

BUSINESS SUPPORT
OVERVIEW AND SCRUTINY COMMITTEE

22 OCTOBER 2020

**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. Budget and policy framework

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;
- Income Generation (including new Joint Ventures);
- Risk Management;
- Business Management;
- Commissioning, and;
- Medway Norse

2. Customer Contact

- 2.1 Customer Contact, as was, is part of Customer and Business Support (CABS). The service was launched in October 2018 and incorporates the former Business Administration Support Service (BASS). This report refers only to activities aligned to the former Customer Contact, as previously defined.
- 2.2 CABS manages initial customer contact for the authority, through a dedicated leadership team and a team of customer service professionals, allowing service specialists to focus on direct service delivery.
- 2.3 At the tail end of 2019/20, with the onset of the Covid 19 emergency, the majority of officers were deployed to work at home, to continue service delivery, working within the newly emerging government guidelines. This did not in itself adversely impact on performance (indeed, there were advantages), but the pandemic did necessitate some operational changes and did suppress some service demand.
- 2.4 CABS telephony officers offer the first point of contact for advice and information for most council services including Revenues and Benefits, Social Care, Planning, Housing Solutions, Environment, Waste, Highways, Pupil Services (School Admissions, Free School Meals and School Transport), and Medway Libraries Service. In 2019-20, Customer and Business Support officers dealt with 42,000 enquiries per month. Between April and September 2020, telephone demand reduced to approximately 27,600 enquiries per month. This was a direct result of the pandemic, during which time some council services were closed or offered limited facilities. As a general rule, the CABS management team seeks continuous process improvement and failure demand reduction and works closely with Business Change colleagues to help develop and promote online forms and information, offering customers a convenient alternative to the traditional phone call.
- 2.5 The CABS service is also responsible for providing face to face Housing Benefit, Council Tax and Housing Solutions help and advice from Kingsley House in Gillingham. During 2019/20 this facility assisted approximately 430 customers by appointment each month, with many more accommodated as 'drop-in' customers. In response to Covid 19 emergency arrangements, the operational model for Kingsley House was altered during March 2020. Although many officers were deployed to work at home, to continue to provide telephone access to services, a facility was also sustained on site at Kingsley House, for those customers in need of face to face support. This operated according to new health and safety guidelines, with arrangements being audited and signed off as 'Covid Safe'. As a consequence of these measures, face to face contacts were much reduced during the first half of 2020/21, with a resultant greater proportion of customers served through other channels.
- 2.6 Customer satisfaction has performed reasonably well, achieving a score of 70% 'satisfied' customers (from those randomly surveyed) for 2019/20, and 77% for the period from April to September 2020.

- 2.7 The service, under the 'Macmillan Welfare Benefits' banner, provides welfare benefits advice, information and support for all Medway residents, their families and carers, who are living with or beyond cancer. The service includes support to patients seen at the Kent Oncology Centre, Maidstone, regardless of their place of residence. Demand for this service has shown sustained growth and funding by the charity has been further extended until 31 December 2021. For 2019/20 the service has secured an actual and assumed annual benefit gain for clients of approximately £4m. Whilst currently unable to offer face to face appointments, due Covid 19 restraints, cases are being effectively managed by telephone and email.
- 2.8 CABS includes the Community Interpreting service (CIS), which manages interpreting and translation provision in over 60 languages for the council and customers. This 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. In 2019/20, it processed approximately 750 requests per month utilising a pool of c.140 interpreters and translators. CIS has a wide client base including NHS Medway, Swale, Dartford, Gravesham, Swanley and West Kent Clinical Commissioning Groups, NHS Commissioning Board, Kent Community Health NHS Foundation Trust, and other local authorities, mental health services, schools, solicitors and voluntary organisations. Turning to 2020/21, although the pandemic reduced the number of face to face service requests, the team were able to increase the number of interpreting appointments completed by telephone. This ensured that customers were able to continue to access service, despite the constraints of the pandemic. This has also generated further research into remote interpreting as a developing future opportunity for the council, as part of the transformation programme.
- 2.9 The continued increase in council services available online has continued to reduce traditional telephony traffic, although the residual demand is still at a level that places the reduced resources at full capacity. In the first half of 2020/21, the pandemic has further inhibited call demand, but this is now picking up and will continue to be monitored. A number of techniques are used to continue to transform the service, including considered staff deployment, dual-skilling of a proportion of officers, and continuous attention to improving processes. CABS is a service committed to delivering the best possible service whilst collaborating with Business Change colleagues to continue to drive modernisation. The team works collaboratively to continue to provide customers with ever-growing opportunities to benefit from online facilities where appropriate. The service also remains committed to providing assisted digital support to customers who need this, many of whom were informally helped to access council forms and services, both over the 'phone and face to face at Kingsley House.

3. Democracy and Governance

3.1 Electoral Services

a) Election of Police & Crime Commissioner for Kent (originally scheduled for 7 May 2020 and postponed to 6 May 2021)

3.1.1 The PCC elections scheduled for 7 May 2020 were postponed in March 2020 due to the COVID 19 pandemic. They are now scheduled to take place on 6 May 2021. Significant progress had been made in the preparation and delivery of the elections by the time of the postponement.

3.1.2 A submission has been made to the Cabinet Office to cover the costs of printing that had been incurred up to the date the elections were postponed, and we await their response.

3.1.3 The Cabinet Office, Electoral Commission, Association of Electoral Administrators and other stakeholders are already in discussions about the impact of COVID19 on the elections to be held in May 2021 which may result in some significant additional planning and preparatory work for the Electoral Services team.

3.1.4 The Police Area Returning Officer, at Dartford has not yet indicated when the counting of votes will take place.

b) Electoral registration

3.1.5 In recognition that the annual canvass arrangements were costly and in some cases an inefficient use of resources, the Cabinet Office introduced a reformed canvass this year.

3.1.6 Usually the Electoral Registration Officer (ERO) is obliged to send a paper form to each of the 116,000 properties in Medway to ascertain who lives at the property and to check they are eligible to be included in the register of electors. If no response was received, then follow up forms were sent and ultimately, personal canvassers would visit the property to try to gather the information on the doorstep.

3.1.7 The new process involves the following:

- A mandatory national data match against DWP data
- The option for EROs to undertake local data matching
- Properties will be allocated to a Route depending on the outcome of the data matching:
 - Route 1 – properties where all electors have matched against one set of data

- Route 2 – properties where one or more electors have not matched, or where there have been recent changes in householder or other indications that there has been a change in electors
- Route 3 – properties such as care homes or student accommodation.

3.1.8 The reformed canvass means that:

- Route 1 properties will be sent a letter/form outlining who is currently registered to vote at the address. Householders only have to respond to this if the information is not correct.
- Route 2 properties will go through a modified canvass process involving the despatch of a paper form, door knocking and e-communications
- Route 3 properties can be canvassed in any way the ERO deems suitable but if no response is received, they must be canvassed like route 2 properties

3.1.9 In terms of implementing these changes in Medway, this means that about 75% of properties in Medway have been canvassed as Route 1, meaning we have been able to concentrate more resources on the remaining 25% of properties which will almost inevitably be more challenging to engage with. The written communication with Route 1 properties was sent in July and those who do need to notify us of changes will be encouraged to do so via text message (SMS), a 24/7 automated telephone line or a secure web page online. This has significantly reduced the volume of paper forms the team have to process. Of the 75,700 Route 1 properties contacted only 10% have responded to indicate that changes to their existing registration are required seeming to indicate that the existing registration information and positive matching against the DWP database were correct.

3.1.10 Twenty canvassers have been recruited to visit the 31,000 properties in Route 2 and to make this part of the process even more efficient and cost effective, and in light of the COVID 19 restrictions, they are using tablet devices to update registration information which can also be used to enable new electors to register to vote during the same visit. The personal canvass started in July and will continue until the middle of November, with paper forms being sent during that period as well as required by the new legislation. Householders will be able to notify us of changes via text message (SMS), a 24/7 automated telephone line or a secure web page online and are being encouraged to do so rather than completing and sending back the paper form.

3.1.11 During the personal canvass of Route 2 properties, priority has been given to those in areas where there are higher numbers of non-matched electors and traditionally lower rates of responses to the canvass – Chatham Central, Gillingham North, Gillingham South, Luton & Wayfield, River and Rochester West wards. This means that canvassers have been given longer to visit properties in these areas but all properties in Route 2 will also be visited.

3.1.12 The Cabinet Office have stressed that personal house visits should take place regardless of the current COVID19 pandemic and we have taken advice from colleagues in Public Health to ensure that canvassers and the core team are kept safe and have provided canvassers with the necessary information, training and any additional equipment necessary – for example, cleaning products, hand sanitizers and advice about social distancing and good hand hygiene.

c) Review of polling districts, polling places and polling stations

3.1.13 In the light of comments received after the Local and European Parliamentary elections in May, officers had undertaken a review of polling stations and drafted proposals for some changes to take account of buildings that will not be available or are not suitable. There was insufficient time for the Informal Working Group on Polling Places and Polling Districts to consider them but the changes to polling stations were implemented for the unscheduled General Election in December 2019 and had the support of the relevant Ward Councillors.

3.1.14 It will be necessary to undertake a full review of polling districts and polling places once the final recommendations of the Local Government Boundary Commission for England are known in December 2020.

d) Ward Boundary Review

3.1.15 Members will be aware that initially the Local Government Boundary Commission for England recommended that the Council size was increased to 59 Councillors. However, when they published their draft recommendations on ward arrangements, they indicated that in order to adopt locally developed schemes with strong boundaries, based on the evidence they had received, they recommended a council size of 60.

3.1.16 The overall Review timetable was put on hold for a period of time due to COVID19 pandemic and their draft recommendations were finally published on 30 June 2020 with a consultation period ending on 7 September 2020.

3.1.17 The draft recommendations include ward arrangements for 24 wards representing three single-councillor wards, six two-councillor wards and 15 three councillor wards.

3.1.18 The final recommendations are due to be published on 1 December 2020. Once the final recommendations have been published it will be necessary to undertake a review of polling districts and polling places and it is likely that a Community Governance Review will be needed to review the Parish warding arrangements to ensure that Parish Councillor numbers reflect the projected population increases for example.

3.1.19 All new arrangements will come into effect for the Local and Parish elections scheduled for May 2023.

e) Parliamentary constituency boundary review

3.1.20 The Government have announced that a review of Parliamentary Constituencies will commence in 2021 and that it will be conducted based on the Parliamentary electorate figures as they were on 2 March 2020. We have already provided the Boundary Commission with the electorate as of 2 March 2020 and a copy of the Register without the names and addresses of electors as required. No further information has been received about the timetable however it has been confirmed that the Parliamentary Review will not take into account any changes made to Medway ward boundaries that come into effect in 2023 but announced in December 2020.

f) Member and Mayoral Services

3.1.21 Officers are continuing to contribute to the development and delivery of the ongoing member development programme in conjunction with the Member Development Advisory Group. Between October and November 2019 three briefing sessions were organised for Members. Once the Covid19 restrictions were put in place there was an inevitable hiatus but since February 2020 11 sessions have been held, all remotely, including several on Children's Services relating to the Improvement Plan. Two more have been scheduled for later in October. Arrangements are being made for MDAG to review the programme that was being developed prior to the pandemic and identify any additional training or briefings they think Members need or want.

3.1.22 The team are continuing to maintain, develop and update the Members Portal as the first port of call for information about the Council and other resources Members need to enable them to carry out their roles. Further work is anticipated to raise awareness about it and to find out what information Members would like to see on it.

3.1.23 Prior to the Covid 19 pandemic and the restrictions introduced, the team had planned and successfully completed arrangements for the Remembrance Services including the one held at Rochester Cathedral and the French POW Memorial Service at the St George's Centre. However, the pandemic and restrictions have meant the cancellation of the High Sheriff's luncheon, the Annual Council meeting, the Dedication service, as well as the Admiral's Weekend. Decisions are awaited from the Royal British Legion and Dean of the Cathedral about whether the Remembrance Service at the Cathedral will be held this November and based on that, decisions will be made about whether to hold the French POW Memorial Service.

3.1.24 Several successful events had been planned and held to raise money for the Mayor's Charity prior to the restrictions, but several were cancelled once the restrictions were implemented and none have been organised to date. However, it is intended to organise a charity opera evening involving a remote, livestreamed performance at the end of October.

3.1.25 In the period October 2019 to the end of October 2020, the team have successfully planned and supported 183 Mayoral diary engagements with an inevitable hiatus since the lockdown restrictions were introduced. However, since June 2020, the Mayor has participated in several events being Livestreamed.

3.1.26 Both Civic and Ceremonial Officers have been redeployed to other essential Council duties during the current lockdown period.

3.2 Democratic Services

3.2.1 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.

3.2.2 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).

3.2.3 In addition to dealing with day to day operational priorities significant achievements by the Service over the last year have included:

- Work with ICT colleagues and our AV Contractor to develop a solution for remote attendance by Councillors and others at meetings and livestreaming of meetings in response to the restrictions on gatherings and new legislation for local authority meetings as a consequence of the COVID pandemic. All members of the team have worked tirelessly since March to master the technology, adapt to supporting formal Member level meetings from their own homes and to support Councillors to participate in meetings remotely. This transformation included development of a new protocol for the conduct of business at meetings which was agreed with cross-party support. Several enquiries have been received from other local authorities who have commended Medway for the quality of its live streaming arrangements.
- Successful introduction of arrangements for the conduct of school admission and home to school transport appeals in line with new legislation to enable remote participation by Councillors, Independent Panel Members and parents/appellants.
- Continued support for Councillors who are keen to embrace electronic access to papers for meetings. Around 50% of Councillors remain fully or partially paperless.

- Work to introduce improvements to Medway’s Overview and Scrutiny arrangements as agreed by the Business Support Overview and Scrutiny Committee in response to new statutory guidance on overview and scrutiny in local authorities (published by MHCLG in May 2019). This has included a member briefing session to assist members to scrutinise commercialisation and the introduction of arrangements to strengthen scrutiny of SELEP together with scrutiny of economic growth at a local level. Other work to explore the scope to draw more extensively on independent local experts in scrutiny work and to raise the profile of overview and scrutiny will be progressed in due course as there has been a more immediate focus on improving the impact of scrutiny of children’s services as set out below. Cross party discussions have also taken place more recently on the working arrangements for Overview and Scrutiny Committees with a view to making the best use of time at meetings and suggestions for change are being considered and scoped.
- Democratic Services has also worked closely with the Director of People to build a programme of Member level activity to strengthen the impact of scrutiny of children’s services in response to findings and recommendations from the Commissioner for Children’s Services in Medway. This included desk top research to identify best practice in scrutiny of children’s services in other Councils, the selection of “Early Help - the availability of Parental Support Services in Medway” as the topic for the next Scrutiny Task Group and the introduction of regular performance monitoring data workshops to enable Members to build their capacity to provide challenge. Subject to ongoing COVID related restrictions opportunities for scrutiny Members to have regular direct contact and engagement with young people, staff and social work practitioners will be offered on an ongoing basis. A programme of Member briefing sessions on various aspects of children’s social care is also underway.
- Support for the Task Group on the Voluntary Sector which has now concluded its work and will be the subject of further discussion at a future meeting of the Cabinet and launch of the next Task Group on Parental Support Services which expects to produce findings and recommendations early in the New Year.

4. Audit and Counter Fraud

- 4.1 The Audit and Counter Fraud (A&CF) 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 (QAIP) 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 of the Charter was taken to Audit Committee for approval in January 2020, with the QAIP being approved in July 2020.

- 4.2 When the Council initiated its emergency plans as a consequence of the Covid pandemic and moved to the 'Response phase' in March 2020, the A&CF Service was identified as 'non-critical'; meaning that normal day to day business was ceased with immediate effect and with staff redeployed to other more essential areas of work. The majority of this alternative work was however in areas where the officers were able to use their skills to provide alternative forms of assurance and fraud prevention advice.
- 4.3 Officers from the A&CF Service undertook the following duties during the emergency response;
- providing fraud prevention advice in relation to the process for dealing with business support grant applications,
 - assisting with the validation checks of business support grant applications,
 - logging of Gold Command decisions, checking for changes to the control environment,
 - Head of A&CF chairing governance group, who monitored all emergency decisions across the various Cells, Silver and Gold tactical commands; ensuring correct governance processes were followed,
 - providing fraud prevention advice for the setup of the process to assess discretionary business grant applications,
 - assisting the Economic Development Team with the validation and assessment of discretionary business grant applications,
 - assisting finance with journal transfers in preparation for the completion of final accounts,
 - administration officer seconded to Revenues and Benefits service to assist with the assessment of benefit claims (this arrangement continued until 30 September to assist with the increased volume of applications and associated work), and
 - Intelligence Analyst completing scanning for the Revenues & Benefits Service while still monitoring the fraud reporting channels and responding to external requests for information, usually from Police.
- 4.4 The consequence of the lockdown and closure of the service was that the original work plan for 2020-21 could not be approved by the Audit Committee in March as the meeting had to be cancelled and only 81% of the agreed assurance work for 2019-20 had been delivered at 31 March 2020. When moving into the 'Recovery Phase' in late April, the plan for the service was to use quarter one of 2020-21 to focus on outstanding reviews from 2019-20 that were already more than 75% complete, while a new risk assessment was undertaken and new work plan for the remainder of 2020-21 was created. This approach was to ensure sufficient assurance work could be completed for the Head of Internal Audits annual opinion on the internal control environment for 2019-20 and also to try and limit the impact of any reduced assurance work to 2020-21.

- 4.5 The latest annual report for the A&CF Shared Service was presented to Audit Committee in July 2020, with final performance against key targets for 2019-20 as follows;
- 89% of the agreed assurance work delivered (target 95%);
 - 100% of recommendations agreed by client management (target 90%);
 - 86% of available resources spent on productive work (target 90%); and
 - £26,852 of historic Council tax identified (resulting in additional £7,346pa in future years), £292,169 business rates owed due to 11 properties being identified that were not in the ratings list, notional savings of £18,750 linked to one council property being recovered and £750 linked to the removal of a blue badge, all resulting from investigative activity.
- 4.6 There has been no staff turnover in the last 12 months and the team's establishment of 14 continues to be staffed by 13.64FTE.
- 4.7 A revised work plan for 2020-21, covering the period 01 July 2020 to 31 March 2021 was also approved by the Audit Committee in July 2020. This new plan took account of any changes to the control environment that had been created in the emergency response and also any newly identified areas of risk.
- 4.8 Update reports are presented to the Audit Committee three times each year in addition to the annual report. These set out the progress made on delivering the plan and present 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.
- 4.9 The September 2020 update, which covered the period 01 April to 31 August, provided Members with details of the alternative work undertaken during the emergency response (mentioned earlier in this report), activity related to the outstanding work from 2019-20 that had not been finalised at the time of the annual report and also progress against the revised work plan for 2020-21, which was as follows;
- 37% of the agreed plan underway or completed;
 - 78% of the team's resources had been spent on chargeable work; and
 - 100% of the recommendations made by the team had been agreed by client management, with 64% of those having been implemented by the date agreed in the final reports.
- 4.10 The council recently returned to emergency response in light of updated government guidance and a potential second wave of the pandemic, with the Silver Tactical Command Group reactivated. The officers that formed the Governance group are now on standby should any emergency decisions have to be made and the Head of Internal Audit will use his position as Chair to

monitor anything that changes the risk landscape or control environment of the council; amending the work plan as required to respond to those changes.

- 4.11 In November/December the team will begin the planning process to prepare the work plan for 2021-22.

5. Revenue and Benefits

- 5.1 The council entered into a shared management arrangement for the Revenues and Benefits service with Gravesham Borough Council on 1 October 2019.
- 5.2 The service has been at the forefront in providing support to individuals and businesses (see paragraphs 5.5 and 5.7) in line with the Government response to the COVID-19 pandemic. This has seen unprecedented levels of demand on the service. This has been managed by the use of resilience services; automation of processes such as notification of Universal Credit changes and implementation of digital applications re: COVID-19 grants.
- 5.3 The Revenues & Benefits section continues to embrace the transformation agenda in response to a constantly changing environment which is highly legislated. As reported on 24 October 2019 the service migrated over six million documents in six weeks to the new system in an innovative way utilising '(Ro)bots'. This has been recognised nationally and seen as best practice with a number of local authorities following the council's lead. It has recently been shortlisted for a national award.
- 5.4 Aside from the day to day processes necessary to keep up collection rates a number of transformation projects are being progressed by officers together with colleagues in the Transformation team. Despite the impact of Covid-19 a major project was successfully delivered with Northgate Public Services to host the core Revenues and Benefits system in the cloud 'software as a service' (SaaS). This complex project went live September 2020. It includes a landlord portal enabling landlords to check benefit claims of tenants and thereby remove the necessity of sending paper remittances.

a) Council Tax

- 5.5 Collection of the 2020/21 council tax stood at 54.2% as at 30 September 2020 compared to 54.7% of the 2019/20 council tax collected as at 30 September 2019 which resulted in a collection rate of 95.5% at 31 March 2020.
- 5.6 The council was awarded £2,056,371 as its share of a national hardship fund introduced by the Government in response to the COVID-19 pandemic. The guidance directed billing authorities to provide all recipients of working age Council Tax Reduction Scheme during the financial year 2020-21 with a further reduction in their annual council tax bill of up to £150. As at 30 September 2020, £1,562,651 of the fund had automatically been applied against 10,569 claimant's council tax accounts. The balance of the fund is

expected to be spent by applying similar sums to new claims from working age claimants with any residue being spent in accordance with existing council tax discretionary hardship policies.

b) Business Rates

5.7 Collection of the 2020/21 business rates stood at 60.3% as at 30 September 2020 compared to 58.3% of the 2019/20 business rates collected as at 30 September 2019. The latter resulted in a collection rate of 96.8% at 31 March 2020.

5.8 The Government responded to the COVID -19 pandemic by agreeing a wide range of financial measures to support businesses. These payments are fully funded by central government and included the following:-

- Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund. Consequently,

Applications received	3965
Grant applications approved	2972
Small business grants,	2241@ £10k =£22.410m
Retail, hospitality & leisure grants,	276@ £10k =£ 2.760m
Retail, hospitality & leisure grants,	455@ £25k =£11.375m

Total value of grants awarded £36.545m

- Discretionary Business Grant Fund awarded (undertaken by Economic Development team supported by Revenues and Benefits service) in specific circumstances where business not eligible for Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund. Total fund of £ £1,848,250 was allocated in full.
- Extended Retail discount awarded to those businesses within the Retail, Hospitality and Leisure sectors. Consequently, as at 30 September 2020 £33,825,857 has been awarded for the financial year 2020/21.
- Nursery Discount awarded in the sum of £285,794 to the ratepayers of nursery schools for the financial year 2020/21.

c) Benefits

5.9 The number of days taken to process claims (combined i.e. Housing Benefit and Council Tax reduction scheme) as at 30 September 2020 averaged 17.4 days for the current financial year compared to 10.9 days as at 30 September 2019. The latter resulted in an average 11.3 days for the 2019/20 financial year.

5.10 The Benefit team has worked collaboratively with:

- the local Job Centre Plus Chatham office part of Department for Work and Pensions and maintained a strong working partnership with regards to Universal Credit and other benefit matters;
- the Leaving Care team and devised a scheme to support and assist care leavers with their ongoing council tax liabilities; and
- the Partnership Commissioning team assisting in the launch and operations of the Emergency Assistance Grant.

6. Income Generation

- 6.1 Income generation has been very challenging throughout the Covid pandemic, with chargeable services including Leisure and Parking being particularly hard hit. The longer-term prognosis for these service areas and others such as Theatres is still very uncertain.
- 6.2 Income from commercial rents has also been hit, particularly where businesses have closed, for example the Carphone Warehouse in the Pentagon. For the most part businesses have been allowed to defer the payment of rents, however the Council has been resistant to writing debts off. Instead businesses have been supported through the Government backed expansion of the retail business rate relief, small business grant scheme and the discretionary business grants.
- 6.3 Largely as a result of the support put in place by the Government, both for business and for individuals – rate relief, grants, furlough, the self-employed income support scheme and the council tax hardship fund, the impact on the Council's local tax revenues has been manageable, but it remains a significant risk given the uncertainty over how long the Country will be impacted by the pandemic and the longer term implications for the economy.

Corporate Debt

- 6.4 During 2019 / 20 the Corporate Debt team (CDT) which is part of the Revenues and Benefits service was initially funded for one year until the concept had been proven. Consequently, due to the success of particular initiatives detailed within this section it led to a decision to make the team permanent from 1 April 2020. This saw the Corporate Debt Manager taking responsibility for the existing council tax and business rate recovery team, and to support the Sundry Debt work. Four additional posts have been created from efficiency savings and increased income collection within the division.
- 6.5 The COVID-19 pandemic saw the suspension of recovery action. This has obviously affected collection rates. However, a detailed recovery road map for the full resumption of recovery activity from August 2020 is now being implemented. This has required the service to change recovery procedures and the way that it interacts with its customers (see paragraphs 6.3 – 6.11)

- 6.6 Work continues to be undertaken on Sundry Debt data cleansing, removing duplications and identifying areas where prepayment could be introduced. The CDT works together with the Finance Systems team and has redesigned processes, introduced automation, including electronic statements and e-invoicing. Services are trialling E form invoice requests which requires uploading evidence of the agreement to pay in order to head off future disputes early in the recovery process. The CDT is now working on debt cycles for commercial and non-commercial debt. Specific e-commercial and non-commercial reminders will be introduced.
- 6.7 Future projects include an improved management information dashboard, (via Power BI) to be used by Finance Business Partners and Service Managers at quarterly monitoring meetings, to promote insight and ownership, to encourage control over income generation processes and open up discussions on improved income mechanisms.
- 6.8 Housing benefit overpayments are inevitably difficult to collect as they are incurred, in the main, by low income individuals with no assets. During 2019/20 3,300 HMRC employer / address checks via the DWP were handled, each was individually reviewed, and direct earnings attachments issued where appropriate.
- 6.9 A successful Sundry debt pilot was undertaken using debtor profiling / propensity to pay collection score checks. The checks identified low or poor score cases that should go for write off, with medium and high score cases being progressed via county court action where appropriate. It is now intended to extend this to Housing benefit debts during 2020/21.
- 6.10 In 2019/20 the CDT recovered £1.8million following the issue of an invoice, by means of an arrangement, direct earnings attachments, third party deductions from the DWP and collection agents. Due to COVID -19 2020/21 has seen a 14% (£68,000) reduction in collection on cases dealt with by the CDT, compared to the same period in 2019/20.
- 6.11 With regard to Council Tax, HMRC shared data under a joint pilot with other LAs in line with Section 52 Digital Economy Act 2017. Where known they provided contact addresses, employer details and self-assessment data against 4,000 council tax liability orders. During the last quarter of 2019 / 20, the CDT issued attachment to earnings orders to the value of £1.2million. The data also informed and prompted engagement on many other cases that had otherwise been dormant for some time, resulting in arrangements being set up against a further £500,000 of outstanding debt, and justifying write-offs where appropriate. The pilot was due to complete in March 2020, however the Cabinet Office requested a further update on the data in order to establish the effects of Covid-19 on all the cases we identified for the initial pilot.
- 6.12 Throughout lockdown the CDT has proactively supported, signposted and engaged with Council Tax customers who made contact, citing Covid-19 related financial difficulties. 20,000 soft 'nudge' letters to promote payment and encourage customers to seek assistance were issued during May and June.

- 6.13 In order to support future Council Tax liability order courts due to risks associated with COVID -19, the service has designed an online triage form for debtors who wish to challenge the application for a Liability order against unpaid Council Tax. To support this, we are introducing additional software which informs of upfront arrangements and electronically monitors them daily.
- 6.14 For all debt categories digital engagement via Tel- Solutions; a company which specialises in providing highly effective multi-channel messaging for revenue collection in local government, will be introduced. They offer customer engagement programmes and campaigns where they design SMS web forms which promote online self-service. This service will be introduced across a variety of debt categories over the coming months.
- 6.15 A Corporate Debt Forum is being set up over the next quarter to review and discuss the strategies identified in the Corporate Debt Policy. It will initially focus on the 3 key objectives documented within the policy – maximising income, minimising debt and proactive prevention and attempt to align services to the policy.
- 6.16 The Council Tax and Business Rates Enforcement Agents contracts are due to expire in July 2021, and the intention is to have the same contractors for Parking Services and Revenues ensuring synergy in approach by having the same enforcement agent responsible for collection of multiple debts from a debtor at any one time. The contract procurement process will start early in 2021.

7. Risk Management

- 7.1 Risk management is an integral part of good governance. It is a process which aims to help the Council understand, evaluate and take action on all its risks. It supports effective decision making, identification of priorities and objectives and increases the probability of success by making the most of opportunities and reducing the likelihood of failure. This enables the effective use of resources, helps secure the assets of the organisation and continued financial and organisational well-being. The Council recognises that it has a responsibility to identify and manage the barriers to achieve its strategic objectives and enhance the value of services it provides to the community.
- 7.2 The Council's Risk Management Strategy:
- promotes a common understanding of risk;
 - outlines roles and responsibilities across the Council; and
 - proposes a methodology that identifies and manages risk in accordance with best practice thereby seeking to prevent injury, damage and loss.
- 7.3 The Risk Management Strategy sets out an objective method for analysing risks taking into consideration the likelihood of the risk occurring and the impact should the risk manifest. The Strategy also states the Council's agreed tolerance level for risks. The Strategy is reviewed annually to ensure that it

remains up to date and continues to reflect the Council's approach to risk management. The Strategy is reviewed by the Strategic Risk Management Group, Corporate Management Team, Audit Committee, Business Support Overview and Scrutiny Committee and Cabinet.

- 7.4 The last review was considered by the Audit Committee on 26 September 2019 and Cabinet on 19 November 2019. This review brought the Risk Management Strategy in line with the International Standard in Risk Management (ISO 31000:2018(E)) which provides a common approach to managing any type of risk and can be applied to any activity. The review also brought about a greater focus on the opportunity side of risk, clarifies roles and responsibilities in place and updates the format to be consistent with other Council strategies. The review also incorporated into the Risk Management Strategy the increased frequency of reviewing the risk register as noted by the Cabinet on 11 June 2019. Increasing the frequency of reviews of the Strategic Risk Register to quarterly has meant that for the last year, strategic risks have been reported alongside council plan performance and budget monitoring giving Members and the public more balanced and timely reporting, therefore supporting decision making. The Strategy is currently being reviewed for 2020 and will be considered by Audit Committee in January 2021 and Cabinet in February 2021. During 2020 the report template in use for Member and Committee reports was updated, with the risk assessment guidance within decision reports being brought into line with the Risk Management Strategy.
- 7.5 Since the Council implemented the Emergency Planning procedures in response to the Covid-19 Pandemic, a risk assessment in line with the Council's Risk Management Strategy has formed the basis of all decision making and governance arrangements throughout the Response. Each Response and Recovery Cell Lead has been responsible for maintaining a risk register detailing the impacts of Covid-19 on their area of responsibility, following the Council's Risk Management Strategy. Cell leads have been responsible for managing risks scored below CII – significant likelihood, crucial impact (as such risks would routinely be managed on service/ operational risk registers) while issues arising from risks scored at CII or above have been escalated to the Silver Tactical and Gold Strategic Commands (as such risks would routinely be managed through the Council's Strategic Risk Register). Formal arrangements to monitor the Strategic Risk Register were paused during the initial Response to enable staff to focus on managing risks in the Covid-19 Response, but recommenced from Q1 of 2020/21 with a fundamental review of the Strategic Risk Register undertaken in light of the Covid-19 Response and Recovery. The latest version of the Strategic Risk Register reflecting that review was presented to the Cabinet on 25 August.

8. Performance Monitoring

- 8.1 The [Council Plan 2016/21](#) was agreed at Full Council in February 2016. It sets out the Council's three priorities and three ways of working which aim to deliver these priorities. It includes the measures that have been identified as supporting the delivery of the Council's priorities. These key measures of

success are refreshed annually. For 2019/20 Council agreed 44 measures of success.

- 8.2 Monitoring of Council Plan Performance continues to take place on a quarterly basis, through Cabinet and Scrutiny, evidencing the Council's commitment to be accountable. Monitoring focusses on the key measures of success and the key programmes which have been identified as supporting the delivery of the Council's priorities.
- 8.3 2019/20 was a successful year for Medway Council in terms of achieving excellent outcomes across all three Council Plan priorities. We have continued to provide high quality services that are appreciated and valued by our residents despite the constrained financial environment we are operating within and despite the impact of the Covid-19 pandemic late in the financial year. We have achieved this by working with our partners, increasing the range of services which customers can access digitally, and by giving value for money when delivering all services. Some of our key achievements in 2019/20 set out against our three priorities are shown in Appendix 1: 2019/20 achievements.
- 8.4 For 2019/20 we refreshed our reporting, incorporating the quarterly review of the Strategic Risk Register into the Quarterly Council Plan Monitoring Reports as outlined above, to give a balanced view of our achievements and risk to our performance, to better support decision making.

9. Medway Norse

9.1 Key achievements are as follows:

- The facilities management core contract continues to be delivered to a high standard and Medway Norse colleagues have been extremely helpful in getting building ready for staff to return, including deep cleansing premises and the provision of signage, sneeze boards, sanitising equipment and paper towels.
- Senior Medway Norse managers have sat in on the Council's emergency Bronze, Silver and Recovery meetings that were conducted via "MS Teams" thus ensuring our service and operation continued over the pandemic and risks identified and mitigation put in place. MN contribution to this and recent emergency call outs has been exemplary.
- This last year Medway Norse reviewed the equipment across the grounds services and new equipment was procured ready for 2020 growing season to enable Norse to introduce a more efficient grass and hedge maintenance regime.
- Since the implementation of the new contracts in September 2019, the provision delivered by Norse has continued to improve and is operating to a good standard, highlighted by the continuous reduction in the number of incidents, customer queries and complaints.

- The main focus for the three housing waste and recycling centres was the implementation of the new entrance system following short notice KCC introduction of charges at their sites.
- During the Covid crisis, the three sites were shut for a period of 6 weeks following police advice on 'essential travel' and loss of a key material off-taker due to closures of their facilities. Once Government guidelines on safe operating practices were issued, Hoath and Capstone were safely reopened on Friday 15 May 2020.
- The transfer of the weekly waste collection and street cleaning contract to Medway Norse on 1 October 2019 was an excellent example of partnership work across the Council and Medway Norse and it is through the success of the partnership that the transfer has been delivered seamlessly and on schedule.
- Throughout the COVID crisis the service has maintained delivery with only three lost days of the organic waste service. The public support for the teams has been phenomenal with countless letters and messages of support for the work the teams have continued to in exceptionally challenging times. The street cleansing service has also been maintained with only a few days of lost time on scarab cleaning work when drivers were needed to support the collection services.

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Appendices

Appendix 1 - Performance Monitoring 2019/20 achievements

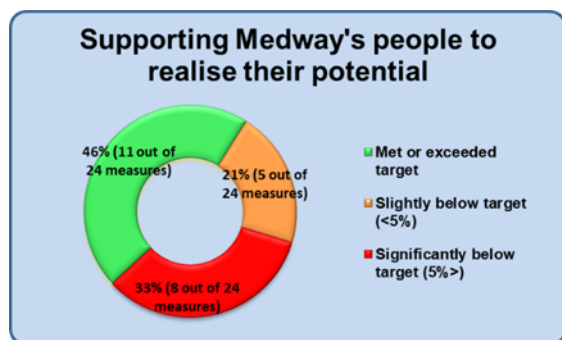
Background documents

None

Performance Management

Medway Council Strategy is our overarching strategy and sets out our vision, priorities, ways of working and the outcomes we expect to achieve. The Medway Council Plan sets out how we'll achieve the outcomes outlined in our Strategy and the measures we'll use to track our performance. Quarterly Council Plan monitoring reports are published via Cabinet and Overview and Scrutiny Committee agendas with full commentary on all measures and outcomes provided.

People



83% of people completing an adult weight management service have reduced their cardio vascular risk.

Annual Healthy Weight Summit.

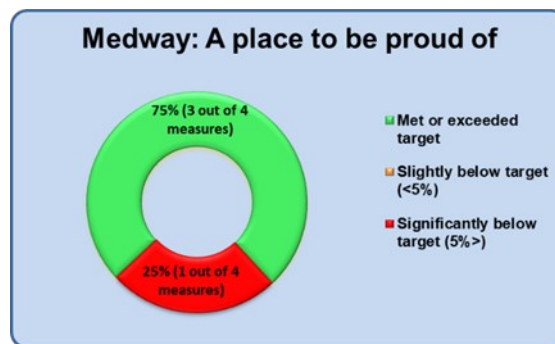
100% of special schools judged to be good or better

64% of children reached the required standard in Reading, Writing and Math.

93.1% of maintained schools graded good or better

Improving average progress 8 score with Medway rising 5 places in Local Authority ranking.

Place



7 green flags awarded; the national standard that recognises well managed green spaces.

Over 15,961 of volunteer hours spent working on Medway's greenspaces.

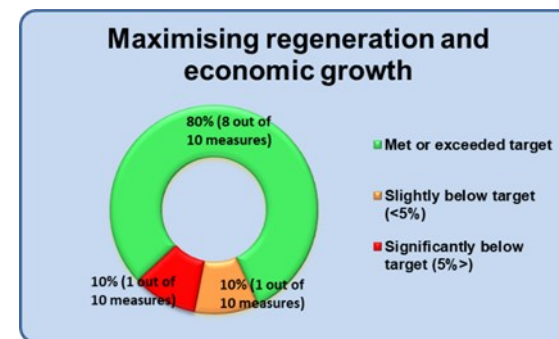
97% of streets free from litter when surveyed (Q4 19/20)

87% satisfaction with refuse collection (Q4 19/20)

Secured a grant of £1.6m from Historic England towards High Street Heritage Action Zone

Secured £2.5m (jointly with Kent County Council) of European Structural and Investment Funds (ESIF) to support inward investment.

Growth



£170m awarded from the Housing Infrastructure Funds (HIF) to support the delivery of 10,600 new homes on the Hoo Peninsula

432 jobs created and 60 protected during 2019/20.

99.8% pass rate for Medway Adult Education learners

First Skills and Employability Summit held with over 130 people attending

£100,000 has been secured to run a Supported Employment pilot, helping people with learning disabilities into work.

First homes occupied at Rochester Riverside and new hotel now open

Where performance is below target, arrangements are in place for 'deep dive' reviews to be carried out to understand factors driving reduced performance, and to determine actions to for improvement. The results of these activities are reported through the Quarterly Council Plan monitoring reports to Cabinet.