

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

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ATTENDANCE OF THE PORTFOLIO HOLDER FOR BUSINESS MANAGEMENT

Report from: Richard Hicks, Director Regeneration, Community
and Culture
Phil Watts, Chief Finance Officer

Author: Michael Turner, Democratic Services Officer

Summary

This report sets out activities and progress on work areas within the Business Management Portfolio, which fall within the remit of this Committee. This information is provided in relation to the Portfolio Holder for Business Management 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 Business Management are:

- Bereavement and registration services
- Income generation
- Revenues and benefits
- Risk management
- Business management
- Commissioning

2. Bereavement and Registration Services

Achievements for 2015/2016

a) Medway Crematorium

2.1 This project provided additional car parking, extended and improved the two chapels and installed new cremators fitted with mercury abatement equipment.

- 2.2 Members will be aware that the specialist cremator supplier entered into voluntary administration in 2013, leaving the installation of functioning cremators and abatement incomplete. There have been ongoing discussions with the principal Contractors (Proviaan/Bretts) to resolve the problems, but due to the very complex financial and legal issues arising, this has been particularly protracted.
- 2.3 Proviaan/Bretts have appointed a consultant who is at the tendering stage with 4 manufactures to deliver a complete solution, together with arrangements for long-term maintenance and servicing.
- 2.4 In 2015 Medway Crematorium undertook 2852 cremations (2699 in 2014), the second busiest year in a decade (2868 in 2006 being the highest). From the last publish UK statistics covering 2014, Medway was the 19th busiest Crematorium in the country.
- 2.5 Very high satisfaction scores are achieved across the service.

b) Medway Norse

- 2.6 Compliance against Grounds Maintenance contract standards are continually monitored and reported through the monthly corporate system. Our Cemeteries and crematorium are maintained exceptionally well. This has resulted in very positive feedback from our customers.

c) Registration Service

Achievements for 2015/2016

- 2.7 Registrations continue to increase in numbers and we continue to exceed performance standards set by the General Register Office, save for certain aspects of death registrations where timescales are determined by GPs and/or our customers.
- 2.8 Customer satisfaction levels are high and the Registration Service won this year's Customer Service award in the Make a Difference finals.
- 2.9 Between January and December 2015 the Registration Service provided 4,840 birth registrations, 2559 death registrations, 819 marriages and Civil Partnerships along with 12 group Citizenship ceremonies and 9 private ones for 316 Medway citizens. An increase from previous years

d) Budget

- 2.10 At Q3 monitoring it is projected that the service will, subject to activity at current levels, deliver well in excess of budget.

e) Consultations

- 2.11 A Government consultation entitled '*Consultation on cremation following recent inquiries into infant cremations*' has just been published with a response date of 9 March 2016. In terms of legislative changes this

consultation document seeks views on a number of issues including a new statutory definition of ashes, the disposal of ashes, record keeping and the formation of a national inspectorate. The proposals could lead to an increase in costs and changes to procedures.

- 2.12 The Law Commission's scoping paper *Getting Married* was published on 17 December 2015. Changes to marriage law could present both risks and opportunities for the Council but with risks to income being the greatest concern.
- 2.13 Proposals to include the mother's name on marriage certificates (equality and diversity) are expected to find a Bill sponsor this year with an early implementation date (possibly by year end). If there are fundamental changes to the format of marriages and the way in which Registers are managed and stored Medway Registration Service will be affected. It is likely that all registers held by churches will have to be 'returned' to the Register Office for safe keeping: some churches still use their original registers dating back to the mid 19th Century. Storage of these registers may be an issue.

3. Other Areas of Income Generation

- 3.1 With a wide remit covering income generation across the Council, the portfolio role is a diverse one. This report focusses on a piece of work undertaken within the adult social care service specifically around procedural and managerial aspects of income collection along with references to CCTV management and wider strategies aimed at maximising income collection.
 - a) **Adult social care income collection**
- 3.2. Within the adult social care service the Council collects income, as a client's assessed contribution to their care package, amounting to approximately £9m each year. During 2015/16 steps have been taken to improve processes and maximise income collection. The following improvements have been made:
 - 3.3 *Improving productivity levels in the Financial Assessment Team (adults):*
 - 3.4 The separation of visiting and processing activity has improved workflow visibility and control with improved responsiveness to changing work volumes and priorities.
 - 3.5 New Financial Assessment customer surveys have been designed and implemented to provide greater insight into how customers feel about the assessment process.
 - 3.6 Financial Assessment monthly performance report upgraded to provide more detailed analysis of individual officer performance against targets.

- 3.7 *Improvements to data capture (use of on-line assessments/telephone:*
- 3.8 The Council has been in touch with other Local Authorities and have met with Kent County Council to determine their use of telephone assessments. This will need to be considered carefully due to safeguarding concerns and there will need to be a discussion at Children and Adults Directorate Management team and also with the Portfolio Holder regarding the potential change in practice. While we know that other local authorities do this, some of them have fed back that the time they spend chasing for proof of income/bank accounts is not creating the efficiencies they had hoped for and whilst we can charge the client the full cost of their care while we wait for the proof, this then creates a small risk as forecasting is based on the full charge which is then re-assessed to the correct charge.
- 3.9 The key to minimising some of the difficulties will be careful case selection with cases where the affairs of an individual are represented by an Appointee, Deputy or Person with Power of Attorney, which would account for approximately 33% of caseload, being the most appropriate for telephone assessment.
- 3.10 In terms of performance improvement, the Financial Assessment Team is currently averaging 11 days from referral to the date of the financial assessment visit.
- 3.11 Development capacity issues within ICT are currently hindering mobile working and the potential for on-line assessment. This will need to be monitored.
- 3.12 With effect from September 2015 it is permissible to back date charging after the commencement of service. This new option has removed much of the scope for lost income due to delays in completing the financial assessment.
- 3.13 Regarding performance by the assessment team in terms of the time taken to visit a client after receiving a referral, the current average is 12 days against a 14 day target.
- b) **Other areas of new approaches to income generation**
- 3.14 In November 2015 Cabinet approved proposals to deliver CCTV services via a local authority trading company in order to maximise trading potential and hence increase income generation for the Council, which will be the majority share holder. The company will have the capacity to trade freely, expand and generate profits for the Council.
- 3.15 In general the Council looks to increase fees and charges each year by at least 2.5% contingent on market conditions, our positioning and the client's ability to pay.

4. Revenues and Benefits

Achievements for 2015/2016

- 4.1 Quarter 3 saw a decline in assessment performance as a result of a range of staffing challenges, including unexpected staff resignations. However, with full staffing having been restored from the beginning of the year, and with the assistance of some limited short term external support, good progress has been made on recovering the position against an end of February objective.
- 4.2 However, this experience shows the current vulnerability of the service to relatively small changes in staffing, which will possibly become more acute leading up to the full introduction of Universal Credit, with some assessment staff possibly choosing new carer paths because of uncertainty about the future. This will be compounded by the assessment role itself requiring more complex skill sets in the future to meet the increasing challenges of Discretionary Housing Payments, Council Tax Discretionary Relief, the Council Tax Reduction Scheme and supported accommodation. To mitigate this risk a range of options are now currently being considered to help maintain future performance stability.

4.1 Council Tax Collection Rates

- 4.1.1 Revenues and Finance staff worked with the Behavioural Insights Team to increase the collection rates of Council Tax. A randomised controlled trial was run between June and August 2015 to test the effectiveness of adapting the first reminder letter which is sent to households who have failed to pay their initial Council Tax bill. The primary aims were to increase the proportion of households paying their Council Tax and the amount of Council Tax paid. The secondary aim was to increase the proportion of households signing up to Direct Debit.

- 4.1.2 Households were randomly assigned to receive one of three letters:

Standard letter (control) – this was the current first reminder letter sent out by Medway Council.

Social norm letter – this was a simplified, personalised, action focused letter which included the social norm line ‘96% of Medway Council Tax is paid on time. You are currently in the very small minority of people who have not paid us yet.’

Diagram letter – this was a simplified, personalised, action focused letter which included a flow-diagram. The diagram outlined the collection process and made salient where in the process the household currently was, and the subsequent costs they would be subject to.

- 4.1.3 The data from the trial was aggregated and analysed and the social norms and diagram letter significantly increased the proportion of people paying their Council Tax, compared to the control.
- 4.1.4 Households' average propensity to pay their Council Tax over the three months increased from 58.7% with the control letter to 70.2% and 67.5% in the social norm and diagram letters, respectively.
- 4.1.5 The social norm letter has now been adopted as the standard reminder format and staff are using the lessons learnt to adapt other recovery notices.

4.2 Council Tax Reduction Scheme

- 4.2.1 Following a robust 12 week consultation process, involving 5,560 questionnaires and seeking to involve all existing claimants, Cabinet on 15 December 2015 recommended an amended Council Tax Reduction Scheme (CTRS) to Council for adoption on 21 January 2016, reducing the maximum discount from 75% to 65% and enhancing the extended payments period from four to eight weeks. Overall 53% of respondents voted to "continue to pass on the government cuts to all those of working age who are entitled to a council tax reduction".

5. Risk management

Achievements for 2015/2016

- 5.1 Effective risk management is a key part of an organisation's governance arrangements, as it provides a means of monitoring responses to issues that might derail delivery of key objectives, and it is a tool that supports effective decision-making, including the appropriate allocation of resources to mitigate risk.
- 5.2 There is a Strategic Risk Management Group (SRMG), which is chaired by the Director of Regeneration Community and Culture with representation from across the Council. The SRMG meets quarterly to oversee the risk management processes and procedures that would enable risks to be identified and ensure appropriate mechanisms exist for dealing with these risks.
- 5.3 The Risk Management Strategy is reviewed annually by SRMG and Members and was last reviewed on 27 October 2015. It explains risk management in the Council, defines roles and responsibilities and determines actions that need to be taken to ensure processes and procedures are being adhered to.
- 5.4 The Corporate Risk Register is reviewed and updated every six months by risk owners, Business Support Overview and Scrutiny Committee and the Cabinet.
- 5.5 The Council's Internal Audit of risk undertaken for 2014/15 confirmed that risk management arrangements were sufficient; it identified two recommendations.

(a) service managers should be reminded of the importance of identifying risks to service objectives, and mitigating actions, during the service planning process, and that these should be recorded in the service plan.

(b) risks identified in service / divisional plans should be monitored, and updated if necessary, as part of the Assistant Director (AD) quarterly reporting process.

5.6 Both recommendations have been addressed through Performance and Intelligence Managers for directorates issuing service planning guidance including the need to identify risks as part of the annual service planning and the requirement to conduct service manager and AD quarterly reviews.

Lead officer contact:

Richard Hicks, Director, Regeneration, Community and Culture

richard.hicks@medway.gov.uk

Tel 01634 332764

Phil Watts, Chief Finance Officer

phil.watts@medway.gov.uk

Tel 01634 331196

Appendices

None

Background documents

None