens Borough Council

Internal Audit Report Review of Performance Improvement Targets 2016/17

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Draft version 2

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1. Executive Summary

This review was completed in accordance with the approved annual Internal Audit Plan for 2016/17. This report summarises the findings arising from a review of the overall progress against the Council's Performance Improvement Plan 2016/17 which was allocated 4 days. The targets to review were agreed in discussion with the Performance Improvement Officer.

For 2016/17 the Council agreed that the corporate theme of "Innovation and Transformation" should be the priority theme on which to base the Performance Improvement Plan. Within that corporate theme, two performance objectives were identified. The Council has **10 projects and related targets** within these two **performance objectives**:

1. ***We will transform and improve the services to ratepayers and customers*** – 6 projects and targets; all were reviewed
2. ***We will improve the efficiency of services that the Council operates*** – 4 projects and targets; 1 project was reviewed.

In addition, Council has **5 statutory performance targets** – 2 targets (out of these 5) were reviewed.

The main findings for the performance projects and targets reviewed are set out in the table below:

| Performance Project 2016/17 | On course to be achieved | Risk of not achieving |
|--|--|---|
| Redesign of the caravan site management system across the Council to improve the service to customers | ✓ (Pending completion of drainage works) | |
| Develop an effective grant funding hub to support financial allocations to customer groups across the Council | ✓ (once customer satisfaction survey complete) | |
| To support businesses by improving the payment process to creditors; 90% of invoices to be processed within 30 days | | ✓ |
| To improve the customer experience by providing an effective Wi-Fi service at the Council caravan parks Juniper Hill and Carrick Dhu | ✓ (if customer satisfaction recorded) | |
| Introduce management software for incident reporting to reduce accidents to customers | | ✓ (software in use but note lack of clarity over annual target) |
| Campaign to reduce instances of dog fouling | ✓ | |

| Performance Project 2016/17 | On course to be achieved | Risk of not achieving |
|--|--|-----------------------|
| To develop and implement an Estates Strategy to provide a more effective and efficient geographical allocation of Council non front line services to meet customer needs | | ✓ |
| 92.7% utilisation of 20,386 Tonnes of waste | | |
| 147 jobs promoted through business start-up activity | ✓ (note incorrect target used in Performance Improvement Plan) | |

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2. Objective

The objective for this review was to:

- Provide an opinion on whether progress is sufficient to ensure targets contained in the Performance Improvement Plan 2016/17 are likely to be achieved in a timely manner.
- Highlight any potential risks to achievement of the targets in the Performance Improvement Plan 2016/17.

3. Background

Performance Improvement is a new requirement for Councils. Councils are required under the Local Government (Northern Ireland) Act 2014 to gather information to assess improvements in their services and to issue a report annually on their performance against indicators which they have either set themselves or that have been set by Central Government Departments.

For each financial year the Council must set itself improvement objectives for improving the exercise of its functions. Each improvement objective must bring about improvement in one or more of the specified aspects of improvement (Strategic Effectiveness, Service Quality, Service Availability, Fairness, Sustainability, Efficiency and Innovation). Under these requirements, the Council has a role to ensure that arrangements for the collation of performance evidence, good governance and progress reporting are in place.

The Council has developed a Corporate Strategy 2015/19 that contains the priority themes and objectives for the next four years. The Council is also the lead partner in developing a Community Plan which will set out a long term vision and plan for the Causeway Coast and Glens Borough area and all its citizens based on thorough analysis of needs, priorities and opportunities to address them. In the future the Community Plan will form the basis for an annual Performance Improvement Plan containing key objectives and deliverables for any particular financial year. These objectives will have performance targets agreed annually by the Council. Until the Community Plan is finalised the Council has assessed the Corporate Objectives contained in the Corporate Strategy and determined the priorities which form the basis of performance objectives, projects and targets included in the Performance Improvement Plan for 2016/17. The Performance Improvement Plan 2016/17 also includes other statutory performance indicators set by Central Government Departments. The Council must collate information to measure its ongoing performance against all the targets set. Following an annual review of performance, which will be performed by the Local Government Auditor, Council will publicise the results and use these to assist in setting objectives for the next financial year.

4. Scope

The scope of this audit was to provide a status update of the progress of actions within the Council's Performance Improvement Plan 2016/17, highlighting any potential risks identified which may affect achievement of the Performance Improvement Plan. This audit focused on the specific areas of:

- Reviewing actions taken to date within individual Performance Improvement projects contained in the Performance Improvement Plan 2016/17
- Assessing progress towards achieving the targets for these projects set by Council included in the Performance Improvement Plan 2016/17
- Assessing progress towards achieving statutory performance targets set by Central Government Departments and included in the Performance Improvement Plan 2016/17.

Through discussion with the Head of Corporate Performance and Compliance we agreed that we would review 7 performance objective-related projects and targets and 2 statutory targets within the Performance Improvement Plan 2016/17, as follows:

| Performance Project | Target(s) |
|---|---|
| Performance Objective 1 | |
| Redesign of the caravan site management system across the Council to improve the service to customers | <p>Infrastructure works completed by November 2016</p> <p>One single booking system in place by December 2016</p> <p>One single licence agreement for static caravans by December 2016.</p> |
| Develop an effective grant funding hub to support financial allocations to customer groups across the Council | 80% customer satisfaction levels with the new system |
| To support businesses by improving the payment process to creditors | 90% of invoices to be processed within 30 calendar days |
| To improve the customer experience by providing an effective Wi-Fi service at the Council caravan parks | <p>Wi-Fi to be introduced at Juniper Hill and Carrick Dhu caravan parks by August 2016</p> <p>80% customer satisfaction level</p> |
| Introduce management software for incident reporting to reduce accidents to customers | <p>Increase the number of accidents reported by 50%</p> <p>Increase the number of near misses reported by 50%</p> <p>Increase the number of identifiable remedial actions arising from investigations following accident/incident reports</p> |

| Performance Project | Target(s) |
|--|--|
| | Reduce the number of accidents occurring by 20% |
| Campaign to reduce instances of dog fouling | Reduction in dog fouling across the pilot area between July 2016 and March 2017 Improved customer satisfaction levels |
| Performance Objective 2 | |
| To develop and implement an Estates Strategy to provide a more effective and efficient geographical allocation of Council non front line services to meet customer needs | Environmental Services move to be completed by October 2016 Planning staff moved to Cloonavin by February 2017 |
| Statutory Indicators | |
| The amount of biodegradable Local Authority Municipal waste that is landfilled | Statutory waste 20386 Tonnes 92.7% utilised |
| The number of jobs promoted through business start-up activity | 147 jobs |

5. Approach

For each of the projects and associated targets to be reviewed the person responsible (as per the Performance Improvement Plan 2016/17) was contacted in advance of our fieldwork and asked to provide an update of progress (at 30th September 2016). We also requested that they have evidence of progress available for our review. Three of the performance targets were then selected for a more detailed review.

Our review fieldwork then comprised:

- Review of key files and documents
- Review of IT software (Funding Portal and AssessNet)
- Discussions with key staff.

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

| Job title |
|---|
| Chief Finance Officer |
| Head of ICT |
| Head of Health and Built Environment |
| Head of Prosperity and Place |
| Head of Corporate Performance and Improvement |
| Funding Unit Manager |

Job title

Business Support & Administration Assistant

Health and Safety Officers

6. Summary Findings

A table providing greater detail on the results of our review of the performance objective projects and targets is included at Appendix A.

In summary, our review of progress against performance targets shows that:

- 4 of the 9 project targets reviewed are on target to be achieved.
- There is a small risk that 1 of the project targets may not be achieved in 2016/17.
- 1 of the project targets has been given an extended deadline.
- 1 of the project targets does not have clear deadlines (inclusion in the annual Performance Improvement Plan implies annual targets, but discussion during the review suggests the targets will actually only be achieved over 2-3 years).
- 1 of the statutory targets is unclear for 2016/17.
- No information was provided during the review for 1 of the statutory targets.

Three performance projects were further selected for a more detailed review of project management arrangements. These were:

1. Develop an effective grant funding hub to support financial allocations to customer groups across the Council
2. To support businesses by improving the payment process to creditors
3. Introduce management software for incident reporting to reduce accidents to customers

From review of these projects we found the following:

- One of the performance targets (improve prompt payments) did not have a project plan in place.
- Resources were in place for:
 - the development and installation of the grant funding software although no resources have been specifically allocated for the customer satisfaction survey. The Funding Unit Manager is however discussing with the Head of Performance a number of options for carrying out the survey, some of which require minimal financing. The survey is planned for early 2017.
 - acquisition, installation and ongoing support for the incident reporting software
- No specific resources have been identified for the project improvement of prompt payment but this will be managed by existing Finance staff
- Some reporting of progress of the performance projects to the respective Council Committee(s) has taken place, but not in a consistent and regular manner, and not always including progress against the specific targets. At a minimum quarterly

reporting of progress for each performance project and target(s), should be made to the respective Council Committees

- The deadlines for the targets for the project “*Introduce management software for incident reporting to reduce accidents to customers*” are not explicitly explained in the Performance Improvement Plan. The Health and Safety Officers view the targets, which will be the impact of the new software, as medium term. However, there is a risk that including these targets in the 2016/17 Performance Improvement Plan with no deadline, will lead to them being perceived as annual targets.

Other issues we found when completing this review:

Responsible Person

- For one of the performance projects: “*Introduce an efficient and effective customer engagement process*”, the responsible person was incorrectly noted in the Performance Improvement Plan 2016/17
- The person identified as actually responsible for that performance project and also for a second performance project, “*Introduce an efficient and effective customer focused Council reception service*”, is on sick leave, and no-one else has been identified to manage the performance projects during this period of absence. (These projects were not reviewed)

Development of Targets

- There is some confusion around the target for “*The number of jobs promoted through business start-up activity*”. We were advised by the Head of Prosperity and Place that the number 147, contained in the Performance Improvement Plan (2016/17) is closer to the targeted number of Business Plans to be developed and not jobs created. Invest NI are currently using a statutory target of 125 jobs to be created in 2016/17 for Causeway Coast and Glens, but state this could be amended. Statistics as at end August 2016 (from Invest NI) show that 83 jobs have been created by Causeway Coast and Glens. This is the equivalent of 66% of the Invest NI-calculated annual target, and 56% of the annual target shown in the Performance Improvement Plan.

Evidence of Targets Achieved or Extended

- In order to evidence customer satisfaction with the new Wi-Fi installed at the caravan parks, feedback from the residents’ associations was referred to. This feedback is not documented.
- A successful dog-fouling campaign took place in the Spring and a reduction of fouling was reported over a 4-week period in April/May 2016. Council should consider an additional pilot, or recording the instance of dog fouling later in the year, as the target period for this project is July 2016-March 2017. This would also include documented evidence of customer satisfaction.
- The Estate Strategy has been discussed at Council, without specific reference to the 2016/17 targets. The Council’s approval of the extension of the lease at County Hall infers an extension of the 2016/17 target relating to the Estates Strategy project.

7. Potential Risks to Achievement of Targets

Based on our review, we have identified a number of risks to achieving the targets set for the 2016/17 projects (reviewed). These should be addressed by the responsible officers:

| Target | Risks and remedial action |
|---|--|
| Job Creation | The details of the statutory target for job creation are not clear. The target should be clarified with Invest NI and any change should be reported to and approved by Council Committee |
| Impact of the new incident reporting software | The deadlines for the targets relating to the incident reporting project which are contained in the Performance Improvement Plan 2016/17 are medium term. This is not explicitly explained in the plan and there is a risk the targets could be perceived as annual targets. The targets should be clarified and reported to the relevant Committee. |
| Prompt Payments | In order to reduce the risk of not achieving the target for prompt payments the following should be actioned: <ul style="list-style-type: none"> eliminate known issues within the payments process without delay, and initiate the review of the payments process as soon as possible and address the findings of the review before the end of 2016/17. |
| Estates Strategy; relocation of staff | The Estates Strategy has been revised and approved by Council on 22 nd November 2016. Very close monitoring of progress will be required to ensure revised targets are met. |
| Wi-Fi at caravan sites | There is no documented evidence of customer feedback from the residents' associations. This feedback should be retained and a way to demonstrate the % customer satisfaction before the end of 2016/17 |

Other, more general areas, where action is required to minimise the risk of not achieving the 2016/17 targets are as follows:

- Information was not provided to us during this review for the statutory waste indicator. The Head of Corporate Performance and Compliance should follow-up on progress to achieve this target.
- There is no consistently-used process of regular reporting of progress against targets to Council Committees. Reports should be made quarterly at a minimum. Any performance projects and targets not selected as part of this review should also be reviewed and progress reported to the respective Committee as soon as possible.
- The absence of a project plan and details of resources required for every target puts achievement of the project and target(s) at risk.
- There is no clarity as to who will be responsible for managing the following two performance projects during the unplanned absence of the responsible person recorded in the Performance Improvement Plan:
 - "Introduce an efficient and effective customer engagement process"*

- *“Introduce an efficient and effective customer focused Council reception service”*

This should be addressed as soon as possible.

8. Appendix A – Detailed Findings on Review of Progress

Causeway Coast and Glens Borough Council Review of Progress of Performance Improvement Projects 2016/17

| Performance Improvement Project | What are the key actions to be taken? | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Comments |
|---|---|--|-----------------------|--|--|---|
| PERFORMANCE OBJECTIVE 1 | | | | | | |
| Redesign of the caravan site management system across the Council to improve the service to customers | £4m investment in infrastructure. Focus on drainage and electrical upgrading. One single booking system in place. One single licence agreement for static caravans. | Infrastructure works completed by November 2016 One single booking system in place by December 2016 One single licence agreement for static caravans by December 2016. | Caravan Parks Manager | £4m works completed and snag list issues being addressed. Further drainage works commencing in closed season. One single booking system fully operational and well received. All static caravans licenced under one single agreement | Sign-off of works by Estates Branch, and Parks fully operational. All 2017 online bookings made were through the single system. All 2017 occupiers of static caravans signed the same Licence Agreement. This has recently been audited by the NIAO; so evidence has not been examined during this review | On Target Pending completion of drainage works |

| Performance Improvement Project | What are the key actions to be taken? | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Comments |
|---|--|---|-------------------------|--|---|--|
| Develop an effective grant funding hub to support financial allocations to customer groups across the Council | Introduce a new software package. Train staff and customers on how the package operates. | 80% customer satisfaction levels with the new system | Funding Manager Unit | Funding hub live 1 st December 2015 Training for staff and customers complete January 2016 Guidance available online via the portal The hub is being used for grant applications 2016/17 A customer satisfaction survey is planned for early 2017 | https://www.causewaycoastandglens.gov.uk/grantsandfunding Demonstration of system during this review Report of grant applications and progress from the funding hub | On Target Pending customer satisfaction survey |
| To support businesses by improving the payment process to creditors | Review of systems and procedures to ensure prompt payment of creditors. Monitor and review on a monthly basis. | 90% of invoices to be processed within 30 calendar days | Chief Finance Officer | Q1 86%, Q2 81% The statistics for 2016/17 quarters 1 and 2 are similar to 2015/16 when the annual prompt payment percentage was 82% While there is no documented plan for a review of payment procedures prepared, the Chief Finance Officer assures that the review will take place. In addition, he is already aware of a number of problem areas within the process which can quickly be addressed in order to improve the efficiency and effectiveness of prompt payment | Excel spreadsheet containing quarterly prompt payments statistics | Risk of not meeting target Make improvements without delay where issues are known Initiate complete review of the payments process as soon as possible |

| Performance Improvement Project | What are the key actions to be taken? | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Comments |
|--|---|--|---------------------|--|---|--|
| To improve the customer experience by providing an effective wifi service at the Council caravan parks | Identify level of wifi provision required. Tender process and installation. Monitor and review. | Wi-Fi to be introduced at Juniper Hill and Carrick Dhu caravan parks by August 2016 80% customer satisfaction level | Head of ICT | Wi-Fi is now available at both caravan parks | Wi-Fi usage reports were available from both caravan parks Customer satisfaction is currently being measured through feedback from the residents' associations | On Target Pending a documented record of customer feedback. Notes of feedback from the residents' associations should be maintained. |

| Performance Improvement Project | What are the key actions to be taken? | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Comments |
|---|--|--|----------------------------|--|--|--|
| Introduce management software for incident reporting to reduce accidents to customers | Procure new software for incident reporting. Train staff in the use of the system. Use the information captured to address areas of risk and introduce control measures. Monitor and review progress being made. | <p>Increase the number of accidents reported by 50%</p> <p>Increase the number of near misses reported by 50%</p> <p>Increase the number of identifiable remedial actions arising from investigations following accident/incident reports</p> <p>Reduce the number of accidents occurring by 20%</p> | Health and Safety Officers | <p>Procurement complete.</p> <p>Module instillation configuration process ongoing.</p> <p>Training for staff regarding the Accident / Incident Module on 22nd November 2016</p> <p>Health and Safety see the targets as aspirational to be met over the next 2 – 3 years i.e. over the length of the software contract.</p> <p>They plan to establish a baseline for 2016 – 17 and then see the results from there with the new system 'bedding in'.</p> | <p>Tender awarded by procurement office (email)</p> <p>Playground system operational and demonstrated during the review</p> <p>E-mail correspondence with software company reporting system issues and arranging training.</p> | <p>The project to procure the new software is complete, training has taken place and the system is in use.</p> <p>The deadlines for the project targets are not explicitly explained in the Performance Improvement Plan.</p> <p>Health and Safety Officers see these as 2-3 year targets; but including targets in the Annual Plan implies annual targets to be met by end 2016/17.</p> |

| Performance Improvement Project | What are the key actions to be taken? | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Comments |
|--|---|--|--|---|---|---|
| Campaign to reduce instances of dog fouling | Pilot area to be chosen. Wardens tasked with patrols. Dog foul to be identified via paint | Reduction in dog fouling across the pilot area between July 2016 and March 2017 Improved customer satisfaction levels | Head of Health and Built Environment | Completed Over a 4-week pilot period in Mountsandel Road, Coleraine the amount of dog foul followed the anticipated reduction rate. The total amount of weekly dog foul recorded by the dog warden on this stretch of road (0.9 miles) was 17, 10, 5 and 1 from weeks 1 to week 4. | Report from Head of Health and Built Environment and press releases on Council website | On Target Consider recording the instance of dog-fouling for an additional period(s) as the target period is July 2016-March 2017 |
| PERFORMANCE OBJECTIVE 2 | | | | | | |
| To develop and implement an Estates Strategy to provide a more effective and efficient geographical allocation of Council non front line services to meet customer needs | Design a new strategy to align non front line services with customer needs. Produce a detailed project plan to facilitate the various re location requirements. Move relevant staff as required. Market and advertise the changes to customers. | Environmental Services move to be completed by October 2016 Planning staff moved to Cloonavin by February 2017 | Head of Corporate Performance and Compliance | Estates Strategy Workshop 7 th October 2015 Estates Strategy Objectives agreed. Condition Report for each building July/August 2015 Project Identification Document Phase 1 April 2016; with project overview and completion date March 2017 Estates Strategy project plan for each building | A report for the P&R Committee on 16 November provided an updated first phase of the Estates Strategy for Council approval; it anticipates completion of the planning staff move by September 2017. Steps to facilitate this move are the | Phase 1 of the Estates Strategy was approved by Council on 22 nd November 2016. The targets relating to the revised Estates Strategy have been amended. Close monitoring and regular reporting of these revised targets will be required to minimise the |

| Performance Improvement Project | What are the key actions to be taken? | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Comments |
|---------------------------------|---------------------------------------|--------|---------------------|---|---|--|
| | | | | <p>The lease for County Hall has been extended by 6 months (to September 2017).</p> <p>A revised Estates Strategy was prepared for CP&R Committee and approved by Council on 22nd November 2016.</p> | <p>new targets for 2016/17.</p> | <p>risk of non-achievement in 2016/17.</p> |

Statutory Waste Performance Indicators

| Proposed (NILAS) Target | Utilised | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions Evidence of progress as at 31 st August 2016 | Notes |
|-------------------------|----------|---------------------|--|---|-------------------------|
| 20,386 Tonnes | 92.7% | Head of Operations | | | No information provided |

Statutory Economic Development Performance Indicators

| Statutory Indicator | Target | Who is responsible? | Progress towards target as at 31 st August 2016 | Actions and Evidence of progress as at 31 st August 2016 | Notes |
|--|--------|------------------------------|---|---|---|
| The number of jobs promoted through business start-up activity | 147 | Head of Prosperity and Place | <p>The figure in the performance plan is 147.</p> <p>Invest NI then uses a standard rate (%) for the number of jobs per business plan. The target for jobs for 2016/17 by Invest NI was 125.</p> <p>As per Invest NI data and statistics (at 31st August 2016) Council is currently at 83 jobs created which equals 66% of the Invest NI target of 125 for 2016/17.</p> <p>(According to the Head of Prosperity Council may reach 100 jobs by the end of the year)</p> | Evidence provided by Invest NI. | Incorrect target; 147 in Performance Improvement Plan but Invest NI target is currently 125. (The Invest NI target may be amended during the year.) |