

BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE

31 JANUARY 2017

ATTENDANCE OF THE PORTFOLIO HOLDER FOR BUSINESS MANAGEMENT

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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:

- *Customer Contact*
- *Democracy and Governance*
- *Income generation*
- *Internal Audit*
- *Revenue & Benefits*
- *Risk Management*
- *Business Management*
- *Commissioning*

2.0 Customer Contact

2.1 Customer Contact places initial customer contact management under dedicated leadership, professionalising customer service and allowing service specialists to focus on direct service delivery.

- 2.2 It additionally provides interpreting and translation services in over 60 languages for the council and others and provides and welfare benefits advice, including through a successful partnership with Macmillan Cancer Care, helping people with or affected by cancer to reduce their financial concerns and worries.
- 2.3 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 and it holds the Customer Service Excellence Award, the Cabinet Office sponsored scheme recognising excellence in customer service.
- 2.4 The Contact Centre is the first point of contact for advice and information for most council services including; Revenues and Benefits, Social Care, Development Management, Housing Solutions, Environmental, Waste & Highways enquiries, Pupil Services (School Admissions, Free School Meals and School Transport), Libraries and Medway Adult Education.
- 2.5 It handles over 600,000 enquiries and service requests each year with 80% of a random sample of callers recently surveyed saying they were satisfied or very satisfied with the way their call was handled. The level of complaint is further very low in the context of the range of enquiries handled and contact volumes and so far this year (April – December 2016) the service has received only 65 complaints with 28 of these being upheld. The quality of advice or information provided was the main subject of complaint, accounting for 11 (40%) of the upheld complaints, with each incident being addressed as a training need with the officer concerned.
- 2.6 Through its presence in the Community Hubs, Initial Contact further offers a gateway to Council services. Building on the success of the existing hubs in Chatham, Gillingham, Rochester and Strood the new Twydall Community Hub was officially opened on 29 September 2016. This initiative was overseen by a cross-party member / officer working group and involved the extension of the existing Twydall library into an adjacent shop. The new hub has been a great success with its new contemporary design and extended service offer being very well received by local people. Since opening it has received 23,751 visitors, an increase of 47% over the number of people who visited the former Twydall library over the same period 2015.
- 2.7 Customer Contact is also responsible for providing face to face housing benefit and housing solutions help and advice from Kingsley House in Gillingham. This facility sees c200 housing customers and c550 revenues and benefits customers by appointment each month, with an additional c150 drop-in visitors also being helped.
- 2.8 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.

Welfare Benefits Service

- 2.9 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. So far this year (April – December 2016) it has secured an assumed annual benefit gain for clients referred of £702,156 and one off awards totalling £2,397.
- 2.10 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. So far this year (April – December 2016) the service has secured an assumed annual benefit gain for this client group of £1,716,100 and one off awards totalling £513,173.

Community Interpreting Service

- 2.11 The Community Interpreting Service (CIS) has been part of Medway Council since it was formed in 1998, providing consistently high standard interpreting and translation services to the public sector and legal profession. It services c650 appointments per month from a pool of 118 interpreters and translators and this year is forecast to make a helpful £100,000 contribution to the council's coffers. It has a wide client base including NHS Medway and West Kent Clinical Commissioning Groups, Kent Community Health NHS Foundation Trust, Sussex Partnership Trust (Mental Health), the Probation Service and other local authorities, schools, solicitors and voluntary organisations.
- 2.12 However, increasing immigration over the last 3 years has resulted in a number of private companies identifying a profitable market and undercutting local authorities. With impressive marketing, polished websites, interpreter recruitment drives and lower costs to the customer with the use of unqualified staff, these companies have gradually overseen the decline of local authority provision of interpreters.
- 2.13 CIS has remained credible and viable in this changing and competitive market but to continue to compete it needs to develop an ever stronger trading position with an increased commercial influence and an alternative delivery model might need to be considered to help it maintain its competitive edge.

3.0 **Democracy and Governance**

2016/17 Achievements

Electoral Services

3.1 **Police and Crime Commissioner elections 5 May 2016**

- 3.1.1 Turnout was slightly higher than in 2012 at 18.29% in Medway. Elections were delivered extremely successfully, despite the extra challenge of the EU Referendum.
- 3.1.2 Inevitably there are always things that can be improved and the team have produced a learning log for future elections or referenda.

3.2 **EU Referendum 23 June 2016**

- 3.2.1 For quite some time it was assumed that the Referendum would take place towards the end of 2017.
- 3.2.2 However, after much press speculation towards the end of 2015 and early 2016, the date for the Referendum was formally announced on 20 February – 51 working days before the PCC elections – thus creating a challenge for the elections team to plan and conduct 2 major elections at the same time but for different polling days and different eligibility rules for example.
- 3.2.3 Despite all these challenges all the normal preparations for polling day, and particularly the count, were completed according to plan.
- 3.2.4 A learning log for future elections or referenda has been produced.

3.3 **Strood South ward and Rainham Central ward by-elections – 20 October and 3 November 2016**

- 3.3.1 Both these unscheduled by-elections were held during the annual canvass but because the elections team have conducted several elections during this period previously, they had robust plans to ensure that applications to register submitted by electors in those wards were processed in time to be eligible to vote in either by-election.
- 3.3.2 Turnout for the two by-elections was disappointing (16.74% in Strood South and 24% in Rainham Central) but there were no significant issues on either polling days and a “tweaked” process for counting the votes saw the count completed sooner than it might otherwise have been.

3.4 **Electoral registration**

- 3.4.1 The requirement for the Electoral Registration Officer (ERO) to conduct an annual canvass remains, despite the introduction of Individual Electoral Registration (IER), although the forms to be used have changed significantly.

- 3.4.2 Although on-line registration is being used regularly, the ERO is still required to send paper forms and pre-paid envelopes as well as personal canvassers to non-responding households and individuals.
- 3.4.3 Household Enquiry Forms (HEFs) were despatched from 5 August to all other households to confirm the details of the occupiers. Householders need to respond whether the pre-printed details shown are correct or not. They were able to respond by text message (SMS), via a 24/7 automated telephone line or a secure web page online as well as returning the paper form. Reminders were despatched to non-responders at the end of August.
- 3.4.4 New electors notified to us on a HEF were sent an Invitation to Register (ITR) and a registration form. Where no response to the ITR was received, 2 further reminders were sent as obliged by law.
- 3.4.5 Non-responding properties in Medway received visits from personal canvassers to try to get HEFs or ITRs completed on the doorstep. Having made at least three attempts to get a form signed on the doorstep, on the last attempt they delivered another form through the letterbox. As usual canvassers visited households at different times of the day and evening, and at weekends to maximise the chances of finding a householder in occupation.
- 3.4.6 Of the Household Enquiry Forms (HEFs) sent to the 113,549 properties on our database, 101,890 were returned, representing 90%. This is up 9% on last year.
- 3.4.7 Over 17,000 ITRs were sent to new electors identified on those forms and just under 60% have converted into the elector registering to vote.
- 3.4.8 The total number of local government and Parliamentary electors registered on 1 December has increased by around 10,000 from when we published the 2016 Register in December 2015.
- 3.4.9 The Government is continuing to identify changes to the process that will provide EROs with the flexibility to conduct registration processes that suit their area and are sponsoring trials across the country in 2017 and 2018. It is hoped that these will enable changes to legislation in the near future.
- 3.5 **Petition for Community Governance Review – Rochester Town Council**
- 3.5.1 Once the petition was re-submitted, officers spent some time checking that all those who signed it were local government electors. The outcome of that validation process is that the petition does contain the required number of signatures and therefore the Council is obliged to carry out a Community Governance Review.
- 3.5.2 A report is due to be considered by Full Council on 26 January that recommends the establishment of a working party of Councillors and

officers to advise the Chief Legal Officer on how the Review should be conducted. The Council is obliged to consult all the local government electors in the proposed area as well as any other organisations that might have an interest.

3.5.3 It is intended to report back the Working Group's recommendations to the Full Council meeting in October 2017.

3.6 Member and Mayoral Services

3.6.1 The team has contributed to the successful delivery of a comprehensive member development programme in conjunction with the Member Development Advisory Group.

3.6.2 The Group are about to send a questionnaire to all Councillors to ensure the programme meets the needs of Members.

3.6.3 The team have planned and successfully completed arrangements for key Mayoral and civic events including the Dedication Service, Admiralty Court and the Admirals Cruise, and Remembrance Services as well as a range of events to raise funds for the Mayor's charity.

3.6.4 In the period from April to the end of December 2016 the team have successfully planned and supported 190 Mayoral diary engagements

3.7 Democratic Services

3.7.1 The Democratic Services Team supports a wide range of meetings including full Council, Cabinet, Overview and Scrutiny Committees, Task Groups set up to conduct in-depth scrutiny 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.

3.7.2 The team also leads 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.

3.7.3 Significant achievements by the service in 2016/17 have included:

- Completion of a root and branch review of the Council's Constitution to ensure it is up to date and consistent with current legislation and established practice. The aim of the review was to identify amendments or updates required to bring the document into line with legislative requirements, identify any duplication or contradictory provisions within and across the various sections of the document to ensure consistency and to bring forward suggested revisions to consolidate and improve presentation. The full Council considered the outcome of the review in April and approved a range of updates

principally aimed at improving presentation and elaborating on, or clarifying, the meaning of some provisions.

- Support for a pilot project commissioned by the Cabinet Member for Corporate Services to consider the scope for paperless working across all formal Member level meetings. The pilot involved a cross party group of Members. The backdrop for this initiative was the Council's stated aim of increasing efficiency and reducing operating costs through digital transformation. The Group thoroughly tested and evaluated the benefits of, and possible barriers to the wider roll out of paperless working by elected Members. With legislation now in place allowing Members to opt to have papers for meetings delivered to them electronically and a reliable mobile device app that provides instant electronic access to papers for formal meetings the Pilot Group has concluded that this way of working can be promoted to those Members who are interested willing to sign up. For those Members who opt in to paperless working the benefits include instant electronic access to papers for meetings anywhere in the world. Documents for meetings can be stored and transported for meetings on a mobile device with the facility to make notes and highlight or annotate documents and every Member who decides to go paperless will contribute to the drive to reduce expenditure associated with printing and postage. As a consequence of the paperless pilot and a well attended all Member briefing there are now 27 Members of the Council (and most of the senior officer cohort) using the mod.gov app to access papers for formal meetings. 17 Councillors are totally paperless. Democratic Services have produced an e-guide to support Councillors in making the shift to paperless working and will continue to assist Councillors on an individual basis and at their own pace.
- The team supported the in-depth review into the demand, supply and affordability of housing in Medway which concluded its work in April 2016. The Cabinet accepted all the recommendations and an update on progress in implementation of the Task Group's recommendations appears elsewhere on the agenda for this meeting.
- The Overview and Scrutiny Task Group looking at How far Medway has gone in developing a Dementia Friendly Community will conclude its programme of work in early February and will be reporting its findings and recommendations to the Health and Wellbeing Board and the Health and Adult Social Care and Regeneration and Community and Environment Overview and Scrutiny and Committees in the next cycle of meetings.
- Looking forward, the team will be supporting the Monitoring Officer in a review of the Councillor Code of Conduct early in 2017 and will be leading on a review of the operation of the Council's Petition Scheme with a particular focus on the increasing use of websites such as change.org to generate e-petitions.

4.0 Internal Audit & Counter Fraud

- 4.1 The Audit & Counter Fraud Shared Service was established on 1 March 2016 to provide internal audit, counter fraud and investigation services to Medway Council and Gravesham Borough Council. The team includes staff previously employed by both Medway and Gravesham Councils and who were either auditors or investigators; in the new service, all roles are multidisciplinary with staff being supported to develop skills across both disciplines so the service can be flexible and resilient and provides good opportunities for development and progression.
- 4.2 During the year the team has set out its Strategy for the development of the service, a Charter establishing its role, authority and responsibilities. and a Quality Assurance & Improvement Programme that details how the team will manage its performance and ensure the high quality of its work. These documents were approved by the Audit Committee in March 2016 and the team's processes and working practices were all designed around these aspirations. A review of the team's progress against the Strategy was presented to the Audit Committee in January 2017 and this reflects good progress has been made towards each of the team's priorities.
- 4.3 The work of the team is driven by annual Audit & Counter Fraud Plan which is developed based on the organisations strategic and operational plans and risks, to ensure the team's resources are aligned to the organisation's priorities. The Plan for 2016-17 includes work focusing on the council's core finance and governance arrangements, operational assurance work, proactive counter fraud work, responsive investigations and consultancy services, and was approved by the Audit Committee in March 2016.
- 4.4 Update reports are presented to the Audit Committee four times each year; these set out the progress made on delivering the plan and presents the findings of all audit and investigation activities completed in the period, including where team members have supported the council on projects and working groups, and by providing consultancy support, advice and information to the wider council. The reports also provide details of the team's performance against its performance measures. The January 2017 update reported that:
- Good progress was being made on the delivery of the agreed plan;
 - 83% of the team's resources had been spent on productive work reported to customers;
 - 100% of the recommendations made by the team had been agreed by client management, with 72% of those having been implemented by the date agreed in the final report;
 - The team have received 18 separate compliments on the quality of its work, and the helpfulness of staff from a range of internal and external customers both at Medway and Gravesham.
- 4.5 In November 2016, the team were the winner in the Partnerships category of the Make a Difference Employee Recognition Awards.

5.0 Revenues and Benefits

Benefits

- 5.1 Since Quarter 3 of 2015/16, there has been a steady and consistent increase in assessment performance. During this period the number of days for processing of new claims has decreased from 52.4 days to 26 days with changes of circumstances now taking 12.5 days as opposed to 18 days. The corresponding period has also seen the number of outstanding work items drop from 8,500 to 5,500. Two external assessors have been helping the section, funded by New Burdens grants and vacancies, but this was reduced to one with effect from 1 January 2017, with the last one due to end by 17 February 2017. Despite the loss of this resource continuous improvement is expected via the digital transformation programme and the generic nature of a number of staff who are able to move between council tax and benefit assessment as needs arise.

Council Tax

- 5.2 Despite a major change to the council tax reduction scheme which now provides maximum support of 65% to working age claimants compared to 75% in previous years, council tax collection has held up well with 76.87% collected as at 31 December 2017, compared to 76.90% at the same point last year. This has been achieved through prompt administration of accounts and recovery action, the benefit section being more up to date with assessments and the expansion of behavioural insight techniques into additional recovery processes.

Business Rates

- 5.3 The results of the revaluation of all commercial premises were announced in October and the Council assisted the Valuation Officer by issuing notification letters to all commercial properties advising occupiers of how to check their new rateable values and what to do if they believed they were wrong. The new (2017) rateable values have now been loaded on to the Council's computer system, and are being maintained in parallel with existing (2010) rateable values.
- 5.4 Work has now commenced on changes needed for the annual billing for 2017/18. A recent change in legislation requires all future billing to be done on a single year basis, i.e. a bill for each year's debt rather than have one bill with brought forward balances
- 5.5 A review of the Council's policy for discretionary business rate relief for charities and non-profit making organisations has taken place which included a 12 week public consultation. Cabinet considered the outcome of the consultation and the views of the Business Support Overview and Scrutiny Committee at its meeting held on 17 January 2017 and agreed the implementation of Option 2, which will involve the implementation of guidelines with a variable level of discretionary relief

based on the purpose of the charity, not for profit organisation or community amateur sports club.

6.0 Risk management

- 6.1 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.
- 6.2 There is a Strategic Risk Management Group (SRMG), which is chaired by the Director of Regeneration, Culture, Environment and Transformation 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.
- 6.3 The Risk Management Strategy is reviewed annually by SRMG and Members and was last reviewed on 22 November 2016. It sets out the risk management framework for the Council, defines roles and responsibilities and determines actions that need to be taken to ensure processes and procedures are being adhered to.
- 6.4 The Corporate Risk Register is reviewed and updated every six months by risk owners, Business Support Overview and Scrutiny Committee and the Cabinet.
- 6.5 The Council's Internal Audit of risk undertaken for 2014/15 confirmed that risk management arrangements were sufficient; it identified two recommendations:
- 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.
 - Risks identified in service / divisional plans should be monitored, and updated if necessary, as part of the Assistant Director (AD) quarterly reporting process.
- 6.6 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.

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Appendices

None

Background documents

None