

## **BUSINESS SUPPORT OVERVIEW AND SCRUTINY COMMITTEE**

**30 NOVEMBER 2017**

### **ATTENDANCE OF THE PORTFOLIO HOLDER FOR BUSINESS MANAGEMENT**

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#### **Summary**

This report provides an overview of activities and progress made 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;*
- *Audit and Counter Fraud;*
- *Revenue and Benefits;*
- *Risk Management;*
- *Income Generation;*
- *Business Management; and*
- *Commissioning.*

## **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 direct service delivery.
- 2.2 It additionally provides interpreting and translation services in over 60 languages for the Council and others and supported by Macmillan Cancer Care it also provides welfare benefits advice for anyone in the ME1-ME8 area who is living with cancer and needs advice on their benefits entitlement, helping 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, Planning, Housing Solutions, Environmental, Waste & Highways enquiries, Pupil Services (School Admissions, Free School Meals and School Transport), Libraries and Medway Adult Education, handling c80,000 enquiries and service requests each month.
- 2.5 Customer satisfaction has until recently been comparable against the local authority satisfaction benchmark but recent systems issues means that this has dropped by 6 percentage points against that benchmark. However, the Service continues to achieve an above benchmark first call resolution score and the level of complaint relative to the range and volume of enquiries handled is very low with only 47 complaints received April – October 2017, with 25 of these being upheld or partially upheld. The quality of advice or information provided was the main theme of complaint, with each incident being addressed as a training need with the officer concerned.
- 2.6 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.
- 2.7 Customer Contact is further at the heart of the Council's digital transformation agenda, 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.
- 2.8 In expectation of greater customer self-service and more transactions being completed on line, Customer Contact has further reshaped it's

operating model, reducing business support and management costs and achieving a 9% (£310K) saving on its operating budget.

## **2.9 Welfare Benefits Service**

2.9.1 Self-referrals from clients diagnosed with or affected by cancer are accepted under an agreement with Macmillan Cancer Care and so far this year so far his year (April – September 2018) it has secured an assumed annual benefit gain for clients of £1.426m and one off awards totalling £400,000.

## **2.10 Community Interpreting Service**

2.10.1 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 £107,000 income. 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.

## **3. Democracy and Governance**

### **2017/18 Achievements**

#### **Electoral Services**

### **3.1 General Election 8 June 2017**

3.1.1 A successful count took place for the snap General Election, despite having seven weeks to undertake the preparatory work that would normally take 3-6 months. Innovation was introduced in the count speeding up the process by 25%.

3.1.2 Turnout was almost exactly the same as in 2015 at an average of 65% across Medway.

3.1.3 Inevitably there are always things that can be improved and the team have produced a learning log for future elections or referenda.

### **3.2 Electoral registration**

3.2.1 The annual canvass started in July and the response rate to date is 85%, [as at 2 Nov] which is the same as this time last year.

3.2.2 Householders are 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.

3.2.3 Personal canvassers have just finished visits to non-responding properties at different times of the day and evening, and at weekends to maximise the chances of finding a householder in occupation.

3.2.4 The team are currently making final adjustments and quality checking before publishing the 2018 Register on 1 December.

### **3.3 Community Governance Review – Rochester Town Council**

3.3.1 The 22,000 electors and 915 other “interested” organisations were sent a survey and leaflet in August and the consultation period ended on 30 October.

3.3.2 The response rate is approximately 11% although the responses are currently being validated to check for duplications or incomplete responses so this may change.

3.3.3 Once the responses have been validated, the results will be collated and are due to be reported to the Working Group shortly, together with the outcomes of the wider review of community governance in Rochester, so that it can make its recommendations to Full Council on 25 January.

3.3.4 The working group comprises Councillors and officers who are advising the Chief Legal Officer.

### **3.4 Member and Mayoral Services**

3.4.1 The team continues to contribute to the successful delivery of a comprehensive Member Development Programme in conjunction with the Member Development Advisory Group. Some very interesting and stimulating sessions have been held on subjects relevant to busy Councillors, like reading for efficiency and memory retention, managing time and community engagement as well as informative briefings on subjects such as fraud awareness and public health.

3.4.2 The Group have considered the results of a questionnaire that was sent to all Councillors about the scope, delivery and timing of development activities and will use them to ensure the programme continues to meet the needs of Members.

3.4.3 Discussions have already started about the planning, scope and delivery of the induction programme for Members after the local elections in 2019. Of course Members’ views will be sought and will help to frame the programme.

3.4.4 The team have planned and successfully completed arrangements for key Mayoral and civic events including the Dedication Service, Admiralty Court and the Admirals Cruise, French Memorial Service and Remembrance Services as well as a range of events to raise funds for the Mayors charities. In particular the Mayor has raised the profile of Medway by highlighting the Royal Engineers Museum, Eastgate House, and the Copper Rivet Distillery.

- 3.4.5 The Mayor and Mayoress also represented the Council at the Naming Ceremony for the new Offshore Patrol Vessel to be called HMS Medway. Medway obviously share a proud history with the Royal Navy and the naming of this new vessel strengthens that bond.
- 3.4.6 In the period from the start of this Mayoral year to the end of November 2017 the team have successfully planned and supported 227 Mayoral diary engagements.
- 3.4.7 The team also made the arrangements for the recent ceremony held for the unveiling of the plaque dedicated to Councillor Mike O'Brien who sadly died 14 months ago. The ceremony was attended by lots of family, friends and colleagues and highlighted what a well-respected person he was.
- 3.4.8 The team have already started the preparatory work to fulfil the Council's commitment to award Freedom of Medway to C Company of the Princess of Wales Royal Regiment next year including the arrangements for the formal decision-making in January as well as the Freedom Parade and ceremony in July.

### 3.5 **Democratic Services**

- 3.5.1 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.
- 3.5.2 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).
- 3.5.3 Significant achievements by the Service in 2017/18 have included:
- Completion of a review of the Councillor Code of Conduct and the associated procedures for dealing with complaints about Member Conduct. The Council adopted a new Code at its meeting on 12 October which takes effect from 1 January 2018. The changes include a new requirement to register some specified non-financial interests and to be able to register others by choice, the introduction of a clear test to apply to work out when Members should not take part and/or leave a meeting if they have a significant interest other than a Disclosable Pecuniary Interest and a new requirement for non-voting co-opted Members of Committees to register interests and to comply with the requirements of the Code at meetings when interests arise. Training will be provided for Members on 6 and 13 December 2017.

- Submission of a Medway cross-party response to the call for evidence from a Communities and Local Government Parliamentary Select Committee which has begun an inquiry into whether overview and scrutiny arrangements in England are working effectively and whether local communities are able to contribute to and monitor the work of their Councils. The Medway response provides examples of scrutiny impact in Medway and also highlights areas where scrutiny legislation needs updating and where new sector led guidance could add value. For example, scrutiny of alternative models of service delivery.
- Ongoing support for Members and Officers who opt into paperless working in line with the Council's stated aim of increasing efficiency and reducing operating costs through digital transformation. The number of Councillors opting in to this way of working is increasing with 28 Councillors (50%) now being completely or partially paperless. Expenditure within Democratic Services on printing and postage reduced by £24,000 (or 44%) in 2016/17 as compared with 2015/16 as a direct consequence of take-up of the paperless option by Councillors and senior Officers. Ongoing support and further training from the Democratic services Team is available for all Members of the Council, The mod.gov library facility is now available and contains the e- guide to paperless working and officer contact details which are regularly updated to assist Members with their ward work.
- Support for the in-depth scrutiny review looking at How far Medway has gone in developing a Dementia Friendly Community which concluded its programme of work in the Spring with all the recommendations accepted by Cabinet.
- Support for the Task Group on Employment Opportunities for 18-25 year olds is now underway. The Task Group is expected to report its findings and recommendations to Cabinet in February 2018.
- Completion of the criteria –based process for selection of topics for the next round of Scrutiny Task Groups in 2018/19 as reported elsewhere on this agenda. The Council's process for choosing Task Group topics reflects best practice and ensures resources are applied to areas where effective scrutiny impact can be achieved.

#### **4. Internal Audit & Counter Fraud**

- 4.1 The Audit & Counter Fraud Shared Service has been in operation since 1 March 2016, providing internal audit, counter fraud and investigation services to Medway Council and Gravesham Borough Council. The team operates under a charter that sets out its purpose, authority and responsibilities to deliver audit work, including rights of access. The team also maintains a Quality Assurance and Improvement Plan that is used to assess the efficiency and effectiveness of the overall Service and identify areas for improvement. Both of these documents are reviewed annually and the most recent review was taken to Audit Committee for approval in March 2017.

4.2 The first annual report for the Audit & Counter Fraud Shared Service was presented to Audit Committee in June 2017. This showed a good performance against most of the key performance indicators, some of which was higher than anticipated in certain areas when considering that officers were learning new disciplines. The key achievements being:

- 95.1% of the agreed assurance work delivered (target 95%);
- 98% of recommendations agreed by client management (target 90%);
- 83.7% of available resources spent on productive work (target 90%); and
- £38,647 of Council tax identified and notional savings of £52,000 for waiting list removals and £500 for a blue badge recovery, all resulting from investigative activity.

4.3 A new annual work plan for 2017-18 was also approved by the Audit Committee in March 2017 and good progress has been made to date despite significant impact from sickness and staff turnover.

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 September 2017 update, which covered the period 01 April to 31 August, reported that:

- 35% of the agreed plan underway or completed;
- 84% of the team's resources had been spent on productive work reported to customers; and
- 100% of the recommendations made by the team had been agreed by client management, with 52% of those having been implemented by the date agreed in the final report.

4.5 In December the team will begin to start the planning process to prepare the workplan for 2018-19.

## **5.0 Revenues and Benefits**

### **5.1 Benefits**

5.1.1 A number of changes to the Council's Council Tax Reduction Scheme have been proposed and have recently been the subject of public consultation. The changes are needed to bring the working age scheme in line with the pensioner scheme and the Government's welfare reforms.

5.1.2 The number of days taken to process claims as at 31 October averaged 13.72 days for the current financial year compared to 15.86 days in 2016/17.

## **5.2 Council Tax**

5.2.1 Aside from the day to day processes necessary to keep up collection rates a number of transformation projects are being led or supported by council tax officers further details of which can be found at 4.4.2.

5.2.2 Collection of the 2017/18 council tax stood at 63.01% as at 31/10/17 compared to 63.29% of the 2016/17 council tax collected as at 31/10/16.

## **5.3 Business Rates**

5.3.1 The Council's business rates administration system was successfully updated following the revaluation of all non-domestic properties undertaken by the Valuation Office Agency (HM Revenue & Customs). All the annual bills reflected the new valuations.

5.3.2 A number of new discretionary reliefs have been introduced including the Supporting Small Business Rate Relief, Pub Relief and Local Newspaper Rate Relief. Work is on-going to produce a Discretionary Business Rates Relief. All these reliefs are being funded through s31 grants from central government.

5.3.3 A revised Discretionary Rate Relief for Charitable and Not For Profit Organisations become operational with effect from 1 April 2018 with some organisations having their assistance reduced.

5.3.4 Collection of the 2017/18 business rates stood at 65.86% as at 31/10/17 compared to 65.07% of the 2016/17 business rates collected as at 31/10/16.

## **5.4 Transformation**

5.4.1 The Revenues & Benefits section continues to embrace the transformation agenda with the latest incarnation of the Landlord Portal going live at the beginning of November.

5.4.2 Current projects in progress include

- Citizens' Access - will enable customers to see details of their council tax or business rates account, copies of benefit notification letters and apply for electronic billing
- E-billing & SMS notifications – providing digital solutions for those customers who prefer to use such methods. Given the need to recover monies, and possible need to involve the courts, it is important to ensure as many means of communication as possible are made available rather than mandating any particular form.



- Risk Based Verification (RBV) - Work continues to incorporate the RBV Policy into the benefits administration process with go live projected for early 2018.
- Corporate Debt – This builds on the work carried out with Sopra Steria, MRBS's outsourced IT partners, at the end of 2016 when we reviewed the corporate debt recovery processes, challenged current ways of working and identified efficiencies to be derived from creating a single view of debt managed by a corporate debt team. This new project will build on the previous work and deliver a corporate debt strategy, policy and target operating model. We will be working with revenue generating service areas, identifying which areas of revenue/debt the Council can reap benefits from the adoption of corporate debt recovery approach. The project will also review the technical options for providing a single view of debt across the Council.
- Service Transformation Programme – Again in conjunction with our partners, Sopra Steria, this will create a programme of work which aligns and prioritises current and future projects into one programme identifying the interdependencies of the projects thereby avoiding duplication of activities. This in turn will enable recommendations to be made with supporting outline business cases and transition plans to ensure an informed decision can be made by Medway with regards to the future of the current IT support outsourcing contract due to end in October 2018.

## **6.0 Risk management**

- 6.1 Following Council on 12 October 2017, the responsibility for risk management transferred from the Director of Regeneration, Culture, Environment and Transformation to the Chief Finance Officer. Over the next eighteen months, officers will be looking at how to align financial, performance and risk reporting more closely in order present a single more coherent picture.
- 6.3 The Risk Management Strategy is reviewed annually by SRMG and Members and was last reviewed by Cabinet on 21 November 2017. 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. It was last reviewed by Cabinet on 21 November 2017 where three new risks were added to the risk register; delivery of the corporate transformation programme, homelessness and alternative service delivery models.
- 6.5 An internal audit of risk management was undertaken in August 2017. The review found that information is available on the intranet to help Service Managers understand their role in the Risk Management Framework and how to produce a service plan. All nine services had a

good understanding of how to identify, analyse and prioritise risks. However the audit identified inconsistencies in approach, particularly in relation to scoring risk and the templates they use to report risks. The majority were not using Covalent (Performance Software) and this may point to a need for refresher training.

- 6.6 Four medium priority recommendations were identified in relation to providing training and introducing arrangements to ensure all services complete service plans and appropriately scored risk registers consistently.
- 6.7 Training arrangements have been reviewed and all managers will receive Risk Management Training by 30 April 2018. A process has been established to confirm all Service Plans have been completed by 1 April 2018.

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**Appendices**

None.

**Background documents**

None.