



MEETING : EAST HERTS COUNCIL AND STEVENAGE
BOROUGH COUNCIL JOINT REVENUES AND
BENEFITS COMMITTEE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 24TH JANUARY, 2012
TIME : 5.30 PM

MEMBERS OF THE COMMITTEE

EAST HERTS COUNCIL:

Councillors: L Haysey, G McAndrew and M Tindale (Vice-Chairman)

Substitutes: P Moore

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

STEVENAGE BOROUGH COUNCIL

Councillors: Joan Lloyd (Chairman), S Batson and A Webb

Substitutes:

CONTACT OFFICER: Peter Mannings
01279 502174
E-mail: peter.mannings@eastherts.gov.uk

PERSONAL AND PREJUDICIAL INTERESTS

1. A Member with a personal interest in any business of the Council who attends a meeting of the Authority at which the business is considered must, with certain specified exemptions (see section 5 below), disclose to that meeting the existence and nature of that interest prior to the commencement of it being considered or when the interest becomes apparent.
2. Members should decide whether or not they have a personal interest in any matter under discussion at a meeting. If a Member decides they have a personal interest then they must also consider whether that personal interest is also prejudicial.
3. A personal interest is either an interest, as prescribed, that you must register under relevant regulations or it is an interest that is not registrable but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of the Council more than it would affect the majority of inhabitants of the ward(s) affected by the decision.
4. Members with personal interests, having declared the nature of that personal interest, can remain in the meeting, speak and vote on the matter unless the personal interest is also a prejudicial interest.
5. An exemption to declaring a personal interest applies when the interest arises solely from a Member's membership of or position of general control or management on:
 - any other body to which they have been appointed or nominated by the authority
 - any other body exercising functions of a public nature (e.g. another local authority)

In these exceptional cases, provided a Member does not have a prejudicial interest, they only need to declare their interest if they speak. If a Member does not want to speak to the meeting, they may still vote on the matter without making a declaration.

6. A personal interest will also be a prejudicial interest in a matter if all of the following conditions are met:
 - the matter does not fall within one of the exempt categories of decisions
 - the matter affects your financial interests or relates to a licensing or regulatory matter
 - a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgement of the public interest.

7. Exempt categories of decisions are:
 - setting council tax
 - any ceremonial honour given to Members
 - an allowance, payment or indemnity for Members
 - statutory sick pay
 - school meals or school transport and travelling expenses: if you are a parent or guardian of a child in full-time education or you are a parent governor, unless it relates particularly to the school your child attends
 - housing; if you hold a tenancy or lease with the Council, as long as the matter does not relate to your particular tenancy or lease.

8. If you have a prejudicial interest in a matter being discussed at a meeting, you must declare that interest and its nature as soon as the interest becomes apparent to you.

9. If you have declared a personal and prejudicial interest, you must leave the room, unless members of the public are allowed to make representations, give evidence or answer questions about the matter, by statutory right or otherwise. If that is the case, you can also attend the meeting for that purpose. However, you must immediately leave the room once you have finished or when the meeting decides that you have finished (if that is earlier). You cannot remain in the public gallery to observe proceedings.

AGENDA

1. Apologies
2. Chairman's Announcements
3. Declarations of Interest
4. Minutes - 19 October 2011 (Pages 5 - 12)
5. Budget (Pages 13 - 18)
6. Implementation (Pages 19 - 24)
7. Service Plan 2012/13 (Pages 25 - 46)
8. 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
EAST HERTS COUNCIL AND STEVENAGE
BOROUGH COUNCIL JOINT REVENUES
AND BENEFITS COMMITTEE HELD IN THE
COUNCIL CHAMBER, WALLFIELDS,
HERTFORD ON WEDNESDAY 19
OCTOBER 2011, AT 5.30 PM

PRESENT: Councillor Mrs J Lloyd (Chairman).
Councillors S Batson, L Haysey,
G McAndrew, M Tindale and A Webb.

ALSO PRESENT:

Councillors D Andrews.

OFFICERS IN ATTENDANCE:

Scott Crudginton	- Strategic Director (Resources)
Alan Madin	- Director of Internal Services
Peter Mannings	- Democratic Services Assistant
Mark Simpson	- Corporate Change Manager
Su Tarran	- Head of Revenues and Benefits

1 APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN

It was proposed that Councillors J Lloyd and M Tindale be appointed Chairman and Vice – Chairman respectively of the East Herts Council and Stevenage Borough Council Joint Revenues and Benefits Committee.

This was agreed by the Committee.

RESOLVED – that Councillors J Lloyd and M Tindale be appointed Chairman and Vice – Chairman respectively of the East Herts Council and Stevenage Borough Council Joint Revenues

and Benefits Committee.

2 TERMS OF REFERENCE

The Head of Revenues and Benefits Shared Service submitted a report inviting Members to receive the Committee's Terms of Reference and to address any issues of clarity.

The East Herts Council Director of Internal Services reminded Members that the Terms of Reference had been agreed by the Executives of East Herts and Stevenage in June 2011.

The Director advised that the overall performance of the shared service would be monitored by the Committee although both Authorities would continue to receive specific performance data. The Committee could request reports and would also oversee future development plans and consider the terms on which other Authorities wished to be included in the shared service arrangement.

The Committee would not be involved with the setting of Council Tax or the Council Tax base or collection funds. Issues in relation to policy direction and NNDR would also not be within the remit of the Committee. The Director detailed the voting arrangements that would be used when the Committee made decisions.

In response to a query from Councillor G McAndrew, the Director confirmed that the Chairman had the option of exercise a casting vote where there was an equality of votes. The Director stressed that if no second or casting vote was made, a motion would automatically be declared lost.

Councillor M Tindale referred to whether decisions had to be unanimous to be approved by the Committee. The Director advised that the quorum would be three elected Members with one Councillor from each Authority being present. All Members present had to be in agreement for a decision to be approved by the Committee.

Councillor L Haysey referred to whether there were any appointed substitutes for the Committee. Members were advised that, at present, there were no named substitutes for either Authority and any substitute arrangements must be passed to the Committee Officer 24 hours before a meeting was to take place.

The Committee agreed to meet 4 times in the first year and 3 times a year thereafter. The meetings would be hosted by East Herts Council in the first year and by Stevenage Borough Council in the second year.

Councillor G McAndrew sought and was given clarification in respect of the telephony arrangements for the shared service. He also queried whether joint branding would be used on benefits claim forms.

The East Herts Council Director of Internal Services advised that he was meeting with the Strategic Director (Resources), Stevenage Borough Council on a weekly basis to discuss all aspects of project management for the shared service. Members were advised of all the aspects of work being undertaken to ensure the shared service arrangements remained on schedule.

The Committee was advised that the single shared system would go live on 5 December 2011.

The Committee received the report.

RESOLVED – that (A) the Terms of Reference for the Committee, as now detailed, be noted;

(B) the Committee meet 4 times a year in the first year and 3 times a year thereafter; and

(C) meetings take place in the East Herts Council Chamber this year and at Stevenage Borough Council Offices next year.

The Head of Revenues and Benefits Shared Service submitted a report to advise Members of the progress and future plans for implementation of the Revenues and Benefits shared service and associated risks.

Members were advised that the Authorities had now entered the final 6 to 7 weeks of focus for the implementation of the shared service. The Directors of East Herts and Stevenage were meeting on a weekly basis to address any issues as these arose.

The Committee was advised that the process of matching Officers' strengths to where their skills could be best applied was progressing well and should be concluded by Friday 21 October 2011.

In response to a query from Councillor G McAndrew, the Committee was advised that 21 out of 32 Officers at East Herts were home workers. Members were advised of the challenging timelines being adhered to as part of the process of business reengineering to ensure the "go live" date was not missed.

In response to a query from Councillor J Lloyd, the Committee was advised that documents scanned onto systems at Stevenage or East Herts would appear as available information on the systems in place at both Authorities.

Councillor McAndrew referred to the business processes in place at both Authorities. The Committee was advised that these processes would be standardised where possible.

Members were also advised of the key service features that Officers had identified as indicators that the shared service had gone live. Members were referred to paragraph 2.7.1 of the report now submitted.

Councillor McAndrew commented on whether interface testing would be taking place in the weeks before the "go

live” date. Members were advised that such testing could be carried out in separate modules in advance of the “go live” date. In response to a further query from Councillor McAndrew, Members were advised that both Authorities would retain separate identities in terms of correspondence and forms issued to customers.

In response to a query from Councillor J Lloyd in respect of telephony, Members were advised that customers would be able to make a choice as to who they called when contacting the new shared service. Members of the public could be redirected to East Herts Officers from the Stevenage Customer Service Centre for example.

Members were reminded that Officers anticipated that the move to a Revenues and Benefits Shared Service would result in efficiency savings for both Authorities.

The Committee received the report.

RESOLVED – that the arrangements and timescales for implementing the Revenues and Benefits shared service be noted.

4 PERFORMANCE REPORTING

The Head of Revenues and Benefits Shared Service submitted a report setting out the performance of the Revenues and Benefits Shared Service.

The Committee was referred to local differences in collection rates and collection profiles. Members were also reminded of the cultural differences between East Herts Council and Stevenage Borough Council in terms of the collection rates process. Members were advised that the situation was not as straightforward as carrying out a like for like comparison of both Authorities.

The Committee noted that some of the processes in place were dictated by the courts. Members were advised that performance at East Herts was monitored via a monthly Corporate Healthcheck whilst Balance Scorecards were

used at Stevenage.

The Committee received the report.

RESOLVED – that (A) the performance of the Revenues and Benefits Shared Service be noted; and

(B) the future format and content of performance information for the Revenues and Benefits shared service be approved.

5 WORK PROGRAMME AND BUDGET ARRANGEMENTS

The East Herts Council Director of Internal Services reported that the next meeting would consider budgets. The Committee requested that the date for the next meeting be arranged for the end of January 2012 as soon as possible.

In response to a query from Councillor S Batson in respect of the communications plan, the Stevenage Strategic Director (Finance) confirmed that the East Herts Director of Internal Services would give a presentation to Stevenage Officers and also to East Herts Officers.

Members were advised that correspondence had been prepared for issue to the press and to the Citizens Advice Bureaux. E-mails had also been prepared for issue to East Herts and Stevenage Members as soon as the Senior Management Team was in place.

RESOLVED – that (A) the next meeting would consider budgets; and

(B) the date for the next meeting would be arranged as soon as possible.

The meeting closed at 6.50 pm

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Chairman
Date

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STEVENAGE BOROUGH COUNCIL AND EAST HERTS COUNCIL

EAST HERTS COUNCIL AND STEVENAGE BOROUGH COUNCIL JOINT REVENUES AND BENEFITS COMMITTEE – 24 JANUARY 2012

REPORT BY HEAD OF REVENUES AND BENEFITS SHARED SERVICE

5. BUDGET

WARD(S) AFFECTED: All.

Purpose/Summary of report

- To receive the draft budget proposal for the shared revenues and benefits service, for 2012/13.

<u>RECOMMENDATIONS FOR DECISION:</u> that	
(A)	The indicative total shared budget for 2012/13, in respect of the shared service, be approved; and
(B)	Each of the Member Authority's contributions to the budget be approved.

1.0 Background:

- 1.1 The shared revenues and benefits service was created by decisions of the Councils respective Executives in June 2011.
- 1.2 Following that, a formal Partnership Agreement was signed by the Strategic Director (Resources) from Stevenage and the Director of Internal Resources at East Herts. The Partnership Agreement sets out the financial arrangements for the shared service, including details of how the Member authorities' contributions to future budgets are to be set and savings shared. This takes effect from April 2012.
- 1.3 During the period from August 2011 to March 2012, when separate service budgets were already set, one-off interim financial arrangements have been put in place. These have been based on a part-year base budget, the costs of which have been shared by way of a monthly payment made by Stevenage Borough Council to East Herts Council.

1.4 From April 2012, a single shared base budget is needed, comprising of the elements and contributions set out in the terms of the Partnership Agreement.

2.0 Report:

2.1 Between August and December 2011, when the interim financial arrangements have been in place, budgets have been split to reflect sole and partnership activity. From December an interim partnership 'year 0' budget has been applied, recognising the new staffing structure and set up costs. This will continue to the end of this financial year. Adjustments will be made to reflect the implementation profile of the project.

2.2 For the year 2012/13, the indicative expenditure is detailed in **Essential Reference Paper B**. That indicative expenditure is made up of the costs of administration and operation, including direct and support service costs. The budget has been increased from the indicative base to reflect incremental drift in salaries, and indexation of costs.

2.3 The value of indexation and increments amounts to £87,917, but is reduced by the effect of salary increments to a saving of £48,775. This is consistent with new salary structures where staff commence posts at the bottom of salary scales. More mature structures are under less pressure from incremental drift.

2.4 The total indicative shared base budget is £ 3,521,595 plus retained costs at Stevenage Borough Council of £382 266. Total £3,903,861.

2.5 The contribution from East Herts is £2,264,242 (58%)
The contribution from Stevenage is £1,639,619 (42%), of which £1,257,360 is payable to East Herts.

The contribution levels were determined by the relationship between the full 2011/12 operational service budgets for each authority, as detailed in the partnership agreement.

2.6 Once a budget is approved, the amount of a cash payment in respect of Stevenage Borough Council's contribution to the budget will be calculated. This will take account of any savings achieved and any additional costs arising from necessary changes to the service.

- 2.7 At the end of 2012/13, a net cash adjustment will be calculated, based on actual expenditure, and any difference due from or to Stevenage Borough Council will be determined.
- 3.0 Key considerations:
- 3.1 Certain operational costs will continue to be provided for separately by each Member authority. A full list of these is included in the Partnership Agreement.
- 3.2 Retained costs are those arising from support services, which were previously charged to the revenues and benefits service by Stevenage Borough Council. Such retained costs are included in the indicative shared budget for 2012/13 for the purposes of calculating the contributions due from each authority.
- 3.3 It is recognised that reducing the retained residual costs would make a significant contribution to the achievement of savings from the shared services. Opportunities to reduce these costs will be investigated by Stevenage during the coming year.
- 3.4 There is a potential risk that the cost of postage may increase substantially from April, but this has not been confirmed by the appropriate sources at the time of preparing the budgets. If this increase materialises, it will be necessary to mitigate the impact by seeking cheaper alternative service delivery and or seek additional budget approval

4.0 Implications/Consultations:

4.1 None.

Background Papers:

None.

Contact Member: 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.

ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
<p>Consultation:</p>	<p>None</p>
<p>Legal:</p>	<p>None</p>
<p>Financial:</p>	<p>None</p>
<p>Human Resource:</p>	<p>None</p>
<p>Risk Management:</p>	<p>None</p>

	Revised partnership base 2011/12	indexation and increments	Partnership budget with indexation	Actual proposed Partnership budget 2012/13
Salaries	2,157,184	37,676	2,194,860	2,189,200
Employees indirect:	15,760	820	16,580	15,880
Transport Related Expenses:	39,270	2,042	41,312	39,270
Supplies & Services:	559,717	29,105	588,822	566,717
Recharges:	665,488	15,933	681,421	665,488
Set up Costs On-Going:	45,034	2,342	47,376	45,040
	£3,482,453	£87,917	£3,570,370	£3,521,595

Saving on indexation £48775 (£3,570,370 -£3,521,595)

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STEVENAGE BOROUGH COUNCIL AND EAST HERTS COUNCIL

EAST HERTS COUNCIL AND STEVENAGE BOROUGH COUNCIL JOINT REVENUES AND BENEFITS COMMITTEE – 24 JANUARY 2012

REPORT BY HEAD OF REVENUES AND BENEFITS SHARED SERVICE

6. IMPLEMENTATION

WARD(S) AFFECTED: All.

Purpose/Summary of report

- To advise Members on the progress of the implementation of the revenues and benefits shared service.

<u>RECOMMENDATION FOR DECISION:</u> that	
(A)	Arrangements and timescales for implementing the revenues and benefits shared service be noted.

1.0 Background:

1.1 Progress with implementation was reported to the joint committee on 19th October 2012. At that time a transition to an integrated service had been planned for the period August to December.

1.2 During this period it has intended to have the following key service features in place:

- All posts filled in the new staff structure
- Homeworking rolled out for all appropriate staff
- A single IT solution tested and operational
- Seamless telephony for staff and customers
- Critical business processes standardised

1.3 In order to achieve transition, the implementation project is managed through key phases, each with its associated risks.

2.0 Report:

- 2.1 Since the last report to the joint committee, the implementation project timescales have needed to respond to issues arising from the 'efficiency version' of the software released by Capita. This new release has been fraught with implementation issues, in particular a significant increase in ICT capacity that could have a deleterious impact on the whole of the Councils ICT infrastructure. Solutions have been identified for completion by 30th January 2012.
- 2.2 Whilst those issues have been resolved, the time taken to achieve full resolution had the knock-on effect of delaying system testing and staff training.
- 2.3 A wholesale re-planning exercise was completed, which took account of the knock-on effects, and planned staff absences, and other operational demands. With the need to maintain good performance in mind, a realistic implementation plan was produced and approved by the Project Board.
- 2.4 The key phases in the project remain unchanged. A summary on the status of those phases is given below:

3.0 Key phase – Change Management:

- 3.1 This phase brings together all the issues, statutory and policy obligations relating to the revenues and benefits workforce.
- 3.2 The transfer of staff from Stevenage Borough Council to East Herts Council has been completed, with no outstanding issues. Whilst a small number of staff decided to voluntarily leave the service, there have been no compulsory redundancies.

4.0 Key phase – Technology:

- 4.1 This phase includes all matters relating to IT, telephony and staff home working.
- 4.2 The complex set of tasks involved in harmonising the technology for the shared service continues to be managed by a full time external consultant.

4.3 Whilst the current slippage in going-live is attributable to unexpected issues with the Capita software and the readiness of East Herts IT, it has created an opportunity to plan and complete additional system testing and to deliver more staff training on the Electronic Document Management system which is used by East Herts.

5.0 Risk:

5.1 A significant risk exists around the readiness of the EHC IT infrastructure to receive the system data migration from SBC, following identification of the ICT requirement of Capita's new release. This risk has been carefully managed through the detailed IT implementation plan, agreed between both councils.

5.2 The management of this risk is made difficult by vulnerability which can arise when an essential upgrade to software is scheduled by system suppliers. Experience shows that even following the completion of extensive testing, such upgrades can present problems on implementation.

5.3 Such an instance has arisen following the installation of an upgrade to the Revenues and Benefits system at EHC. In this case, the increased demands placed on EHC servers by the upgrade have required the SBC data migration to be deferred, whilst the capacity issues are considered.

5.4 EHC and SBC IT specialists have worked in partnership and with the supplier, to identify a solution. That solution must be tested thoroughly, in order to give confidence that the SBC data migration can be completed and made ready for the Revenues and Benefits staff to use in live operation. The outcome of testing may require the completion of data transfer to be deferred should the solution not work as envisaged.

5.5 For example, the results of testing may indicate that a hardware purchase is needed to ensure stable operation of the system in future. In which case, full 'go-live' will be further delayed, whilst the procurement and installation of hardware is completed.

5.6 Meantime, a contingency plan has been developed which will allow the roll out of staff home working to continue, on schedule.

- 5.7 Work to mitigate this risk is in progress at the time of publishing this report. A verbal update on the position will be given by officers during the committee meeting.
- 6.0 Key phase – Business processes:
- 6.1 With hundreds of separate business processes in operation, the task of harmonising them into one standard set and then training the staff on the changes will take many months. The approach being taken is to initially focus on those tasks which are essential for 'go-live'.
- 7.0 Key phase – Governance:
- 7.1 The joint committee has been established, with clarity around its work programme focussed on service performance, service planning and budgets.
- 7.2 The joint management boards has agreed its membership and a standing agenda. Its first monthly meeting is scheduled in February.
- 8.0 Key phase – Finance:
- 8.1 From April 2012, a standard agreed budget management protocol takes effect and will run on each year thereafter. Proposals for the first full year shared service budget are the subject of a separate report to the joint committee.
- 9.0 Implications/Consultations:
- 9.1 The 'go-live' plan is characterised by a phased approach, with the intention of rolling out home working and staff training during December and January. This approach should be completed by 30th January 2012.
- 9.2 Risks remain around the technology, in the data migration, systems testing and home working. Risks have been identified around the telephony for customers as well as staff. Dependencies between the availability of IT systems and the completion of staff training also give rise to risks of delay.
- 9.3 Should implementation experience any further delay in achieving the key service features necessary for 'go-live', the impact will be to

delay the start of year end processes. This in turn, would delay annual billing for council tax and business rates, and the up-rating of all Benefit claims.

9.4 A delay to the start of year end processes would be unacceptable. Therefore, if the shared service implementation timescales slip again, there may be no alternative but to postpone the completion of 'go-live' until sometime after main billing has been completed by both councils.

9.5 The Project Board continues to monitor and direct progress with implementation during weekly project meetings.

Background Papers:

None.

Contact Member: 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.

ESSENTIAL REFERENCE PAPER 'A'

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<p>Consultation:</p>	<p>None</p>
<p>Legal:</p>	<p>None</p>
<p>Financial:</p>	<p>None</p>
<p>Human Resource:</p>	<p>None</p>
<p>Risk Management:</p>	<p>None</p>

STEVENAGE BOROUGH COUNCIL AND EAST HERTS COUNCIL

EAST HERTS COUNCIL AND STEVENAGE BOROUGH COUNCIL JOINT REVENUES AND BENEFITS COMMITTEE – 24 JANUARY 2012

REPORT BY HEAD OF REVENUES AND BENEFITS SHARED SERVICE

7. SERVICE PLAN 2012/13

WARD(S) AFFECTED: All.

Purpose/Summary of report:

- To receive the draft 2012/13 service plan for the shared revenues and benefits service.

<u>RECOMMENDATION FOR DECISION:</u> that
(A) The draft 2012/13 service plan be approved.

1.0 Background:

1.1 The shared revenues and benefits service saw staff transfers in August 2011, a new organisational structure agreed and appointments made to it over the period to December accompanied by commencement of integration of ICT and harmonisation of processes in preparation for the 2012 year end. In order to assist in planning and prioritising objectives for the first full year of operation from April 2012 a service plan has been drafted by the Head of the Shared Service.

2.0 Report:

2.1 The service plan provides a reference point for service managers and their staff in setting individual and team targets for 2012/13 and focuses the new organisation on the enhanced scale and scope of the service.

2.2 The service plan follows conventional East Herts Council format and includes:

- A 'snapshot' of the service

- An outline of key projects
- Specific actions for 2012/13
- Future financial implications
- An operational risk assessment

2.3 Please see **Essential Reference Paper B**.

2.4 Whilst previously the separate East Herts and Stevenage services were broadly similar in many respects, differences existed in ways of working and certain aspect of performance. These will be addressed as a priority in the year ahead.

2.5 The service plan reflects the fact that in the first full year of operation, the focus will be on service performance, delivering savings and strengthening resilience. There will be a necessary period of bedding in the team structure and the harmonisation of practice and procedure.

3.0 Key Considerations:

3.1 The format and content of service performance for the shared service was agreed at the meeting of the Joint Committee on 19th October 2011 and will be reported separately to the committee at a later date.

4.0 Implications / Consultations:

4.1 The service plan is consistent with the proposed budget. As a new organisation with changes to systems and processes, a feature of the first year is to review all aspect of equality impacts.

Background Papers:

None.

Contact Member: 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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<p>Consultation:</p>	
<p>Legal:</p>	<p>None</p>
<p>Financial:</p>	<p>None</p>
<p>Human Resource:</p>	<p>None</p>
<p>Risk Management:</p>	<p>None</p>

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East Herts Council and Stevenage Borough Council

**Revenues and Benefits Shared Service
SERVICE PLAN**

2012/13

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SECTION 4: Financial Implications for future years (Excel)	
SECTION 5: Risk Assessment (Excel)	

SECTION 1: Service Plan ‘Snapshot’

Revenues and Benefits Shared Service (East Herts & Stevenage)

Service Manager: Su Tarran

Service Aims:

- Administer on behalf of both Councils, cost effective Housing Benefit and Council Tax Benefit services, paying benefits promptly and accurately and investigating fraud.
- Local Taxation Collection; issuing bills promptly and accurately and undertaking effective recovery action to achieve high rates of collection.
- Provide front line services to the public for Benefits and Revenues

Service Delivery

The service delivery is split between the partnership and Stevenage Borough’s Customer Service Centre (CSC). The CSC retain the front facing customer interaction for Stevenage customers visiting the Stevenage Council Offices. Stevenage customers telephoning Stevenage Council directly, will be diverted by the CSC into the partnership.

It will be necessary to measure the impact and success of this form of delivery to ensure no duplication of resources.

Key service responsibilities:

Key Service Responsibilities	Links to East Herts’ Corporate Priority	Links to Stevenage Corporate Policy
<ul style="list-style-type: none"> • Provide advice and support to elected members and senior officers in determining policies on the exercise of discretion allowed by legislation. 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence
Benefits		
<ul style="list-style-type: none"> • Ensure the integrity of the information held on ICT systems and in other media 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence
<ul style="list-style-type: none"> • Ensure the control systems operate successfully, so that Benefits are paid promptly and accurately 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence

<ul style="list-style-type: none"> • Provide information to customers that is accurate and helpful and meets their varied needs, having regard to equality of access. 	<ul style="list-style-type: none"> • People 	<ul style="list-style-type: none"> • Move towards Excellence
<ul style="list-style-type: none"> • Undertake forward planning, to ensure the service responds effectively to statutory changes and customer expectation 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence
<ul style="list-style-type: none"> • To be alert to fraud, seeking to deter it and identify, investigate and prosecute those who engage in fraud. 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence
Local Taxation		
<ul style="list-style-type: none"> • Ensure the integrity of the information held on ICT systems and in other media 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence
<ul style="list-style-type: none"> • Ensure the control systems operate successfully, so that Council Tax and NNDR are collected promptly and accurately and that recovery process operate to achieve effective collection. 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence
<ul style="list-style-type: none"> • Provide information to customers that is accurate and helpful, and meets their varied needs having regard to equality of access. 	<ul style="list-style-type: none"> • People 	<ul style="list-style-type: none"> • Move towards Excellence
<ul style="list-style-type: none"> • Undertake forward planning to ensure the service responds effectively to statutory changes and customer expectation 	<ul style="list-style-type: none"> • Prosperity 	<ul style="list-style-type: none"> • Move towards Excellence

Customer Insight and Consultation









What consultation have you undertaken in 2011/12?

Description of consultation	Date it was undertaken	Key findings	Service improvements
East Herts Exit survey at Wallfields	September 2011	98% satisfaction at 'very satisfied' or 'satisfied'	Contact to be made with dissatisfied customer to deal with any outstanding issues and to identify any service learning opportunities.
East Herts Gov metric	01/04/2011 – 31/10/2011	See below	Customer details are not recorded, so it is not possible to identify the

data			cause of any dissatisfaction.
Stevenage Gov metric data	01/04/2011 – 31/10/2011	See below	Customer details are not recorded, so it is not possible to identify the cause of any dissatisfaction.

Stevenage

OVERALL BENEFITS AND COUNCIL TAX FEEDBACK (01/04/2011 – 31/10/2011)

Benefits				Overall Rating
Number of respondents	563	41	83	 Good
Percentage of respondents	82%	6%	12%	
Council Tax				Overall Rating
Number of respondents	921	40	46	 Good
Percentage of respondents	91%	4%	5%	

Benefits









Channel	Good	Average	Poor
Face to Face	541 (81%)	39 (5%)	80 (12%)
Telephone	16 (100%)	0 (0%)	0 (0%)
Web	6 (54%)	2 (18%)	3 (27%)
Total	563 (82%)	41 (6%)	83 (12%)

Council Tax

Channel	Good	Average	Poor
Face to Face	233 (82%)	19 (6%)	29 (10%)
Telephone	673 (97%)	17 (2%)	1 (0%)
Web	15 (42%)	4 (11%)	16 (45%)
Total	921 (91%)	40 (4%)	46 (5%)

East Herts

**OVERALL BENEFITS AND COUNCIL TAX FEEDBACK
(01/04/2011 – 31/10/2011)**

Benefits				Overall Rating
Number of respondents	298	14	45	 Good
Percentage of respondents	83%	4%	13%	
Council Tax				Overall Rating
Number of respondents	594	47	116	 Good
Percentage of respondents	79%	6%	15%	

Benefits

Channel	Good	Average	Poor
Face to Face	292 (86%)	13 (4%)	34 (10%)
Telephone	0 (0%)	1 (100%)	0 (0%)
Web	6 (35%)	0 (0%)	11 (65%)
Total	298 (83%)	14 (4%)	45 (13%)

Council Tax

Channel	Good	Average	Poor
Face to Face	237 (86%)	13 (4%)	34 (10%)
Telephone	334 (94%)	17 (5%)	4 (1%)
Web	23 (22%)	7 (7%)	73 (71%)
Total	594 (80%)	37 (5%)	111 (15%)

What consultation do you have planned for 2012/13?

Description of consultation	Date it will be undertaken
Customer surveys	July –September 2012
Gov Metric	Ongoing

Please list below any activity that needs to be undertaken to improve equality within the service following any Equality Impact Assessments:

Activity	Date it will be undertaken	Lead Officer
In harmonizing processes any potential equality issues are being identified and will be developed into an action plan by March 2013		Manager Control & Fraud.

Key unit/transactional costs for the service are:

East Herts only Historical data not available from Stevenage Council	2007/08 Actual	2008/09 Actual	2009/10 Actual	2010/11 Actual
Net cost of Housing and Council Tax Benefit per claim	£90.94	£77.80	£82.35	£74.38
Net cost of Collecting Council Tax per property	£19.52	£18.06	£17.83	£16.82
Net cost of Discretionary Non Domestic Rates per number of business properties	£33.26	£32.07	£32.77	£26.14
Benefits admin per £ of Benefit paid	0.04	0.05	0.05	0.04
Council Tax & NNDR admin costs per £ of income collected, net of refunds, and excluding Benefit payments received.	0.02	0.02	0.01	0.01

1. Net cost of Housing and Council Tax Benefit per claim

The trend is showing a decrease in unit costs.

2. Net cost of Collecting Council Tax per property

The trend is showing a decrease in unit costs.

3. Net cost of Discretionary Non Domestic Rates per number of business properties

The trend is showing a decrease in unit costs.

People and Workforce Planning

- Do you need to review your organisational structure? If no when did you last review it?

The structure was reviewed to establish the shared service, which is due to go live in December 2011. A review at the end of the first year will be made to ensure that this is fit for purpose and to take advantage of efficiency gains.

- Have your staff got the right skills they need to support your service? If no, what skills are missing?

Appointments to the new structure for the shared service were undertaken in November 2011. That approach matched people to posts, including an assessment of skills, knowledge and experience. A training plan is being developed, to address any skill gaps identified during the appointment process.

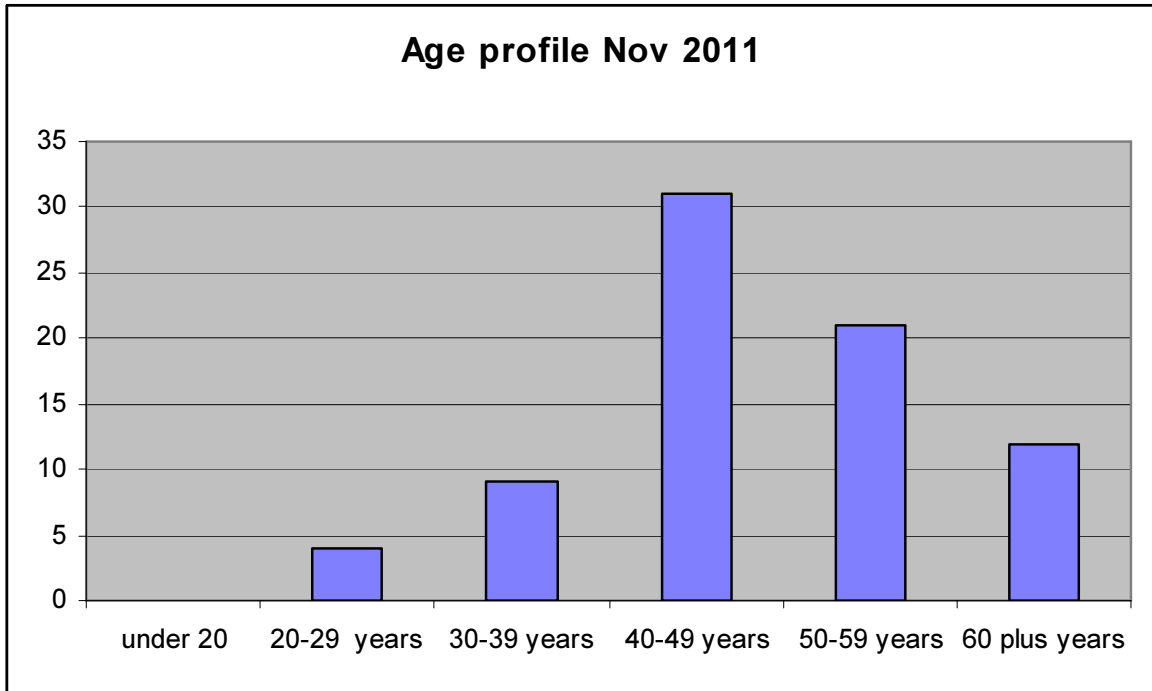
- Do you have or anticipate any recruitment needs now and in the future (including hard to recruit roles)?

These will be apparent once the recruitment to the shared service is completed.

- Do you have a succession plan?

The structure was designed to encourage succession through the levels.

The age profile of staff is demonstrated in the diagram below.



SECTION 2

KEY PROJECTS FOR 2012/13

This will help Corporate Management Team identify the core projects for monitoring in the Corporate Healthcheck.

These should be reflected in your Section 3, so this section needs to just highlight what they are. No detail regarding them is needed at this stage.

Project	Completion Date	Service involvement
Shared service implementation completion	March 2013	All staff involved in bedding in the shared service and new ways of working
Shared service review of operation	March 2013	All staff involved in reviewing service position and future plans.
Harmonisation of processes and procedures	March 2013	All staff involved in reviewing service position and future plans
Deliver excellent customer service	March 2013	All staff involved to ensure that every aspect of their activity promotes excellent customer service.
Reduce environmental impact	March 2013	All staff involved to ensure that every aspect of their activity reduces the cost to the environment, including increasing paper free working.

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Revenues and Benefits Service Plan 2012/13

Action Plan					Connections	
Action Code	ACTION	Description (Target, Outcome, Critical Success Factors and Environmental Impacts)	Due Date	Lead Officer	If the action impacts on another service in terms of support/input, please specify below:	Resources

If you need more lines please insert new rows, copying and pasting the formatted cells.

Strapline:
Corporate Priority: *Prosperity (EHC) Move towards Excellence (SBC)*

Please click in the blank cell below to select the relevant outcome. If you have activity that relates to more than one outcome, then click on the row detailing the activity and then click insert row here and another one will appear above. Then just copy and paste the blank outcome box into the new row.

12-	Shared Service implementation	Target: March 2013 Outcome: Service running as one, in each area of activity Critical Success Factors: Processes only separate to reflect local discretions and policies Environmental Impacts: Smooth service delivery with minimum waste	31 March 2013	Head of Revenues & Benefits Shared Service	IT and HR are essential elements of this process.	Unknown
12-	Service Review of shared service operation	Target: March 2013 Outcome: Processes streamlined Critical Success Factors: Processes only separate to reflect local discretions and policies Environmental Impacts: Smooth service delivery with minimal waste	31 March 2013	Head of Revenues & Benefits Shared Service	The service is very dependent on IT and it is essential that they are involved in the service to carry out required enhancements etc	Unknown
12-	Harmonization of processes and performance	Target: March 2013 Outcome: Service running as one, in each area of activity Critical Success Factors: Processes only separate to reflect local discretions and policies Environmental Impacts: Smooth service delivery minimal waste	31 March 2013	Head of Revenues & Benefits Shared Service	The service is very dependent on IT and it is essential that they are involved in the service to carry out required enhancements etc	Unknown
12-	Environmental agenda	Target: March 2013 Outcome: Less paper & printing in the service Critical Success Factors: Staff working from home in a paper free environment Environmental Impacts: Less use of natural resources.	31 March 2013	Head of Revenues & Benefits Shared Service	The service generates large volumes of paper output for customers and officers use. Changing the way we work to minimise this output will benefit both customer, budget and environment	Unknown
12-	Deliver Excellent Customer Service	Target: March 2013 Outcome: Customer satisfaction levels sustained Critical Success Factors: Smooth assimilation into shared service. Environmental Impacts: None.	31 March 2013	Head of Revenues & Benefits Shared Service	The service is very dependent on IT and it is essential that they are involved in the service to carry out required enhancements etc	Unknown

Action Plan

Connections

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Action Code	ACTION	Description (Target, Outcome, Critical Success Factors and Environmental Impacts)	Due Date	Lead Officer	If the action impacts on another service in terms of support/input, please specify below:	Resources
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12-

Target: XXX
 Outcome: XXX
 Critical Success Factors: XXX
 Environmental Impacts: XXX

12-

Target: XXX
 Outcome: XXX
 Critical Success Factors: XXX
 Environmental Impacts: XXX

**Strapline:
 Corporate Priority:**

Please click in the blank cell below to select the relevant outcome. If you have activity that relates to more than one outcome, then click on the row detailing the activity and then click insert row here and another one will appear above. Then just copy and paste the blank outcome box into the new row.

12-

Target: XXX
 Outcome: XXX
 Critical Success Factors: XXX
 Environmental Impacts: XXX

12-

Target: XXX
 Outcome: XXX
 Critical Success Factors: XXX
 Environmental Impacts: XXX

12-

Target: XXX
 Outcome: XXX

Action Plan					Connections	
Action Code	ACTION	Description (Target, Outcome, Critical Success Factors and Environmental Impacts)	Due Date	Lead Officer	If the action impacts on another service in terms of support/input, please specify below:	Resources

Critical Success Factors: XXX
Environmental Impacts: XXX

Revenues and Benefits Service Service Plan 2012/13

Section 4's should be completed to provide a detailed breakdown of the financial implications (new investments / efficiencies and capital investments) for 2012/13 - 2015/16. **This part of the template will be updated will be entered by your service accountant after the budget has been approved in February/March 2012.**

	2012/13 £	2013/14 £	2014/15 £	2015/16 £
Revenue				
Efficiencies (credits)				
New targets (50:50 EHC & SBC) deduction in legacy costs				30,000
Capita invest to save (EHC only)	64,000			
	<u>64,000</u>	<u>0</u>	<u>0</u>	<u>30,000</u>
Efficiencies - One Off (credits)				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
New Investments - Ongoing				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
New Investments - One Off				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>64,000</u>	<u>0</u>	<u>0</u>	<u>30,000</u>
Capital Investments				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue Effects of Capital				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Note:

As part of retained budgets EHC aims to save £30k in respect of Discretionary Rate Relief.

Revenues and Benefits Service Service Plan 2012/13

Risk No.	Risk title and detail	Consequence	Impact (0 to 5)	Likelihood (0 - 5)	Risk owner	Mitigation actions past quarter (if relevant)	Planned mitigating actions
	Shared service implementation completion: - loss of key people/skills	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities. Performance may fall short of demand because of mismatch.	3	2	Director of Customer and Community services		Quarter 1: Identify training needs & identify appropriate resolutions Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Shared service implementation completion: - ICT	Inability to work effectively if IT is not working correctly, or roll out of new products is not achieved on time. Staff down time impacts directly on performance achievable	3	4	Director of Customer and Community services		Quarter 1: Directors commitment to project Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Shared service implementation completion: Demand	Inability to respond to demand on the service impacting on performance targets, collection rates etc	3	2	Director of Customer and Community services		Quarter 1: Reviewing working arrangements and performance Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Shared service review of operation - People	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities. Performance may fall short of demand because of mismatch.	3	2	Director of Customer and Community services		Quarter 1: Assess and target priority areas Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Shared service review of operation - ICT	Inability to work effectively if ICT is unable to support the services improvement timeline, this will impact on ability to deliver efficiencies	3	4	Director of Customer and Community services		Quarter 1: Directors commitment to project Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Shared service review of operation - Demand	Inability to deliver the review of the service and achieve efficiencies if resources are dealing with increased demand.	3	3	Director of Customer and Community services		Quarter 1: Reviewing working arrangements and performance Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Harmonisation of processes & procedures- People	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities. Performance may fall short of demand because of mismatch.	3	2	Director of Customer and Community services		Quarter 1: Assess and target priority areas Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Harmonisation of processes & procedures- ICT	Inability to work effectively if ICT is unable to support the services improvement timeline, this will impact on ability to deliver efficiencies	3	4	Director of Customer and Community services		Quarter 1: Directors commitment to project Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Harmonisation of processes & procedures- Demand	Inability to deliver the review of the service and achieve efficiencies if resources are dealing with increased demand.	3	2	Director of Customer and Community services		Quarter 1: Reviewing working arrangements and performance Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Deliver Excellent Customer service- People	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities. Performance may fall short of demand because of mismatch.	3	2	Director of Customer and Community services		Quarter 1: Assess and target priority areas Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Deliver Excellent Customer service- ICT	Inability to work effectively if ICT is unable to support the services improvement timeline, this will impact on ability to deliver efficiencies	3	4	Director of Customer and Community services		Quarter 1: Directors commitment to project Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx
	Deliver Excellent Customer service- Demand	Inability to deliver the review of the service and achieve efficiencies if resources are dealing with increased demand.	3	4	Director of Customer and Community services		Quarter 1: Reviewing working arrangements and performance Quarter 2: xxxxxx Quarter 3: xxxxxx Quarter 4: xxxxxx

Reduce environmental impact	Inability to reduce environmental impact resulting in increased costs.	3	4	Director of Customer and Community services	<p>Quarter 1: Assess and target priority areas</p> <p>Quarter 2: xxxxxx</p> <p>Quarter 3: xxxxxx</p> <p>Quarter 4: xxxxxx</p>
Managing the health and safety of staff is paramount, with key health and safety risks including lone working, driving, assault, manual handling and the office environment generally. Compliance with health and safety legislation and Council policy.	Increased accident levels and sick leave; service continuity; morale lowered; risk of civil litigation; risk of prosecution;	3	2	Corporate Operational Risk Management Group (feed into OR1)	<p>Quarter 1: Carry out timely H & S reviews</p> <p>Quarter 2: xxxxxx</p> <p>Quarter 3: xxxxxx</p> <p>Quarter 4: xxxxxx</p>
Data is vulnerable to theft. Electronic data could also be obtained through loss, theft etc. Security of electronic and paper-based data, and Council equipment.	Risk of identity fraud and other crime; complaints; threat of fine under Data Protection legislation; leaking of confidential data; reputation damage.	3	3	Corporate Operational Risk Management Group (feed into OR2)	
IT is crucial to all operations. Reliant on systems, power supply and internet link, and impact of EDM scanning project. IT infrastructure not appropriate to deliver improvements.	Impact on service delivery; Delays to C3W programme; Reduced business continuity resilience.	5	2	Corporate Operational Risk Management Group (feed into OR4)	
Effect of current economic climate on the service. The recession has resulted in an increased demand for benefits and lower collection rates for Council Tax and NNDR. Failure to provide a grant claim can lead to penalties and cash flow problems. The risk of fraud (internal and external) also increases.	Increased risk of fraud; Drain on resources; Penalties / sanctions imposed by Government; Impact of staff morale / service delivery Reputation.	2	3	Head of Revenues and Benefits (feed into SR1)	<p>Quarter 1: Reviewing working arrangements and performance</p> <p>Quarter 2: xxxxxx</p> <p>Quarter 3: xxxxxx</p> <p>Quarter 4: xxxxxx</p>
Preparing for localisation of Council Tax Benefit	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities.	2	3	Head of Revenues and Benefits	<p>Quarter 1: keep abreast of proposals</p> <p>Quarter 2: xxxxxx</p> <p>Quarter 3: xxxxxx</p> <p>Quarter 4: xxxxxx</p>
Preparing for changes to single fraud investigation service	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities.	2	3	Head of Revenues and Benefits	<p>Quarter 1: keep abreast of proposals</p> <p>Quarter 2: xxxxxx</p> <p>Quarter 3: xxxxxx</p> <p>Quarter 4: xxxxxx</p>
Preparing for changes associated with universal credit	Inability to complete the work required by key individuals, or insufficient numbers of staff with the correct knowledge and abilities.	2	3	Head of Revenues and Benefits	<p>Quarter 1: keep abreast of proposals</p> <p>Quarter 2: xxxxxx</p> <p>Quarter 3: xxxxxx</p> <p>Quarter 4: xxxxxx</p>