



## Public Document Pack

**Jeff Hughes**  
*Head of Democratic and Legal  
Support Services*

**MEETING** : CORPORATE BUSINESS SCRUTINY COMMITTEE  
**VENUE** : COUNCIL CHAMBER, WALLFIELDS, HERTFORD  
**DATE** : TUESDAY 8 JULY 2014  
**TIME** : 7.00 PM

### **MEMBERS OF THE COMMITTEE:**

Councillors G Jones (Chairman), S Bull, J Mayes, W Mortimer, T Page, M Pope, J Ranger, G Williamson (Vice-Chairman), J Wing and J Wyllie.

Conservative: Councillors G Cutting.

Liberal Democrat: Councillor M Wood.

*(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting).*

#### CONTACT OFFICER:

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## DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
  - must not participate in any discussion of the matter at the meeting;
  - must not participate in any vote taken on the matter at the meeting;
  - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
  - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
  - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:
  - fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
  - fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
  - participate in any discussion or vote on a matter in which a Member has a DPI;
  - knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

## AGENDA:

### 1. Apologies

To receive apologies for absence.

### 2. Minutes – 27 May 2014 (Pages 5 – 12).

To confirm the Minutes of the meeting of the Committee held on Tuesday 27 May 2014.

### 3. Chairman's Announcements

### 4. Declarations of Interest

To receive any Member(s)' Declaration(s) of Interest and Party Whip arrangements.

### 5. Hertfordshire Local Enterprise Partnership (LEP) Member Update (Pages 13 – 20).

### 6. Scrutiny Work Programme (Pages 21 – 28).

### 7. Review of Comments, Compliments and Complaints – April 2013 to March 2014 (Pages 29 – 46).

### 8. The Revenues and Benefits Shared Service – Two Years On (Pages 47 – 58).

### 9. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE  
CORPORATE BUSINESS SCRUTINY  
COMMITTEE HELD IN THE COUNCIL  
CHAMBER, WALLFIELDS, HERTFORD ON  
TUESDAY 27 MAY 2014, AT 7.00 PM

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PRESENT: Councillor G Jones (Chairman).  
Councillors S Bull, J Mayes, W Mortimer,  
T Page, M Pope, J Ranger, G Williamson  
and J Wing.

ALSO PRESENT:

Councillors D Andrews, P Phillips, P Ruffles  
and S Rutland-Barsby.

OFFICERS IN ATTENDANCE:

Marian Langley	- Scrutiny Officer
Peter Mannings	- Democratic Services Officer
Ceri Pettit	- Corporate Planning and Performance Manager
Neil Sloper	- Head of Information, Customer and Parking Services
Adele Taylor	- Director of Finance and Support Services

26 APPOINTMENT OF VICE-CHAIRMAN

It was moved by Councillor T Page and seconded by Councillor S Bull that Councillor G Williamson be appointed Vice-Chairman of the Corporate Business Scrutiny Committee for the 2014/15 civic year.

After being put to the meeting and a vote taken,

Councillor G Williamson was appointed Vice–Chairman of the Corporate Business Scrutiny Committee for the 2014/15 civic year.

RESOLVED – that Councillor G Williamson be appointed Vice–Chairman of the Corporate Business Scrutiny Committee for the 2014/15 civic year.

27 APOLOGY

An apology for absence was received from Councillor J Wyllie.

28 MINUTES – 18 MARCH 2014

RESOLVED – that the Minutes of the meeting held on 18 March 2014 be confirmed as a correct record and signed by the Chairman.

29 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed new and returning Members to the first meeting of the Committee in the 2014/15 civic year. The Chairman encouraged Members to suggest items for the work programme. He also encouraged the Committee to continue the work of the Committee between meetings and to ask questions of Officers when confronted with complicated issues.

30 WORK PROGRAMME 2014/15

The Chairman submitted a report setting out the Committee's future work programme for 2014/15, the detail of which had been set out in Essential Reference Paper 'B' to the report now submitted.

Councillor J Ranger commented that a good issue for scrutiny would be the emerging District Plan. The Scrutiny Officer advised caution in that Members would be walking a fine line in terms of what they would be able

to scrutinise in respect of the District Plan.

Following comments from Councillors J Ranger and T Page, the Chairman stated that financial implications of planning appeals and the income and expenditure of the Development Management function could be added to his list for potential future topics for the work programme and he would take the topic away to discuss in more detail.

In response to a comment from Councillor J Wing in respect of economic development, the Chairman reminded Members that a report would be submitted to the July meeting of the Committee relating to Local Enterprise Partnerships (LEP). He stated that economic development was on his list for potential future topics for the work programme.

The Chairman reminded Members that they might wish to consider extending invites to Executive Members to address the Committee on specific agenda items. He advised that Councillor M Tindale could attend the August meeting in respect of the Medium Term Financial Strategy.

The Committee approved the 2014/15 work programme, as now detailed.

RESOLVED – that the work programme, as now detailed, be approved.

### 31 EAST HERTS IMPROVEMENT PLAN – FINAL MONITORING REPORT

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The Leader of the Council and the Chief Executive and Director of Customer and Community Services submitted a report that monitored the delivery against the improvement plan that had been agreed by the Executive in June 2013, in response to the Council's Peer Challenge and Executive Away day.

Members were reminded that it had been agreed that the

plan would be monitored six monthly by Corporate Business Scrutiny Committee for a period of one year. The 7 outstanding actions were detailed at Essential Reference Paper 'C'.

In response to a query from Councillor T Page, the Committee was advised that the full Peer Challenge report had been sent to all Members and was also available online on the Councils website. Councillor M Pope referred to Action 16 and the review of financial and procurement regulations. Members were advised that a full time Officer appointment would ensure a more strategic approach to procurement also towards financial and procurement regulations.

Members were also advised that the IT Strategy had been delayed and was now due for completion by the end of June 2014, following Public Services Network compliance that had delayed the initial work. Actions to allow investment in property funds were underway and it was anticipated that investments could be made into funds during August 2014. The Committee received the report.

RESOLVED – that the monitoring report be received and the outstanding actions be absorbed into 2014/15 Service Plans.

## 32 SERVICE PLAN MONITORING REPORT – OCTOBER 2013 TO MARCH 2014

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The Leader of the Council and the Director of Finance and Support Services submitted a report in respect of the Council's achievements against its priorities for 2013/14, as well as details of the 16 service plan actions that were outstanding from 2011/12 and 2012/13.

Members were referred to paragraph 2.1 of the report for a detailed analysis of the 2013/14 service plans. Essential Reference Paper 'B' contained details of the outstanding 16 service plan actions.



Councillor J Ranger expressed concerns that the Micro Hydro Scheme for Hertford Theatre had not yet been the subject of a planning application. He congratulated Officers on achievements against the Service Plans.

In response to a query from the Chairman, the Director of Finance and Support Services advised that the revisions to the Business Continuity Plan had a revised completion date due to the roll out of new IT infrastructure. Members were advised that Officers were confident that the new deadline would be met.

The Committee received the report.

RESOLVED – that the progress against the Council's priorities and the status of the outstanding actions detailed in the 2011/12 and 2012/13 Service Plan actions be received.

### 33 2013/14 PERFORMANCE INDICATOR OUTTURNS

The Leader of the Council and the Director of Finance and Support Services submitted a report detailing the performance indicators that the Council was required to monitor and publish annually in the Annual Report. The purpose of the report was to advise Members of the performance outturns for 2013/14 and any changes to targets.

Members were advised that the February to March 2014 Healthcheck, which had been included within this report as an Essential Reference Paper, set out the finance and performance monitoring for the March/Quarter 4 for 2014.

Councillor J Ranger referred to where a number of Performance Indicators (PIs) showed a decline in performance. The Director of Finance and Support Services stated that although the PIs show a decline in performance when comparison is made to the previous financial year it did not mean that they were off target.

Councillor Ranger referred to a number of variances in the committed budget for a number of items referred to in the Healthcheck. The Director of Finance and Support Services stated that Corporate Management Team was generally willing to permit the commitment of extra funds if this was required to ensure the completion of a project that was nearing its conclusion.

The Committee received the report.

RESOLVED – that (A) the 2013/14 Performance Indicator Outturns report be received; and

(B) the February to March 2014 Corporate Healthcheck report be received.

34 DATA PROTECTION ONE-YEAR ACTION PLAN –  
PROGRESS AND CLOSURE REPORT

The Head of Information, Customer and Parking Services submitted a report updating the Committee in respect of the implementation of the Council's Data Protection Action Plan. Members were invited to comment on progress to date.

In response to a query from Councillor J Mayes regarding the data protection guidance detailed at paragraphs 2.4.1 and 2.4.2 of the report now submitted, the Head of Information Customer and Parking Services reiterated the advice of the Office of the Information Commissioner, which was that all Members should individually register themselves as data controllers.

The Committee received the report.

RESOLVED – that the implementation of the Council's Data Protection Action Plan be noted and endorsed.

## 35 CUSTOMER SERVICES STRATEGY

The Head of Information, Customer and Parking Services submitted a report providing an outline of the steps that were required to define the Council's Customer Service Strategy for 2014 – 2020. The report also presented proposals for Member involvement.

Members were advised that the Council's current strategy had been approved in 2008 for a period of 4 years and the Authority needed to update this strategy to drive the approach of the Council in terms of service provision and delivery over the next 5 years.

The Head of Information, Customer and Parking Services detailed the outcomes of current strategy. Members were given an overview of strategic planning for service delivery and the Head stated that the Customer Services Strategy would set the Council's strategic goals and would shape future decisions regarding the services provided by the Authority.

The Chairman reminded Members of two Member consultation workshops. The first had been arranged for 6.30 pm at Wallfields on 4 September 2014 and the second would take place at 1.30 pm at Charringtons House, Bishop's Stortford on 9 September 2014.

In response to a query from Councillor J Wing, the Head of Information, Customer and Parking Services advised that the Council's "Here to Help" programme included encouraging Officers to signpost customers on the phone to the right person or find the appropriate phone number. The Director of Finance and Support Services commented that the Customer Services Strategy was particularly important in the context of the Council's role as a community leader.

The Head of Information, Customer and Parking Services advised that the strategy would guide the Authority regarding the best ways to deliver services to suit the

residents of East Herts. The strategy would also assist with delivering services dynamically for residents. The Committee received the report.

RESOLVED – that the approach to define the Council’s Customer Service Strategy for 2014 – 2020 be noted and endorsed.

The meeting closed at 9.17 pm

Chairman .....
Date .....

## EAST HERTS COUNCIL

### CORPORATE BUSINESS SCRUTINY COMMITTEE – 8 JULY 2014

#### MEMBER BRIEFING BY ECONOMIC DEVELOPMENT MANAGER

#### HERTFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP MEMBER UPDATE

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WARD(S) AFFECTED: ALL

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#### **Purpose/Summary of Member Briefing:**

- To provide a factual update for Members about the work of Hertfordshire Local Enterprise Partnership (LEP) to include information about the LEP structure, strategic plans and potential opportunities and information about developments since the last Corporate Business Scrutiny report in March 2012.

#### **RECOMMENDATION FOR CORPORATE BUSINESS SCRUTINY That:**

<b>(A)</b>	<b>Corporate Business Scrutiny Committee give consideration to the update on the Herts Local Enterprise Partnership (LEP) in advance of the LEP funding settlement with government.</b>

#### 1.0 Background

1.1 Local Enterprise Partnerships (LEPs) were set up by the Government to provide the vision, knowledge and strategic leadership needed to drive sustainable growth and job creation across natural economic areas. Hertfordshire LEP was formerly accredited by the Department of Business Innovation and Skills (BIS) in March 2012.

#### 2.0 LEP Structure

2.1 The LEP is led by a Board of twelve people. There are four from the Corporate Business sector, three from Local Authorities, two representing Small to Medium Enterprises (SME's), one from the Not for Profit sector and one from the Higher Education (HE) sector plus a Chairman who is also from the Corporate Business sector.

- 2.2 The structure includes four Programme Boards accountable to the LEP Board and responsible for the four key LEP themes of Enterprise and Innovation, Strategic Infrastructure, Skills and Employment and Investment and Advocacy. Each Programme Board is chaired by a member of the LEP Board.
- 2.3 The LEP also has two key lines of accountability via the Herts Leaders Group and the Hertfordshire Business Forum. These groups will play a scrutiny role in relation to the LEP Strategic Economic Plan (SEP).
- 2.4 The LEP is supported by a team of six or seven Officers including the LEP Director and administrative functions. Each Programme Board has designated Officer support and there is also a lead Officer for European Union Funding.

### 3.0 Strategies

- 3.1 The LEP has submitted two key strategies to the Department of Business Innovation and Skills (BIS).

### 3.2 Strategic Economic Plan (SEP)

Herts LEP has submitted a long term plan to government which sets out a blue print for economic growth in Hertfordshire. The plan calls on government to enter into a local growth deal with the LEP which includes proposals for investment in key transport schemes and a business growth package to support private sector jobs growth in 2015. Any funding agreed by the government would be made available through the Single Local Growth Fund which is largely a capital funding stream. The LEP are expecting a response from government in July 2014.

- 3.3 The SEP has defined three economic Growth Areas in Hertfordshire linked to the principal road and rail corridors, the M1/M25, the A1(M) and the M11/A10 corridors. The latter incorporates the East Herts District.

### 3.4 European Strategic Investment Fund (ESIF)

The LEP has received a £61.5 million allocation from the European Structural Investment Funds (ESIF) for the period 2014 to 2020. The LEP's ESIF strategy, which was submitted to government in January, has now been approved. The LEP's ESIF

priorities are innovation, SME competitiveness and low carbon economic development and skills. It is expected that the LEP will be in a position to commission and approve projects in early to mid 2015 after receiving final agreement from Westminster and Brussels.

#### 4.0 Opportunities

4.1 Future investment will therefore be subject to the Strategic Economic Plan settlement with government as well as the result of projects identified through the European Investment process. Whilst there are no guarantees of funding for projects in East Herts, the SEP does make reference to potential opportunities in the M11/A10 corridor and in the District. These include –

4.2 A package of schemes providing station access improvements and upgrades to the network to improve resilience for Bishop's Stortford, Broxbourne, Hertford East and Rye House.

4.3 Later schemes, some of which are major projects for Hertfordshire, including Little Hadham Bypass, A602 improvements, A10 network resilience.

4.4 A long term venture to explore options in relation to Bishop's Stortford because the town is in the process of accommodating significant growth.

4.5 Development of a Growth Hub to deliver business networking and advice and provide signposting and access to business support across Hertfordshire.

4.6 A commitment to maximise the economic benefits linked to the planned growth of Stansted Airport.

4.7 Additionally LEP Officers are in discussion with Planning Policy Officers from East Herts with regard to possible LEP funding for technical studies that will support the District Plan.

#### 5.0 Previous LEP investment in East Herts

5.1 The LEP has already provided funding to enable some East Herts projects to proceed. These include -

5.2 Provision of £35,000 support to the My Incubator business incubation and advice programme operating from the Ware

Campus of Hertford Regional College. This programme is managed by Wenta. The sum matched a contribution made by East Herts Council.

5.3 Match funding of £4,000 for economic research to support East Herts Council's application for further Rural Development Programme funding.

5.4 Funding of £2,000 to support website development for the Bishop's Stortford Chamber of Commerce "Business Stortford" project.

### 6.0 East Herts Participation in the LEP

6.1 East Herts Council participates in the LEP as follows:

6.2 LEP Board Member – Councillor Tony Jackson

6.3 Investment and Advocacy Programme Board Chairman-  
Councillor Tony Jackson

6.4 Enterprise and Innovation Programme Board Member – Paul Pullin (Economic Development Manager)

6.5 European Strategic Investment Fund (ESIF) Shadow Governance Group – Chairman Councillor Tony Jackson, Group Member Paul Pullin.

### 3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

#### Background Papers

<http://www.hertfordshirelep.com/>

Link to Herts LEP website

<http://www.hertfordshirelep.com/Publications/>

Link to Herts LEP Newsletter

<http://www.hertfordshirelep.com/growthplan.aspx>

Link to Herts LEP Strategic Economic Plan (SEP)

Contact Member: Mike Carver, Executive Member for Strategic Planning and Transport.  
[mike.carver@eastherts.gov.uk](mailto:mike.carver@eastherts.gov.uk)



Contact Officer: George. A. Robertson, Chief Executive Officer and Director of Customers and Community Services, Extn: 1410. [george.a.robertson@eastherts.gov.uk](mailto:george.a.robertson@eastherts.gov.uk)

Report Author: Paul Pullin, Economic Development Manager, Extn: 1606. [paul.pullin@eastherts.gov.uk](mailto:paul.pullin@eastherts.gov.uk)

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate)</i> :	<b><i>Prosperity – Improving the economic and social opportunities available to our communities.</i></b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.
Consultation:	None.
Legal:	None.
Financial:	None.
Human Resource:	None.
Risk Management:	None.
Health and wellbeing – issues and impacts:	None.

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## EAST HERTS COUNCIL

### CORPORATE BUSINESS SCRUTINY COMMITTEE – 08 JULY 2014

#### REPORT BY CHAIRMAN OF CORPORATE BUSINESS SCRUTINY COMMITTEE

#### SCRUTINY WORK PROGRAMME

WARD(S) AFFECTED: ALL

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#### **Purpose/Summary of Report:**

- To review and determine Corporate Business Scrutiny (CBS) Committee's future work programme.

<b><u>RECOMMENDATION FOR DECISION:</u></b> That	
<b>(A)</b>	The work programme detailed in this report be agreed.

#### 1.0 Background

- 1.1 Items previously required, identified or suggested for the CBS work programme are set out in **Essential Reference Paper 'B'**.

#### 2.0 Report

- 2.1 The draft agenda for 2014/15 meetings of Corporate Business Scrutiny Committee is shown in **Essential Reference Paper 'B'**. The timing of some items shown may have to change depending on availability of essential data (e.g. from central government).
- 2.2 In response to the committee's request at last meeting of CBS, an invitation was extended to Councillor Jackson to attend the meeting on 26 August 2014 where the 4 year strategic plan and MTFP will be scrutinised. He has accepted.
- 2.3 Members are asked whether they wish to extend any further invitations to one or more of the Executive members to attend a particular meeting or for a specific agenda item.

#### 3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None.

Contact Member: Councillor G Jones – Chairman of Corporate Business Scrutiny Committee.  
[gary.jones@eastherts.gov.uk](mailto:gary.jones@eastherts.gov.uk)

Contact Officer: Jeff Hughes – Head of Democratic and Legal Support Services, Extn 2170.  
[jeff.hughes@eastherts.gov.uk](mailto:jeff.hughes@eastherts.gov.uk)

Report Author: Marian Langley – Scrutiny Officer, Extn: 1612.  
[marian.langley@eastherts.gov.uk](mailto:marian.langley@eastherts.gov.uk)

## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

<p>Contribution to the Council's Corporate Priorities/ Objectives</p> <p>(2014/15 version)</p>	<p><b>People – Fair and accessible services for those that use them and opportunities for everyone to contribute.</b> This priority focuses on delivering strong services and seeking to enhance the quality of life, health and wellbeing, particularly for those who are vulnerable.</p> <p><b>Place – Safe and Clean.</b> This priority focuses on sustainability, the built environment and ensuring our towns and villages are safe and clean.</p> <p><b>Prosperity – Improving the economic and social opportunities available to our communities</b> This priority focuses on safeguarding and enhancing our unique mix of rural and urban communities, promoting sustainable, economic opportunities and delivering cost effective services.</p> <p>Effective use of the scrutiny process contributes to the Council's ability to meet one or more of its corporate objectives.</p>
<p>Consultation:</p>	<p>Potential topics for scrutiny are always invited from the Executive and all Members and the public are asked through an annual item in the 'council tax' edition of LINK magazine which is delivered to every household. Members of each scrutiny committee (and the HWP) are consulted at every meeting as their work programme is a standing item on the agenda.</p>
<p>Legal:</p>	<p>According to the Council's constitution, the scrutiny committees are responsible for the setting of their own work programme in consultation with the Executive and in doing so they shall take into account wishes of members on that committee who are not members of the largest political group on the Council.</p>
<p>Financial:</p>	<p>Any additional meetings and every task and finish group has resource needs linked to officer support activity and time for officers from the services to make the required input.</p>
<p>Human Resource:</p>	<p>None.</p>

<p>Risk Management:</p>	<p>Matters which may benefit from scrutiny may be overlooked. The selection of inappropriate topics for review would risk inefficient use of resources. Where this involved partners, it could risk damaging the reputation of the council and relations with partners.</p>
<p>Health and wellbeing – issues and impacts:</p>	<p>The broad remit of scrutiny is to review topics which are of concern to the public, many of which have an indirect impact on the general wellbeing of residents of East Herts.</p> <p>The Health and Wellbeing Panel is set up to specifically focus in on issues and topics which have a direct and immediate impact on the health and wellbeing of all those who live, work or study in the District.</p>



## Corporate Business Scrutiny Committee work programme 2014/15

2014/15				
meeting	date	topic	Report author	Next Exec
3 in 14/15	26 Aug 2014  Report deadline 13 Aug	<ul style="list-style-type: none"> <li>• Annual Governance Statement 2013/14 and action plan 2014/15</li> <li>• Work programme</li> <li>• Corporate Annual Report 2013/14</li> <li>• Healthcheck through to June 2014</li> <li>• 4 year Corporate Strategic Plan (2015/16 to 2018/19)</li> <li>• Medium Term financial strategy (2015/16 to 2018/19)</li> </ul>	<p>delayed to Aug to allow for period of public consultation</p> <ul style="list-style-type: none"> <li>• Scrutiny Officer</li> <li>• Lead Officer (Corp Planning)</li> <li>• Lead Officer (Performance)</li> <li>• Director of Finance and Support Services</li> <li>• Director of Finance and Support Services</li> </ul>	2 Sept 2014 7 Oct 2014
4 in 14/15	21 Oct 2014  Report deadline 8 Oct	<ul style="list-style-type: none"> <li>• ?</li> <li>• ?</li> <li>• ?</li> <li>• Work programme</li> </ul>	<p>Might cancel meeting in favour of a conversation café style BUDGET training event TBC.</p>	4 Nov 2014
5 in 14/15	25 Nov 2014  Report deadline 12 Nov	<ul style="list-style-type: none"> <li>• <b>Member training:</b> Finance and Decision making - questions to ask when considering the 'business case'</li> </ul>	<ul style="list-style-type: none"> <li>• Director of Finance and Support Services</li> <li>• Lead Officer</li> </ul>	2 Dec 2014

2014/15				
meeting	date	topic	Report author	Next Exec
		<ul style="list-style-type: none"> <li>Partnership register – risk monitoring</li> <li>Work programme</li> <li>Service Plan April 2014 – Sept 2014 monitoring</li> <li>Healthcheck through to Sept 2014</li> </ul>	<ul style="list-style-type: none"> <li>Scrutiny Officer</li> <li>Lead Officer (Corp Planning)</li> <li>Lead Officer (Performance)</li> </ul>	
<b>6 in 14/15 JOINT</b>	20 Jan 2015 TBC	<b>BUDGET</b> <ul style="list-style-type: none"> <li>Capital Programme 2014/15 (Revised) to 2017/18</li> <li>Fees and Charges 2015/16</li> <li>Revenue Estimates, Services – 2014/15 Probable, 2015/16 Estimate</li> <li>Consolidated Budget report 2015/16 and Medium Term Financial Plan</li> </ul>	<ul style="list-style-type: none"> <li>Director of Finance and Support Services</li> </ul> <p>(wording of report titles subject to confirmation)</p>	3 Feb 2015 TBC
<b>7 in 14/15 JOINT</b>	10 Feb 2015 TBC	<ul style="list-style-type: none"> <li>2015/16 Service Plans</li> <li>2014/15 Estimates and 2015/16 Future targets</li> </ul>	<ul style="list-style-type: none"> <li>Lead Officer (Corp Planning)</li> <li>Lead Officer (Performance)</li> </ul>	3 Mar 2015 TBC
8 in 14/15	17 Mar 2015 TBC	<ul style="list-style-type: none"> <li>?</li> <li>Healthcheck through to Jan 2015</li> <li>Work programme –</li> </ul>	<ul style="list-style-type: none"> <li>X</li> <li>Lead Officer (Performance)</li> <li>Scrutiny Officer</li> </ul>	2 June 2015 TBC

2014/15				
meeting	date	topic	Report author	Next Exec
		planning for 2015/16		

The four principles of good public scrutiny:

- *provides 'critical friend' challenge to executive policy-makers and decision-makers*
- *enables the voice and concerns of the public and its communities*
- *is carried out by 'independent-minded governors' who lead and own the scrutiny role*
- *drives improvement in public services*

Corporate Business Scrutiny	<ol style="list-style-type: none"> <li>1. To develop policy options and to review and scrutinise the policies of the Council relating to Communications, Corporate Performance and Risk Management, Local Strategic Partnership, Customer Service, Finance, Information and Communications Technology, Democratic Services, Member Support, Facilities Management, Asset Management, Legal, Revenues and Procurement.</li> <li>2. To consider the budget setting proposals and strategies of the Council.</li> <li>3. To make recommendations to the Executive on matters within the remit of the Committee.</li> <li>4. To take evidence from interested groups and individuals and make recommendations to the Executive and Council for policy change on matters within the remit of the Committee.</li> <li>5. To consider issues referred by the Executive, including modifications to the Constitution, or members of the Committee and where the views of outsiders may contribute, take evidence and report to the Executive and Council on matters within the remit of the Committee.</li> <li>6. To consider any item referred to the Committee by any Member of the Council who is not a member of this Committee and decide whether that item should be pursued on matters within the remit of the Committee.</li> <li>7. To appoint annually Standing Panels as may be determined, which shall be given a brief to consider a specified service area relating to matters within the remit of the Committee and report back to the Committee on a regular basis as determined by the Committee.</li> <li>8. To consider, should it choose to do so, any item within the remit of the Committee to be considered by the Executive (except items of urgent business). The relevant report to the Executive shall consider any report and recommendations on the item submitted by the Scrutiny Committee.</li> </ol>
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## EAST HERTS COUNCIL

### CORPORATE BUSINESS SCRUTINY COMMITTEE – 8 JULY 2014

#### REPORT BY HEAD OF INFORMATION, PARKING AND CUSTOMER SERVICES

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#### REVIEW OF COMMENTS, COMPLIMENTS AND COMPLAINTS APRIL 2013 TO MARCH 2014

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WARD(S) AFFECTED: None.

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#### **Purpose/Summary of Report:**

- To provide a summary of comments, compliments and complaints received between April 2013 and March 2014.
- To highlight the key issues, remedial action and learning arising from these comments, compliments and complaints.
- To note the updated Corporate Complaints Procedure.

#### **RECOMMENDATIONS FOR CORPORATE BUSINESS SCRUTINY:**

**That:**

<b>(A)</b>	<b>The report and actions on ‘Comments, Compliments and Complaints’ be scrutinised and the Executive be advised of any recommendations.</b>
<b>(B)</b>	<b>The updated Corporate Complaints Procedure be noted.</b>

#### 1.0 Background

- 1.1 The Council implemented the current corporate comments, compliments and complaints system (3Cs) in January 2009.
- 1.2 Following the implementation of the Regulator’s Code in April 2014, the Corporate Complaints Procedure has been reviewed to ensure clear and accessible complaints and appeals processes for the Council and others regulated by local authorities processes.

1.3 On 14 July 2009, Corporate Business Scrutiny Committee resolved to receive an annual analysis of the 3Cs managed by the Council.

## 2.0 Report

### 2.1 Performance

The Council's performance 1 April 2013 to 31 March 2014 is summarised in the chart below:

Performance Indicator	Performance 1 April 2013 – 31 March 2014 (2012/13 figures in brackets)
EHPI 5.1, % of complaints resolved in 14 days or less  2013/14 Target = 70%	79.2% (62.5%)  Customer and Community Services – 85.3% (89.5 %) Internal Services – 93.5% (80%) Neighbourhood Services – 73.3% (58.3%)*  <i>*The slightly lower resolution rate in Neighbourhood Services reflects the additional time required in handling planning complaints. (7 cases escalated to Stage 2 and 3 dealt with within target). All cases received acknowledgements and updates within the Council's Customer Service Standards.</i>
EHPI 5.2a, % of complaints about the Council and its services that are upheld: 1 <sup>st</sup> Stage  2013/14 Target = 30%	32.3% (36.5%) (33/102 Stage 1 complaints)  Customer and Community Services – 42.8% (38.4%) Internal Services – 64.5% (85.7%) Neighbourhood Services – 17.3% (14.2%)
EHPI 5.2b, % of complaints about the Council and its	11.1% (0%) (2/18 Stage 2 complaints)

<p>services that are upheld: 2<sup>nd</sup> Stage – appeal</p> <p>2013/14 Target = 25%</p>	<p>Customer and Community Services – 18.1% (0%)</p> <p>Internal Services – 0% (0%)</p> <p>Neighbourhood Services – 0% (0%)</p> <p><i>Please note: All complaints progressed to Stage 2 (appeal) have already passed Stage 1 of the complaint process.</i></p>
<p>EHPI 5.4, % of complaints to the Local Government Ombudsman that are upheld</p> <p>2013/14 Target = 0%</p>	<p>0%</p> <p>6 (12) complaints received by the Local Government Ombudsman. None were upheld. 2 cases were not investigated, 2 were deemed to be outside the jurisdiction of the LGO, one found no maladministration and one was presented prematurely.</p>

Customer and Community Services (C and CS) and Internal Services have not met the target for the percentage of complaints upheld. There is no significant trend within C and CS as the cases upheld cover a variety of matters. The reason for the number of complaints being upheld in Internal Services continues to reflect the significant increase in volumes of calls and correspondence within the Revenues and Benefits service related to the welfare reforms. The increased volume has caused some delays due to longer processing times.

## 2.2 Volumes

The volumes of comments, compliments and complaints recorded are shown below (please note that Stage 2 complaints are previously handled at Stage 1):

	April – June	July – Sept.	October – December	January – March	Total
Comments	1 (1)	1 (0)	0 (1)	1 (2)	3 (4)
Compliments	28 (19)	39 (46)	21 (19)	28 (10)	116 (94)
Complaints Stage 1	12 (15)	29 (35)	24 (13)	19 (6)	84 (69)

Complaints Stage 2	4 (9)	3 (4)	7 (7)	4 (2)	18 (22)
3Cs (all of above)	45 (43)	72 (85)	52 (40)	52 (20)	221 (188)

2012/13 figures in brackets

Please note that the Stage 1 figures also include the complaints that were escalated to Stage 2.

The large number of compliments recorded continues to reflect that Building Control record their post visit survey results – 63 compliments logged. Housing, Development Management, Environmental Services and Customer Services have also received and logged a number of compliments from customers.

The number of Stage One complaints the Council received this year increased by 21% over last year. Stage Two complaints fell slightly. Customer and Community Services recorded a larger number of complaints in the first half of the year compared to the previous year. On investigation the number of complaints received within Waste and Recycling, Grounds Maintenance, Parking and Customer Services were higher than previously experienced. The reason for the slight dip in PIs within the Waste service would be attributable to the new Recycling Scheme. No single specific issue was identified in any of the other services.

### 2.3 Source of Complaints

The chart, **Essential Reference Paper ‘B’**, shows that customers prefer to raise complaints by e-mail (57%) and letter (28%). There is little change from last year. The same percentage of people chose to contact us by email whilst the number of people writing in fell slightly from 31% to 28%.

### 2.4 Action taken following 3Cs

Improvement actions in response to issues raised in 2013/14 are shown in **Essential Reference Paper ‘C’**. The key areas of complaint upheld were service delivery, staff training and service provided by a contractor. This reflects the fact that high volumes can have a detrimental effect on the service provided to customers as well as impact on training time for staff.



A summary of cause of complaints upheld and outcomes is shown by directorate in **Essential Reference Paper ‘D’**.

## 2.5 Local Government Ombudsman

From April 2013 The Local Government Ombudsman (LGO) has been publishing all the decisions on complaints on its website. They consider this to be an important step in increasing transparency and accountability.

The LGO did not produce an annual review of complaints last year. This year’s review is due in early summer. To coincide with their publication the LGO is also publishing an in-depth report about local government complaints. This report will feature some of the statistics in the annual letters.

6 cases were decided during this period. No cases of maladministration were identified. The decisions made have been classified as follows:

<b>Decision</b>	<b>No of cases</b>	<b>Service</b>
Not investigated	1 1	Housing Options Development Management
Premature complaint	1	Housing Benefits
Not in jurisdiction and discretion not exercised	2	Development Management
No maladministration	1	Development Management

## 2.6 2013/14 Actions Completed

<b>Action</b>	<b>Outcome</b>
Commission audit by Shared Internal Audit Service to review use of 3Cs system in services and to request	Based on the work performed during the audit process, SIAS provided Full Assurance that there are effective controls in operation for those elements of the risk

recommendations for actions based on review.	management processes covered. There were no recommendations arising from this review.
Staff briefing on trends, to promote recording of 3Cs, compliments as well as complaints. Publicise results to all staff, promote use of procedure.	Quarterly health check feedbacks are provided to Directors and Heads of Service giving statistics and information on topics of concern. These are cascaded in team meetings to line managers and staff.
Workshop with 3Cs Champions. Refresher on role. Discussion on use of 3Cs. Promote work of champions in Team Brief and Update.	Training workshops were run for 3Cs champions on how to use Infreemation. The opportunity was taken to remind champions of what needs to be recorded.
Refreshed intranet section on Handling Difficult Customers. Make supporting policy and forms easier to use for staff.	The 3Cs section of the intranet was reviewed and updated.

## 2.8 Actions 2014/15

<b>Objective</b>	<b>Actions</b>
Source a temporary replacement system to operate the Council's 3Cs database which is currently on Lagan CRM. The Council is looking to replace Lagan during 2014/15.	The Council's provider, Infreemation, who currently manages Freedom of Information, Environmental Information Regulations and Data Protection Subject Access requests can also supply the added functionality for 3Cs cases. As from 1 April 2014, 3Cs cases have been recorded on Infreemation. This temporary arrangement will continue until a decision is made regarding the replacement for Lagan.

Arrange refresher training for 3Cs champions.	Workshops will be arranged to ensure champions are confident with the new database
Review supporting 3Cs documents on the internet/intranet	Ensure that this documentation provides assistance and guidelines in line with the recently reviewed Corporate Complaints procedure..
Ensure 3Cs database complies with the council's retention policy of keeping details of complainants for two years.	Liaise with IT to delete complainants' personal details from comments, compliments and complaints.

### 3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

#### Background Papers

Corporate Business Scrutiny Committee Report – 3Cs Update 2 July 2013.

Contact Member: Councillor Tony Jackson, Leader of the Council  
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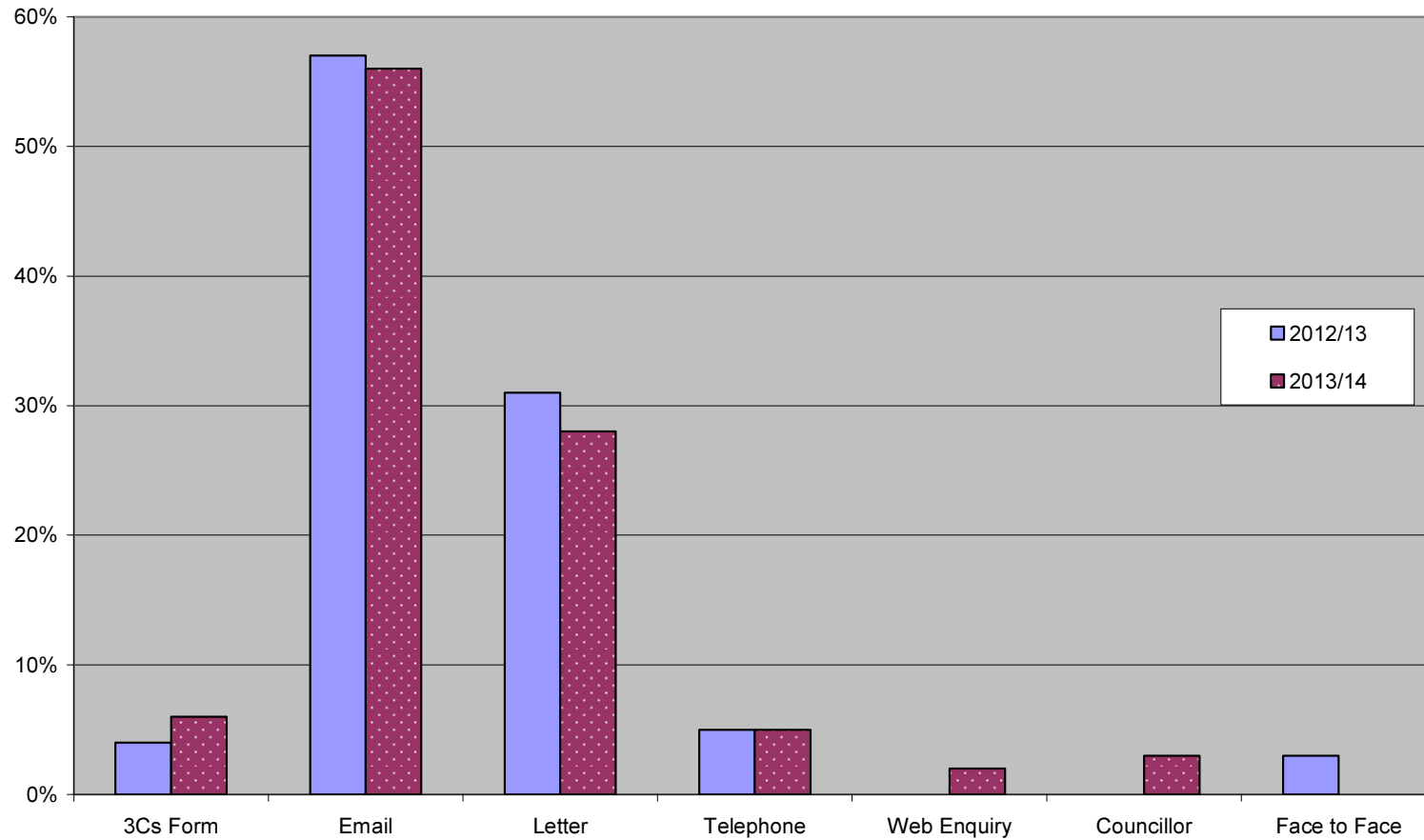
## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

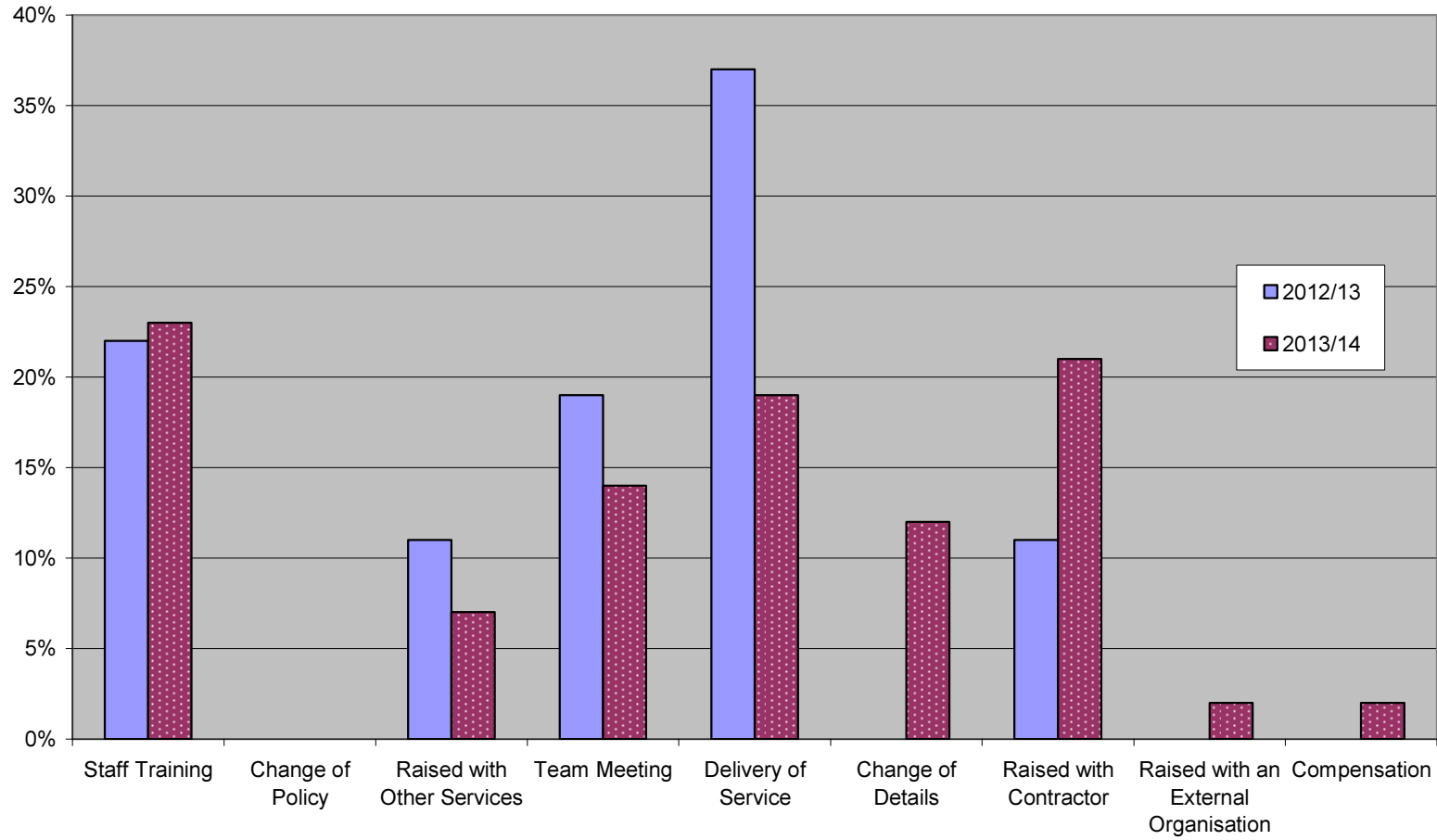
<p>Contribution to the Council's Corporate Priorities/ Objectives</p>	<p><b><i>People</i></b>  This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</p>
<p>Consultation:</p>	<p>CMT endorsed the integration of 3Cs monitoring within the 'health check' management process on 30 June 2009.</p> <p>Heads of Service have been consulted in the preparation of this report for CMT.</p> <p>On-going operation of the 3Cs procedure includes the involvement of feedback champions from all directorates.</p>
<p>Legal:</p>	<p>There is no legal requirement to operate a complaint system. However, the legal consequence of not addressing a complaint through the council's complaint procedure could be significant. Best practice indicates that if complaints are dealt with at an early stage, this reduces an escalation of the complaint, potentially to a legal claim.</p>
<p>Financial:</p>	<p>There are no capital or revenue costs associated with this report.</p> <p>However, claims for damages and compensation could be significant should the 3Cs procedure not be followed to rectify any issues as soon as they arise in a professional and timely manner.</p>
<p>Human Resource:</p>	<p>Each frontline service has a member of staff who is knowledgeable about the 3Cs procedure and administrates compliments, comments and complaints on the database on behalf of the service (3Cs champions).</p>

<p>Risk Management:</p>	<p>The Local Government Ombudsman (LGO) prefers that a complaint should first be dealt with through the council's complaint procedure. However, if the complaint is sufficiently serious the LGO may choose to investigate immediately. An explanatory leaflet entitled 'Complained to the council? Still not satisfied?' is available at council reception desks.</p> <p>The cost of failing to follow our complaint procedure in dealing with a justified complaint is that the matter is not resolved, causing further complaint to the LGO and negative press coverage damaging our reputation as a council, not just a single service.</p>
<p>Health and wellbeing – issues and impacts:</p>	<p>None identified by report author.</p>

**COMPLAINT BY METHOD OF RECEIPT**



**TYPE OF CORRECTIVE ACTION TAKEN IN RESPONSE TO COMPLAINTS**





## ESSENTIAL REFERENCE PAPER D

### Complaints Upheld and Outcomes by Directorate

#### Neighbourhood Services:

<b>Service</b>	<b>Complaints Upheld</b>	<b>Outcome</b>
Development Management	<p>Delay in dealing with enquiry</p> <p>Disappointed with lack of response and poor customer service regarding Prior Notification application and</p> <p>Incorrect decision sent out to agent</p> <p>Dissatisfaction with the way planning appeal handled</p>	<p>Original email misdirected. Apology offered.</p> <p>Apologised as Council fell short of service customer could reasonably expect. Staff reminded of customer care standards.</p> <p>As above</p> <p>Apologised for not attending site visit due to admin error.</p>

Customer and Community Services:

<b>Service</b>	<b>Complaints Upheld</b>	<b>Outcome</b>
Customer Services	Quality of Service:	Apology to customer and explained the DP implications of providing a copy CT bill without ID
Parking	CEO seen driving a motorcycle on a cycle path  Complainant's name spelt incorrectly and disputed CEO's right to park on a yellow line to issue a PCN	CEO believed this was permissible. Advised to drive on public highway in future.  Apologised for error and CEO had no justification for parking in contravention.
Environmental Services	Delay in dealing with information that a resident is using two black bins  Poor relocation of bins after emptying  Delay in responding to complaint that black bin was not fully emptied	Second bin removed  Raised with contractor  Staff training  Apologised for delay and raised with

	<p>Delay in responding to a claim for damage to property by refuse truck</p> <p>Delay in responding to emails re introduction of SPARC</p> <p>2 complaints received regarding continued problems experienced with missed recycling collections at different addresses in district</p> <p>Incorrect information provided re recycling collections</p>	<p>contractor</p> <p>Apologised for delay and provided information on alternative way to continue recycling</p> <p>Apologised and organised a meeting with contractors to resolve the problem.</p> <p>Apologised for incorrect information. Staff training.</p>
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## Internal Services

<b>Service</b>	<b>Complaints Upheld</b>	<b>Outcome</b>
Revenues and Benefits	<p>Delay in Dealing with Enquiry:</p> <p>Assessment delays</p> <p>Error in claim processing</p> <p>Correspondence mishandled</p> <p>Availability of staff on the telephone</p> <p>Long delay in receiving response to query</p> <p>Account closed in error</p> <p>Delay in setting up direct debit instructions</p> <p>Staff Conduct:</p> <p>Unhelpful staff</p> <p>Difficulty in contacting the CT team</p>	<p>Apology and claims progressed, team meetings to discuss and implement enhanced processes.</p> <p>Apology and claim corrected</p> <p>Apology, process changed and staff trained.</p> <p>Apology due to high volumes, welfare reform action plan with additional enquiry handling by Customer Services put in place</p> <p>Management action, training with staff concerned</p> <p>Quality of service and staff conduct – reviewed at team meetings</p>

Electoral Registration	Poor service. Incomplete resolution of an information request by two members of staff.	Apologised for errors made. Refunded £20 charged for incorrect letter and sent requested letter FOC.

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## EAST HERTS COUNCIL

### CORPORATE BUSINESS SCRUTINY COMMITTEE – 8 JULY 2014

#### REPORT BY DIRECTOR OF FINANCE AND SUPPORT SERVICES

#### THE REVENUES AND BENEFITS SHARED SERVICE – 2 YEARS ON

WARD(S) AFFECTED: ALL

#### **Purpose/Summary of Report:**

- To report on how the Shared Revenues and Benefits service is operating since the commencement of full operation in April 2014. The report details changes to the environment within which the service operates and future opportunities and challenges that it faces.

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<b><u>RECOMMENDATIONS FOR CORPORATE BUSINESS SCRUTINY COMMITTEE:</u></b>	
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<b>(A)</b>	<b>The report on the operation of the Revenues and Benefits Shared Service be considered.</b>
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#### 1.0 Background

- 1.1 The Shared Revenues and Benefits Service is a partnership that operates for both East Herts Council (EHC) and Stevenage Borough Council (SBC). It has been formally operating since 1 August 2011 with a shared operating model but a full shared service commenced in April 2012.
- 1.2 East Herts is the Host Authority in that we employ the staff to provide the shared service, but we operate a Partnership Board and Joint Member Committee that monitor, review and manage the service for both Councils.
- 1.3 This was one of the first Shared Services that East Herts entered into, and remains one of only two Shared Revenues and Benefits services in Hertfordshire.
- 1.4 The service was scoped based on activities and service levels in 2010/11 and since that time, there has been a significant change

to the framework within which the service operates due to Welfare Reforms, the ceasing of Council Tax Benefit and introduction of Local Council Tax Support Schemes and Localisation of Business Rates.

1.5 The service has now been fully operating for 2 years and the agreement we have signed continues for at least a further 3 years. Its operating budget is in excess of £3.8m annually, with contributions shared 57.1% by EHC and 42.9% SBC, although any future savings identified are split on a 50:50 basis. This reflects the different levels of clients, residents and businesses that the Council's interact with in our relative areas.

1.6 The service has future challenges and opportunities that it will need to respond to and EHC and SBC will need to continue to work together to find solutions that work well for both partners.

## 2.0 Report

2.1 The Revenue and Benefits shared service was formally entered into on 1 August 2011 with full operational activities commencing in April 2012. The service is currently shaped around 4 areas of activity:

- a) Benefits (Housing Benefit and Council Tax Support)
- b) Revenues (Includes Council Tax and Business Rates)
- c) Systems and Support
- d) Control and Fraud

2.2 The shared service covers the core functions listed above for both Councils consistently, but there are also some differences in the way that we carry out face to face interactions. This reflects the way each Council carries out its wider customer service interactions and was agreed at the outset of the shared service that this was the best way to operate. These are financed separately for each Council.

2.3 To give some context around the scale of the activities that the Shared Service undertakes, the following tables describe some key metrics.

<b>Area</b>	<b>East Herts (EHC)</b>	<b>Stevenage (SBC)</b>	<b>Total</b>
Housing Benefit Customers	6,361	7,536	13,897



Council Tax Support Customers	6,961	7,912	14,873
Total Housing Benefit Paid Out to Customers	£34,494,270	£36,905,666	£71,399,936
Council Tax Support Paid to Customers	£6.4m	£6.7m	£13.1m
Number of Banded Properties/Households	59,679	36,144	95,823
Collectable Debit (Council Tax)	£82,760,260	£36,120,229	£118,880,490
In-year Council Tax Collection Rate (13/14)	98.1%	95.6%	-
Rateable Businesses	4,228	2,117	6,345
Amount of Business Rates to be collected	£53,936,238	£52,921,211	£106,857,449
In-year Business rate Collection Rate (13/14)	96.65%	95.89%	-

2.4 Taking each area of the service in turn, it is important to note what changes the service has undergone since the start of the partnership arrangements, as well as future changes likely to impact upon the service.

### **Benefits Service:**

2.5 The Benefits service administers Housing Benefit and Council Tax Support to almost 30,000 accounts. Some people will be claiming both types of financial support, but this is not always the case.

2.6 These cases do not remain static, and due to changes in peoples income levels, through changes in their working patterns, tax credits, addresses, moving in or out of the area or within the area, the service is constantly having to update or change levels of support given. The number of changes in circumstances has changed significantly since the scoping of the service, in 2010/11 the number of changes that required processing was 71,474. In 2013/14 this grew to 110,574 – an increase of over 150%.

2.7 The way that the service receives notification of changes can be either directly from the customer or through a system called ATLAS and electronic transfer of data (ETD) from the Department for Work and Pensions (DWP). ATLAS was introduced in November 2011 by Central Government and information from

there can be duplicated by ETD as well as information from customers. However, all three of these data sources need to be checked and verified so data can at times be double or even triple handed but there is no alternative to this.

- 2.8 The impact of the increase in changes in circumstances can clearly be seen in the average number of changes in circumstances per claim. From the original scoping of the service to last year this increased to:

	EHC	SBC
Changes in circumstances/caseload 2010/11	5.72	5.68
Changes in circumstances/caseload 2013/14	8.26	7.71

- 2.9 Welfare Reform has had a significant impact on the service as well, particularly in terms of increasing the number and complexity of the customer interactions that the service now deals with. For customers, the service tries to work proactively where it can by providing information and guidance on the impact of changes and also where further advice and support can be provided. We work closely with partners within the sector, as well as through the voluntary sector and housing providers etc. at times of significant change. Since the service was introduced, the following changes have come into effect:

- a) Benefit Cap
- b) Spare Room Subsidy
- c) Council Tax Support
- d) Disability Living Allowance to Personal Independence Payments
- e) Employment Support Allowance (ESA)
- f) Persons from Abroad
- g) Discretionary Housing Payments (Grant increase)

- 2.10 The number of changes that have been introduced would have impacted upon the service whether it was delivered in a partnership or not, but the advantage of working across more than one Council has been around the scale and ability to work resiliently within a larger team. The levels of increase have been similar across both EHC and SBC and the two Councils have worked well together to try to harmonise policies and procedures to allow staff within the service to deal with effectively one set of “rules” which makes for a better and more efficient service.

- 2.11 Due to the pressures that the service has faced due to the changes in Welfare Reform, both Councils have invested additional resources on a temporary basis to assist the service. These include additional funding for temporary staff in 2012/13 and 2013/14 of £200,000 (shared equally between EHC and SBC) as well as additional front-end support through Welfare Reform staffing budgets at East Herts and additional customer service centre support at Stevenage. This has all been on a temporary basis to date.
- 2.12 Both Councils have also received one-off New Burdens money from Central Government, some of which has had to be used to fund system changes by our IT supplier given the number of assessment changes. Any other funding has been used to create other capacity within the team to deal with the increased workload and ensure that the team deal as quickly and efficiently as possible with our customers.
- 2.13 The more significant changes to the service are yet to come, with the wider introduction of Universal Credit. Timescales for implementation still remain unclear which creates a degree of uncertainty for the service.
- 2.14 It should be noted, that Universal Credit affects only the Housing Benefit aspect of the service. Council Tax Support will remain the responsibility of Local Authorities and there will be some other aspects of benefit administration that remain with the Council. We are already aware that there are some areas of Housing Benefit that will stay outside of Universal Credit, for example Pensioners which make up 50% of our current caseload

#### **Revenues Service:**

- 2.15 The Revenues team deals with Council Tax and Business Rates. For Council Tax, they deal with almost 96,000 households across both East Herts and Stevenage, and this number will continue to grow year on year as building increases. In addition, the service deals with in excess of 6,000 businesses each year in terms of their Business Rate bills. Both areas within Revenues have seen significant changes and these can be summarised as follows:
- a) Introduction of Council Tax Support
  - b) Change in Council Tax Discounts
  - c) Localisation of Business Rates
  - d) Increasing number of Business Rate reliefs introduced

- 2.16 The money that the Council has to spend on its residents and services relies heavily on how we bill, collect and manage our debts around both Council Tax and Business Rates. The importance of these income streams has increased significantly since the changes to the way Local Government is financed since April 2013 and also the risks and potential rewards from running an excellent revenues service have increased.
- 2.17 Prior to April 2013, we effectively acted as an agent on behalf of Central Government, to collect Business rates and our overall levels of finance were largely unaffected by our ability to collect these rates. Now, there is a greater emphasis on us to manage this collection more effectively.
- 2.18 Business rate collection needs to be fairly undertaken, ensuring that our customers that are entitled to reliefs are able to claim them, that we manage our debts effectively for the benefit of the wider community and that we ensure that we hold the most up-to-date information that we can on what we should be charging businesses.
- 2.19 We do not set the rates, this is done by the Valuation Office (VOA), but we do have to collect them. Businesses may appeal their valuation rating, and these appeals can be backdated up to 5 years, which can make forecasting monies due extremely challenging.
- 2.20 Some businesses may also be awarded particular reliefs, some of these are mandatory (Small Business Rate relief, Charity Relief) and others set locally. In addition, from time to time, Central Government may add additional reliefs to drive particular economic activity. We have seen the number of these types of relief increase recently; we are currently administering 28 different types of discount/relief. Four new reliefs have been introduced in 2014/15 so far.
- 2.21 Given the importance of these funding streams to both East Herts and Stevenage, again the main advantage from working in partnership has been about resilience of the team. Again, where possible, all policies the team work within are streamlined so it doesn't matter if you are working with an East Herts or a Stevenage customer, you will deal with them in a similar way.

- 2.22 Currently there are no expected changes to the framework within which the service operates.

### **Systems and Support:**

- 2.23 This team covers two main areas, ensuring the smooth running and maintenance of all of the IT systems used exclusively for the shared service as well as providing all front facing staff and administration functions such as those Officers who carry out property inspections for Council Tax and Business Rates and home visits for Benefit Claims. Administrative functions also include low level telephone queries, dealing with all outgoing correspondence from all teams and dealing with incoming correspondence whatever format this arrives in.
- 2.24 Given the extensive changes to the administration of all areas of the Shared Revenues and Benefits service, this service has had to work closely with our IT supplier to ensure that all legislative changes are properly reflected in our systems. They have also had to deal with a significantly increase in terms of contacts from and with our customers.

### **Control and Fraud**

- 2.25 This team are responsible for Housing Benefit Fraud prevention and investigation as well as training, appeals and reconciliations of the cash that we receive in and pay out through all of our interactions.
- 2.26 Nationally, there are changes to the way that Housing Benefit Fraud will be dealt with. This will be absorbed into a national service over a phased period during 2014/15 and 2015/16 but we will still need to retain responsibility for fraud prevention and detection in other areas such as Council Tax Support, Council Tax, Business rates and the wider corporate anti-fraud agenda. The details of this are still being considered given that notification that this is going ahead has only recently been received.

### **General Operation of the Shared Service:**

- 2.27 The Shared Service has been in full operation for just over 2 years, and during that time has seen extensive changes that would have happened whether we were in a shared service or

not.

- 2.28 The benefits to both East Herts and Stevenage of managing some of these changes in a larger and therefore more resilient service have meant that we have been able to cope more effectively with the sheer number of changes that we have been required to through Welfare Reform and Local Government financing reforms.
- 2.29 The two Councils face different challenges at times in terms of the make-up of our customers. For example, East Herts tends to have a greater number of businesses but as many of these are small and medium sized, the total debit we raise for Business rates is similar in total size to Stevenage. This mix of business size and type can create its own different challenges but also opportunities to consider how we work with a broader range of customers.
- 2.30 Being in a shared service is also important for our staff, there can be greater opportunities for our staff to learn more about the area, learn from each other's best practice (so taking the best from East Herts and the best from Stevenage for the advantage of both of us) and in a market where some jobs are hard to recruit to, the opportunity to be part of a shared service may be more attractive to some candidates who want to be a part of something innovative.
- 2.31 Being one of the first shared services that was put in place for East Herts, there has been some areas that we learnt from that have allowed us to make different choices and/or recommendations for future shared services, including the new shared ICT, Print and Design service implemented in August 2013. This learning includes the setting up of some aspects of the partnership agreement, consideration of jointly agreed policies and procedures and the way the partnership makes some of its decisions.
- 2.32 The Shared service has been working through aspects of harmonisation of policies and procedures, IT systems and other business processes to determine what further efficiencies can be made to create capacity to deal with the increased level of customer interactions that we are having to manage. It is also important to ensure that we are getting the most benefit out of working within a Shared environment.

- 2.33 There are still areas where further work is required, and this importantly includes support that the wider Council can give to the service in terms of streamlining the way we expect the service to operate. It is important for the two Councils to recognise, for example, that instead of having two separate management teams we now have one shared management team who still have to respond to two Councils requests for information. Where possible, we need to streamline the burden on those individuals and join up our approach to minimise the corporate impact on the team.
- 2.34 One particular learning point was around Internal and External Audit for example, by jointly undertaking audits wherever possible, this minimises the duplicated requests on the service and still ensures that we get the assurance that we need that risks are being appropriately managed.
- 2.35 Going forward, we will need to jointly consider the impact of further reform, especially around the introduction of Universal Credit and the increasing importance of managing our revenues to maximise income to both Councils for wider service provision.

### 3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

#### Background Papers

None.

Contact Members: Councillor M Tindale, Executive Member for Finance.

Contact Officer: Su Tarran – Head of Revenues and Benefits Shared Service, Extn: 2075.

Report Author: Su Tarran – Head of Revenues and Benefits Shared Service, Extn: 2075.

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## ESSENTIAL REFERENCE PAPER 'A'

### IMPLICATIONS/CONSULTATIONS:

Contribution to the Council's Corporate Priorities/ Objectives	This report addresses issues that are relevant to all priorities
Consultation:	No consultation specifically required.
Legal:	This report does not have any specific legal implications. The Shared Service is operated according to a signed, legal, partnership agreement that has been signed by both East Herts and Stevenage Borough Councils.
Financial:	<p>The report details some key metrics arising from the Shared Service, including the levels of Council Tax, Business Rates and collection rates for both of these.</p> <p>There are no specific financial implications arising from this report.</p>
Human Resource:	East Herts employs the staff who are part of the Shared Service for Revenues and Benefits.
Risk Management:	The report describes the risks, opportunities and challenges that the Shared Service faces over the short and medium to longer term. Risk management forms part of the consideration of the Partnership Board that meets on a regular basis.
Health and Wellbeing	The Shared Revenues and Benefits service administers benefits for residents and businesses within East Herts and Stevenage. The impact of ensuring effective management of these benefits contributes to the Health and Wellbeing of those affected.

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