



BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

3 DECEMBER 2015

ATTENDANCE OF THE PORTFOLIO HOLDER FOR CORPORATE SERVICES

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Summary

This report sets out activities and progress on work areas within the Corporate Services Portfolio, which fall within the remit of this Committee. This information is provided in relation to the Portfolio Holder for Corporate Services being held to account.

1. Background

1.1 The areas within the terms of reference of this Overview and Scrutiny Committee and covered by the Portfolio Holder for Corporate Services are:

- Customer Contact
- Democracy and governance
- HR
- ICT
- Internal Audit
- Legal

2. Customer Contact

2.1 Customer Contact places initial customer contact management under dedicated leadership, professionalising customer service and allowing service specialists to focus on front line service delivery. Customer Contact additionally has responsibility for a range of complementary activity and related rules based assessment work as set out below:

- Revenues and Benefits assessment and processing, helping some of Medway's neediest residents and helping to secure the financial health of the Council through effective council tax administration
- Adult Social Care financial assessment, determining contributions to the cost of social care
- Planning validation; ensuring applications are sufficiently complete to allow the planning process to proceed smoothly
- Community Interpreting Service, a trading service providing interpretation and translation services in over 60 languages
- Welfare Benefits Advice, including the successful partnership with Macmillan Cancer Care, helping people with or affected by cancer to reduce their financial concerns and worries.

2.2 The service is open to and values independent external scrutiny. Its management and operational procedures are accredited against the international quality standard ISO 9001 by the British Standards Institute, it holds the Customer Service Excellence Award, the Cabinet Office sponsored scheme recognising excellence in customer service, and as a member of the Institute of Customer Service it benchmarks its performance against others.

a) Customer Contact Initial Contact

2.3 Initial Contact is the first point of contact for advice and information for a significant and increasing range of council services including: Revenues and Benefits, Social Care, Development Management, Housing Solutions, Environmental, Waste, Highways and Pupil Services (School Admissions, Free School Meals and School Transport), Libraries and Adult and Community Learning.

2.4 As part of Initial Contact the Contact Centre is the primary telephone gateway to council services; successfully handling over 700,000 customer enquires and service requests each year.

2.5 Through its presence in the Community Hubs, Initial Contact offers a gateway to Council services. Building on the success of the existing hubs in Chatham, Gillingham and Rochester the new Strood Community Hub opened earlier this year with its contemporary design and ever increasing service and activity offer attracting more and more visitors.

- 2.6 The new Twydall Community Hub is further set to open summer in 2016. The current Twydall Library will be extended into an adjacent shop, providing the size of facility needed to offer the enhanced range of services and activities under the Hubs umbrella. This initiative is further being overseen by a cross-party Member and officer working group ensuring the new facility is customised to reflect the particular needs and expectations of the people of Twydall.
- 2.7 Customer Contact is also responsible for providing face to face housing benefit and housing solutions help and advice. This service was previously provided from Riverside 1 but has recently relocated which offers the future opportunity to expose the historic Fort Amherst Great Barrier Ditch under Riverside 1 to enhance the area as a centre of historical importance.
- 2.8 Kingsley House in Gillingham was identified as the preferred re-location option and the service relocated to this venue earlier this year. This refurbished accommodation offers ground floor, purpose designed, DDA-compliant facilities, easily accessible by public transport. This investment has created a bright and airy contemporary service environment, which has been well received by customers and staff alike. By design, more customers are now seen at a time of their choosing and convenience by appointment, meaning that the waiting time for drop-in customers, attending because of a sudden crisis in their personal situation, has considerably improved.
- 2.9 In the context of the current financial challenges facing the Council and the need to reduce operating budgets the service reviewed customer demand across its opening hours from a value for money perspective. This concluded that because of the relatively small number of customers taking advantage of the service's extended hours it could adopt the new standard business hours of Monday to Friday 9am-6pm with minimal customer disruption or inconvenience. However, the Community Hubs will continue to open on a Saturday as currently and Rainham Contact Point will further adopt the new hours of Monday – Friday 10am-4pm and Saturday 10am-1pm, in response to its local situation. This will deliver a combined saving of £181K against the 2016/17 Budget with minimum customer inconvenience.
- 2.10 The service continues to invest considerable time and effort in understanding the customer experience and it has until recently routinely surveyed a sample of customers for views on the service, receiving positive feedback and ratings across a range of customer experience measures. However, it has recently committed to a new real time feedback system, which works by contacting customers by phone or email to ask for feedback on their experience immediately following contact. Once the customer completes their survey the results are immediately available via an online portal which allows for greater responsiveness to adverse feedback, automated integration into team and individual performance review arrangements and benchmarking against the performance of others.

- 2.11 Looking forward, Initial Contact will be at the heart of the Council's digital transformation, providing assisted access to information and services for those unable to take advantage of new web-based self service options, and for those with more complex service needs.
- 2.12 The investment in our community hubs and increasing footfall further provides the opportunity to develop new income streams and this will be a key development priority for the service as it moves into next year.

b) Customer Contact Financial and Service Eligibility Assessment

Revenues and Benefits Financial Assessment

- 2.13 Performance across this area of work has stabilised after a period of fluctuating performance with the average processing time for new claims currently being 31.5 days and for change of circumstance notifications 11.7 days. Achieving an improved, less volatile performance position, particularly in the lead up to the introduction of Universal Credit, is a key priority with a range of options currently under consideration, including the internal reconfiguration of the service and shared service and externalisation alternatives.

Social Care Financial Assessment

- 2.14 This has been a challenging time for this area of work with Care Act changes needing to be integrated into the financial assessment process. A key measure of performance for this team is the time it takes to visit a client to undertake a financial assessment after one is requested by a social worker. Despite recent challenges no client currently has to wait longer than the 14 day visit target set.

Planning Validation

- 2.15 This function continues to perform exceptionally well, exceeding all performance targets set.

c) Welfare Benefits Service

- 2.16 The Welfare Benefits Unit in Customer Contact currently provides advice, information, advocacy and representation on Welfare Benefits issues, with social care and health professionals being able to refer clients directly to the service for assistance in maximising benefit entitlement.
- 2.17 Self-referrals from clients diagnosed with or affected by cancer are also accepted under a tripartite agreement with Macmillan Cancer Care and Medway Clinical Commissioning Group. Having agreed to continue to fund the service over 2015/16 Macmillan Cancer Care invited Medway to submit a new full funding bid for 2016/17 on consideration of the service's 2014/5 annual report. That bid is now with Macmillan for final review / agreement, with preliminary feedback being positive.

d) Community Interpreting Service

- 2.18 Despite a challenging trading market, the service has maintained its market position and the number of confirmed appointments is comparable to last year. This is a highly valued and well received service.

3. Democracy and Governance

a) Democratic Services

- 3.1 The Democratic Services Team continues to support a wide range of meetings including full Council, Cabinet, Overview and Scrutiny Committees, Task Groups set up to conduct in-depth reviews, other Committees established by the Council including the Audit Committee, Planning Committee, Licensing and Safety Committee and the Health and Wellbeing Board, School Admission appeals and Exclusion Reviews.
- 3.2 The team also continues to lead on the management of public engagement in formal meetings, maintenance of, and revisions to, the Council's Constitution, administration of representation on outside bodies and the Council's electronic Committee Management System (modern.gov) which includes the Council's Petitions Scheme.
- 3.3 Democratic Services was responsible for the preparations for Annual Council in May 2015. This involved the formal constitution of political groups immediately following the local elections, the recalculation of the political balance of the Council and work to assess and implement consequential changes to the allocation of seats on Committees. Group Leaders and Group Whips worked collaboratively to ensure that all the necessary post-election formalities and discussions were concluded in time to ensure that the Annual Council meeting ran smoothly.
- 3.4 The Head of Democratic Services had overall responsibility for the planning and delivery of the Member Induction programme which ran from May to the end of July and included a Welcome Session with a cross-directorate Market Place to introduce new Councillors to the Council's key priorities and functions.
- 3.5 The Member Induction programme included sessions introducing Councillors to the Council's overall governance arrangements and decision-making processes with a skills development session facilitated by South East Employers for Councillors who are members of Overview and Scrutiny Committees.
- 3.6 Following the conclusion of the work of the Overview and Scrutiny Task Group on Support for Care Leavers early in 2015 it was agreed by the Business Support Overview and Scrutiny Committee that the last in-depth review in the 2011-2015 programme of scrutiny reviews should be delayed until after the local elections. A Task Group has now been appointed to conduct this in-depth review on Housing, Demand, Supply and Affordability. The findings of the Task Group will be reported back

to both the Business Support and Regeneration, Community and Culture Overview and Scrutiny Committees. In the meantime all the Overview and Scrutiny Committees have considered options for Task Group topics going forward using the criteria based system adopted by Medway. This process has been facilitated by the Democratic Services Team and the Business Support Overview and Scrutiny Committee will agree two topics for Task Groups in 2016 at its meeting on 3 December 2015.

- 3.7 Following completion of the Member Induction programme all the Overview and Scrutiny Committees are developing their work programmes. Medway will be participating in a series of Joint Health Scrutiny Committee meetings with Kent County Council over the next few months to review and comment on proposed changes to vascular, urgent care and stroke services across Kent and Medway.
- 3.8 The Head of Democratic Services continues to keep the Constitution under review, reporting to Council on changes required as a consequence of legislation; the most recent being a report to Council in August 2015 on changes required to statutory standing orders in the Constitution to comply with changes to the procedures for disciplinary action against and dismissal of the Council's Head Paid Service, Monitoring Officer and Chief Finance Officer. A comprehensive review or health check of Medway's Constitution is now underway to ensure it is up to date and fit for purpose. Any changes requiring the approval of full Council will be reported in due course.
- 3.9 Levels of public interest and engagement in Council meetings remains high and the Democratic Services team continues to work hard to ensure members of the public are advised of the relevant procedures and supported with advice and guidance ahead of meetings. The Council has recently agreed changes to the rules on Public Questions at Council meetings.
- 3.10 Democratic Services and the Head of Members Services are supporting a group of Councillors who are exploring the scope to reduce member reliance on paper and how this might generate efficiencies and reduced spend on printing. An introductory session is being planned with a demonstration of the "app" which enables Councillors to access and annotate committee paperwork electronically (including confidential and exempt material).

b) Electoral and Member Services

Electoral Services

- 3.11 2015 saw a continuing challenging period for the electoral services team; the implementation of Individual Electoral Registration (IER) required significant planning and preparation for, and then the conduct of, the first annual canvass under the new arrangements. Either side of the preparation and conduct, the team also successfully conducted the first combined Local, General and Parish elections for Medway.

Combined Local/General/Parish elections 7 May

- 3.12 The 2015 combined elections were a first for Medway. They involved different rules about eligibility, slightly different statutory timetables and around 300 prospective candidates. The situation in Medway is further complicated with the constituency of Chatham & Aylesford being shared with Tonbridge & Malling. The Acting Returning Officer here was responsible for the conduct of the election for that constituency.
- 3.13 Despite some issues these elections were delivered extremely successfully.
- 3.14 There were legislative changes to various aspects of the process and the guidance to candidates and agents was updated to clarify and alert them where they were affected. This guidance and nomination papers were available from the end of January and early briefings for prospective candidates were held in addition to more detailed briefings.
- 3.15 Where possible the production of notices and other material were combined, so that electors, for example received a postal vote pack containing both their local and general election ballot papers if they were eligible in both elections. Separate packs were provided for the 6 contested Parish elections because of the timescales.
- 3.16 The verification of all ballot papers took place after the close of poll on Thursday 7 May and then staff continued with the count for the general election, with declarations of results taking place around 4am as expected. Staff then had a break and re-convened later on Friday afternoon and counted the Local and the 6 contested Parish elections.
- 3.17 As has become normal practice, the team have sought feedback from stakeholders like election agents, candidates and others by a variety of methods; overwhelmingly the feedback has been extremely positive with candidates in particular praising the amount of support and guidance provided.
- 3.18 Inevitably there are always things that can be improved and the team are finalising a review of the conduct of the elections and will provide a summary of this exercise shortly.

Electoral registration

- 3.19 The Cabinet Office provided funding for the additional costs incurred by the Council and everything was in place by June 2014 when Individual Electoral Registration (IER) was introduced, including an engagement strategy to ensure that all electors were given the chance to register under the new arrangements, particularly those traditionally less represented such as students, those who move regularly and live in rented accommodation. IER is now the business as usual way of registering to vote for everyone.

- 3.20 The first annual canvass to be conducted under the full requirements of IER started this summer and finished on 20 November with the 2016 Register being published on 1 December as required. The new canvass arrangements require Household Enquiry Forms (HEF) to be sent to every household to confirm who is currently registered at the address, and up to 2 reminders and a visit from a personal canvasser for non-responders.
- 3.21 For any new electors identified on the HEF form, an Invitation to Register form (ITR) is also required to be sent, to encourage the elector to complete the form or visit the Government's successful on-line service. Non-responders have to be chased twice along with a visit by a personal canvasser.
- 3.22 Since the start of the canvass, a total of 15700 ITRs have been sent and 40% of them have been returned. However we are not yet able to track whether those who have not sent back a form, have registered using the online service. A total of 7200 people have successfully registered using the Governments' online service over the same period but we cannot be sure whether they have done so as a result of receiving an ITR. If they have acted as a result of the ITR then the success rate is 85%. It is clear from the volume of enquiries to the office and on the doorstep that electors think they have registered using the HEF form and fail to realise that they also need to register on the ITR or online.
- 3.23 It should be emphasised that the various forms and letters used for IER are heavily prescribed by the Secretary of State and that we are unable to amend wording in most cases.
- 3.24 The Government is aware that the additional burdens of IER have resulted in the Council incurring additional costs and has generally funded these. They are now undertaking a process of identifying changes to the process that will provide Electoral Registration Officers with the flexibility to conduct registration processes that suit their area and in particular change the assumption that registration will be conducted by paper. They are also reviewing the various letters and forms to take into account feedback from electoral administrators and other stakeholders and the public.
- 3.25 The Government has announced the end of the IER transition period on 1 December which means that electors who had not responded to last years' canvass and were carried forward but not subsequently registered under IER will not be included in the register when it is published on 1 December. There were approximately 7300 such electors at the start of the canvass; approximately 1200 of these are due for removal when the register is published and a further 1700 have been the subject of a formal review to seek evidence that they are no longer resident at an address because their name has been crossed off a HEF form. The majority of these reviewed electors are likely not to be living at the address so will not be included in the register. The Cabinet Office have provided specific additional funding to enable a targeted posting to be sent to these electors to forewarn them that if they do not

register using the new process they will not be included in the register. It is too early to give any indication of the success of this targeted mailshot.

Member and Mayoral Services

- 3.26 The team has contributed to the successful delivery of the detailed induction programme for members after the local elections with particularly positive feedback being received for the Welcome Session. The team are now continuing to work with the Member Development Advisory Group to develop and deliver an on-going programme of member development and the remainder of this year has largely seen briefings on a range of subjects.
- 3.27 Significant planning was undertaken to ensure a smooth transition for Members after the elections in May – from making sure that allowances are paid (or stopped) in a timely manner to providing Members with the practical things they will need to undertake their roles, such as security fobs and car parking permits. This was done successfully.
- 3.28 The team have planned and successfully completed arrangements for key Mayoral and civic events including the Dedication Service, Admiralty Court and the Admirals Cruise, Charity Evenings and Remembrance Services. The team also successfully planned and delivered an unscheduled ceremony for the conferment of the title of Honorary Alderman on Ted Baker and Paul Harriott.
- 3.29 In the period from April to the end of November the team have successfully planned and supported 190 Mayoral diary engagements.
- 3.30 The Head of Elections and Member Services continues to provide key research and other support to the Independent Remuneration Panel. The Panel has been undertaking a full review of the members' allowances scheme, including the Mayor and Deputy Mayor, and will submit its recommendations to the Council shortly, based on a range of evidence including questionnaires and interviews with members, and information about other authorities across Kent and South- East. It is intended to submit the report to the Council meeting on 21 January 2016.

4. HR

Medway Council Human Resource Services Key achievements

a) Children's Social Care Improvement Programme

- 4.1 HR services continues to support the improvement journey
 - All of the indicators related to the HR service provision within the project plan are green.

- Recruitment of 35 permanent social workers in the last year (75 over the last two years). Saving significant costs in agency staffing
- An agency staff framework is in place and continues to ensure that we not only get the very best value for money from external agency staff but we also get the very best performance.

b) Workforce Development

- 4.2 The Social Work Academy, which covers professional development for officers within adult and children social care has been awarded the care innovation award and has been shortlisted for a Children and Young people award for innovation in recruitment and retention. The Academy is paramount in the sustainable recruitment and retention of professional social work staff. A similar model of Academy is being created for Leisure Services.
- 4.3 A leadership academy is also being developed in conjunction with external agencies such as Medway Foundation Trust to promote excellence in leadership across Medway the place. The main objective is to encourage people to consider relocating to Medway to undertake their professional career and reducing the shortage of much needed professional staff across all public sectors.

c) Commercial Service

- 4.4 HR Services currently trade Health and Safety, Payroll, HR Advice and Consultancy and Resourcing to external customers.
- 4.5 The team are cross selling services and have gained a further 5 contracts since April 2015.
- 4.6 75% of the running costs for HR services is off set by external income generation, the total overall cost for the service is 500k however, the service aims to be financially self sufficient within 3 years.

d) Employee Engagement

- 4.7 The Medway Makers continue to provide invaluable engagement and communication channels needed for corporate projects.
- 4.8 The engagement team have successfully managed the directorate Make a Difference awards process and are planning for the council wide finalists gala evening in November. They have secured sponsorship for this event from Veolia, Care first and Tusker.

e) MedPay

- 4.9 After the successful implementation of MedPay in 2014 HR services undertook a review to test the robustness of the scheme.

4.10 Following feedback from managers, staff and Trade Unions consultation is taking place on changes to the MedPay scheme which include:

- i) Having an additional outcome level to reflect contribution which exceeds normal duties but does not meet the outstanding criteria
- ii) Using different methods for rewarding staff – not just financial

f) Payroll Services

4.11 The annual audit of Medway Payroll services by the council's external audit partners has taken place with an excellent outcome and no recommendations for changes. This is extremely rare and demonstrates the high level of accuracy and competence within the team

g) Apprentices

4.12 The council has 55 apprenticeships in place with a further seven commencing training shortly.

4.13 Apprenticeship opportunities are always considered across all services within Medway

h) Agency provision

4.14 The agency staff demand management system operated by the resourcing team continues to ensure we are challenging recruitment agencies and consultants to maintain all appointments are a true business need and they offer value for money for the Council.

4.15 The team are successfully working towards an income target set at £250k per financial year

i) HR Advice and Consultancy

4.16 The HR Support team currently answer over 6000 queries per quarter from staff, managers and external partners (such as customers who use our Disclosure and Barring Service (DBS) checking service). The team generate an income of £50k per year from providing this advice and guidance to external customers.

5. ICT

a) Medway Council Corporate ICT Services

5.1 ICT support approximately 3000 users, 209 sites (including schools, libraries and healthy living centres) and almost 100 business applications.

- 5.2 An out of hours service is also provided for services who wish to buy this additional support service, providing access to an engineer 365 days a year, 24 hours a day, including Christmas Day. This service is procured by critical services that provide services outside of normal office hours such as CCTV and telecare, traffic control, customer contact and libraries.
- 5.3 The stability of the ICT infrastructure is very robust, with services operational for 99.95% of the time. Every week more than 1 million emails are relayed to and from the Internet, and 4500 internal extensions connected to around 150,000 external calls per week, and on a daily basis over 20,000 spam (junk email) messages are rejected, and over 100 service desk calls dealt with.

b) Awards and Recognition

- 5.4 In 2015, the ICT service won the prestigious NDL national award for best integration/automation development, which, as well as receiving an award, also achieved a £500 cheque for the Mayor's charity fund.

c) Benchmarking

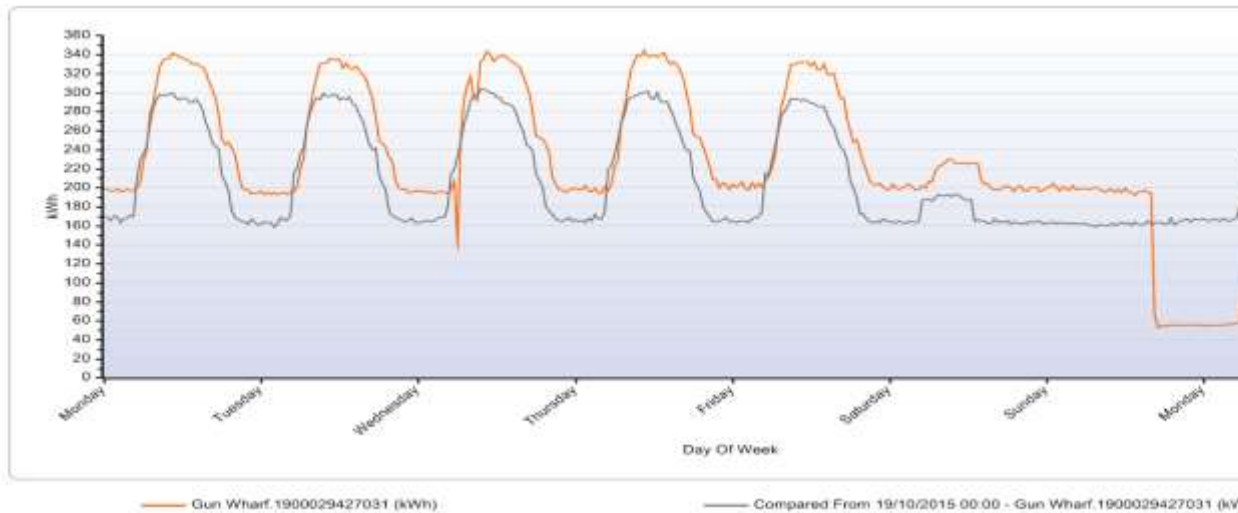
- 5.5 A recent ICT service benchmarking exercise was carried out by the Society of IT Management (SOCITM). SOCITM represents the IT community across the public sector, and the local authorities in the benchmarking exercise included a County, English unitary councils, Metropolitan councils and London Boroughs.
- 5.6 Medway Council ICT service was identified as having the least ICT investment per user of all councils and the second lowest percentage total spend on ICT.
- 5.7 Medway were the lowest procurement cost within the benchmarking family for thin client devices, at a cost of £107.43, with the next lowest cost at £276.32, and consistently within the lowest quartile for procurement of PCs, laptops and telephones. This demonstrates that the ICT service is very lean but efficient.
- 5.8 Whilst confirming that Medway Council ICT Services are efficient, this does also indicate that there is limited investment made to the ICT service, and to ensure that the service remains sustainable, with an ageing infrastructure now requiring replacement, the 5 year capital investment programme identified requires funding for future reliability and performance.

d) Thin Client and Agile Working

- 5.9 The ICT service desk took an average of 1000 calls a month in 2014, but this has significantly reduced to an average of 700 calls per month, due to the introduction of thin client technology.
- 5.10 On consultation with the energy manager for the Council, the energy usage in Gun Wharf has been proven to have significantly reduced in

both the organisation, and within the datacentre, a large part of this due to the implementation of new energy efficient technology. The chart below compares energy usage at Gun Wharf showing consumption at the end of October 2014 (the higher graph) and October 2015 (the lower graph), clearly demonstrating the decrease in power usage in Gun Wharf.

Energy usage chart at Gun Wharf



- 5.11 Over the past year, thin client technology has been successfully implemented across the Council, with 70% completed, and the remaining 30% linked in with the current property moves which are scheduled over the next few months. There will be a small number of services who, either due to the complexity of their application, or the fact that they are using legacy applications not compatible with more modern technology, will be unable to transfer until their applications are replaced, but the corporate standard is to use thin client technology.
- 5.12 Thin Client technology is more efficient to run as it uses far less power than a PC, a thin client device is much cheaper to buy than a PC or laptop, lasts much longer and can be supported more efficiently. Thin client technology supports a more flexible way of working, with staff able to use any thin client device from any council building.
- 5.13 Thin Client technology has supported property rationalisation, enabling a reduction in desks at Gun Wharf which has enabled more teams to move in. Thin client technology has also improved remote working, with staff getting access to their office 'desktop' from any location, including their home. In tandem with the implementation of thin client technology, the telephone system has been updated so that staff can receive their phone calls from any handset in a council building.

e) Security and Regulations

5.14 There have been a number of security requirements applied for and achieved over the past year. All of these are important to ensure the data the Council has responsibility for remains secure and that services can continue to be delivered in partnership with others where necessary.

- Public Services Network (PSN) compliance, to use the Government's secure network, which we successfully achieved without significant investment or without compromising existing programmes of work.
- Payment Card Industry Data Security Standard (PCIDSS) compliance, which is the credit card industry compliance requirements, achieved in conjunction with colleagues in finance.
- Information Governance compliance which enables connection to the N3 (health) network.

f) Regional Data Centre

5.15 The Kent and Medway regional datacentre, housed at Gun Wharf, continues to provide server hosting services to Kent County Council, the Kent Public Service Network, Kent Fire and Rescue Services and Health, and continues to exceed income targets, achieving an income of over £300K per annum, and a net profit of £158,332, approximately 48%. It also provides a disaster recovery service for a number of district councils across Kent. Options are currently being considered for ways to make even better use of this valuable asset.

g) Major Corporate Projects

5.16 **Community Hubs** - Over the past year, the ICT team has supported the development of two new hubs – Strood and Kingsley House, and further work on the new Twydall hub is in progress. Both buildings presented challenges with regard to the technology, but successfully opened with technology available for both staff and members of the public. The digital programme started in April, and ICT are supporting the digital team as required. It is important that those of our customers who are not so technically capable, or who do not have access to the Internet, are supported in accessing services directly, and so the hubs also provide assisted support by customer contact for those customers to encourage them to access our services electronically.

5.17 **Citizen Portal** - In October the Citizen Portal was launched, which supports the digital programme and meets the requirements of the Care Act, providing a central source of information, and an e-marketplace, providing details on service providers, for vulnerable adults in our community. The use of the Citizen Portal will be expanded in the future to provide a single point of access to a variety of information for our customers, not only vulnerable adults. Phase 2 is currently being scoped.

5.18 **Digital** – The three ICT developers have been seconded to the digital team for 80% of the working week. This ensures that they are involved in any development work required within the digital project to ensure consistency with corporate ICT standards, and sustainability for the future, as any development will require ongoing support. This does, however, limit development resource availability for other change requests across the council, and there continues to be challenges balancing limited resources to deliver the technical services and change required by the Council.

g) ICT Change

5.19 ICT have been carrying out a number of 'Requests for Change', delivering changes and upgrades to business applications and services across the council. Legislative and regulatory changes remain the priority, followed by changes which can achieve savings, and then digital work required. There continues to be challenges balancing limited resources to deliver the technical services required by the Council.

5.20 Change also requires the implementation of new applications. A new approval process for new applications has been implemented, and to avoid unnecessary expenditure within departments for new applications, a new process has been introduced.

5.21 Before any new IT application is approved and procured, discussions take place with the service portfolio holder and the ICT portfolio holder. This ensures there are no alternative options which could be deployed, that the requirement is essential for service delivery, that appropriate budgets are available, not just for procurement but for ongoing revenue requirements, and that ICT are aware. The ultimate aim is to centralise ICT budgets within the ICT service to ensure efficiencies and application rationalisation can be achieved

h) ICT Strategy for the future

5.22 The ICT Strategy for 2015-2020 has been drafted awaiting approval from Corporate Management Team (CMT). The strategy has 9 key themes which interweave, and each is dependent on the other, not only within ICT but also on other services within the Council. The nine key themes for ICT to focus on in the future are:

- **Digital Services** – working with the digital team to ensure the technical requirements of the programme are delivered.
- **Office 365 and Cloud service delivery** – in principle, approved by CMT but more work is being carried out by ICT to identify Medway Council's cloud readiness, before embarking on this programme. Office 365 means that email, MS Office, collaboration and file storage will be delivered from the cloud (internet) rather than from the Gun Wharf data centre.

- **Agile Working** – more work to ensure staff can continue to work more flexibly from other locations, and the move to Office 365 will further support this theme.
- **Paperless Office** – more work to provide the tools to remove the need for paper at meetings, and to ensure staff and members can access and review papers electronically.
- **Application Rationalisation** – continually investigating opportunities to reduce the number of applications in use across the council.
- **Information Management** – introducing policies to reduce the storage required across the council, being more vigilant about the way information is managed and shared to ensure that data we hold remains secure
- **Big Data** - a broad term for data sets so large or complex that traditional data processing applications are inadequate. The benefits of analysing these datasets is that value from data can be extracted which can then lead to more confident decision making, and better decisions can mean greater operational efficiency, cost reduction and reduced risk.
- **Shared Services** – Medway ICT Services already provide services to other public sector organisations across Kent in the form of the regional data centre, providing rented space in the Gun Wharf data centre.
- **Income generation** – Medway Council ICT services continually explore opportunities for income generation – this is becoming an essential part of our service delivery. Detailed discussions are now taking place with colleagues within the CCTV service to ensure that their ICT continues to support their new commercial way of working.

i) Investigating shared service opportunities

- 5.23 Work is currently in progress with a London Borough to explore opportunities for shared ICT services. This work could achieve some capital investment required for the datacentre, and would increase resources and skills within the existing team. No decision has been made by either council on the way forward but options are being explored.
- 5.24 The Society of IT Management (SOCITM) were commissioned by the Kent Connects partnership to explore shared service opportunities across the public sector in Kent. The conclusion was presented to Joint Kent Chiefs this month, and opportunities have been identified relating to shared procurement, the development of a shared digital strategy across the county with a shared delivery team, and shared services.
- 5.25 Work is in progress to provide the technology to enable a shared audit and fraud team between Medway and Gravesham.

j) ICT Services in the future

- 5.26 The current ICT service is structured to deliver a traditional safe and secure service to Medway Council. Benchmarking suggests it is efficient in provision, stable in provision but lean in investment, and a customer satisfaction survey suggests that there is a high level of satisfaction, although there are always areas for improvement.
- 5.27 Depending on the future of ICT and Medway Council requirements, the current structure may need to be revisited to ensure that sufficient resources are recruited in the right elements of services to continue to provide services to Medway Council, to improve and capitalise on shared service and income opportunities, and this may require a strong client and marketing function to deliver these new ways of working.

6. Internal Audit and Counter Fraud

- 6.1 Medway Council and Gravesham Borough Councils have agreed to form a shared service for the delivery of Internal Audit & Counter Fraud functions to both authorities. Gravesham's Internal Audit and Counter Fraud Staff will transfer under TUPE regulations to Medway's employment on 1 December 2015. The team will now be restructured to provide the appropriate resources to deliver these services to both authorities. The new shared service is planned to be in place from 1 April 2016.
- 6.2 Local Authorities are currently responsible for the investigation of Housing Benefit and Legacy Council Tax Benefit Fraud. In 2013 the government announced its intention to form a Single Fraud Investigation Service (SFIS) responsible for the investigation of all welfare benefits, hosted by the Department for Work & Pensions (DWP). Local Authority responsibilities have been transferring into SFIS on a national rollout, with Medway and Gravesham Council due to transfer in March 2016. As a result of this transfer of responsibilities, the Administration Grant local authorities receive will be reduced from April 2016; for Medway this cut is £155,000 and for Gravesham £60,000. The planned restructure of the shared service will deliver savings to mitigate this cut in funding.
- 6.3 The Internal Audit team currently has two vacant posts which are being held open until the restructure for the new shared service is complete. Despite this, it is estimated that the team will deliver against 22 of the 30 areas of work on the agreed 2015-16 Annual Internal Audit Plan. The team has prioritised the risk based and probity elements of the agreed plan to ensure the available resources are directed to the areas of highest risk; by the end of the financial year the team will have completed audits including Planning, Housing Maintenance, Debtors and Health & Safety and will complete probity reviews or income/cash audits at around 15 council sites. The council's key financial systems have previously been audited annually, with positive assurances received from both the council's internal and external auditors in 2015; as such these reviews will not be completed by internal audit in 2015-16. Consideration will be given to these and other items on the current

plan that are not completed in the preparation of the 2016-17 audit plan.

- 6.4 The Counter Fraud Team are working on the transfer of Housing Benefit fraud cases to SFIS and to implement new working practices to support the DWP to investigate these frauds from March 2016. In the year to date, the Counter Fraud Team have completed 202 investigations and achieved 21 prosecutions resulting in guilty outcomes, two Administrative Penalties offered and accepted and six Cautions offered and accepted. The team have a further 21 cases with Medway Legal Services awaiting prosecution and 16 with the Crown Prosecution Service awaiting prosecution. This work has identified overpayments of Housing/Council Tax Benefit, Council Tax Reduction, Single Person Discount or other Council Tax discounts in excess of £640,000, and a further £198,000 of DWP & Tax Credit overpayments. The team are currently working on a further 157 investigations.
- 6.5 A new suite of performance monitoring arrangements will be introduced for the new shared Internal Audit & Counter Fraud service from April 2016.

7. Legal

a) Place Team (property, contracts, planning, etc)

- 7.1 **Lodge Hill:** - The call in of planning application for Lodge Hill by the Secretary of State commences on 7th June 2016. The site has been classified as a Site of Special Scientific Interest (SSSI). The team continues to support the Council's Planning Team in preparation for the inquiry. This has left the Council vulnerable to appeal and the first inquiry has already taken place with dates confirmed for a further three all to be heard before Lodge Hill.
- 7.2 **Rochester Airport** – The Legal team advised the Planning team on all aspects of the planning application and conditional planning permission was granted at Planning Committee on 3 February 2015. This decision is being challenged by way of Judicial Review. At a hearing on 18 November 2015 the Court accepted an additional objection raised by the Appellant and adjourned the case to a date likely to be in 2016 for a two day hearing.
- 7.3 **Plot 4 Goldsworth Drive-** This relates to a breach of planning control. Planning permission was granted for 4 houses, 3 of which were built in accordance with planning permission but the 4th property was much larger. Medway Council served notice requiring amendments which was ignored by the builder. A prosecution followed and the 4th house was to be pulled down. The builder obtained a court injunction to stop this but Medway Council obtained an order lifting the injunction some 6 weeks ago. The builder is now putting the 4th house right and has completed 95% of the required amendments.
- 7.4 The Place Team recently represented the Council at a planning appeal hearing for an amendment to a Section 106 agreement under Section 106B of the Town and Country Planning Act 1990 which aims to

remove the obligation to pay £1.3 million towards affordable housing. The Inspectors decision has been received but he has made fundamental errors in understanding what the common ground between the parties was. Therefore the Council supported by the Place Team is starting a Judicial Review of the decision. It is hoped that once the errors are pointed out the claim will not be defended.

- 7.5 The Place Team have been assisting with legal advice on a project to set up various company vehicles to provide a CCTV service to other public bodies and the private sector. Advice has also been provided regarding a shared service with another Local Authority to reduce costs.

b) People Team (Childcare, SEN/Education, Adult Services)

- 7.6 **FDAC** - Medway Council are working in partnership with Kent County Council to set up a Family Drugs and Alcohol Court (FDAC) in Medway. A pilot project, supported by the National FDAC Development unit, will take place with a specialist team being recruited during December 2015 and court hearings starting in January 2016 which provide a different way of progressing care proceedings for families where parental drug or alcohol misuse has an impact on the care of the child. The fortnightly hearings are less formal with no lawyers attending and the specialist team can provide immediate support to the family to try to address the issues within the child's timescales. This process has produced very positive outcomes in London in terms of more parents resuming the care of their children and cost savings. The joint Medway and Kent pilot project will support 28 families in total (5-6 Medway cases proportionally) through the FDAC process. Legal are supporting their Children's Services team in this process.
- 7.7 The average period for child care court proceedings for the year to date is 32 weeks. The target is 26 weeks.
- 7.8 Following consultation with the Leader of the Council the cost of employing the supernumerary childcare locums is now being instead used to recruit 7 permanent Medway Council members of staff, i.e. 4 lawyers and 3 paralegals to meet the demand in childcare work which has increased significantly since January 2014. This recruitment is currently underway.
- 7.9 The Legal Team's case management system is incompatible with thin client. A replacement has been identified and it is anticipated that an order will be placed shortly with a view to implementing the new system on 1st April or shortly thereafter. A new system will also provide e-bundling for court matters which will be more efficient and save costs.

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Background documents

None

Appendices

None