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Havering
LONDON BOROUGH

VALUE OVERVIEW & SCRUTINY COMMITTEE AGENDA

7.30 pm	Wednesday 9 April 2014	Town Hall, Main Road, Romford

Members 9: Quorum 4

COUNCILLORS:

Conservative (5)	Residents' (2)	Labour (1)	UKIP (1)
Robby Misir (Chairman)	Ray Morgon (Vice-Chair)	Keith Darvill	Sandra Binion
Rebbecca Bennett	Clarence Barrett		
Jeffrey Brace			
Billy Taylor			
Damian White			

For information about the meeting please contact:
Richard Cursons 01708 432430
richard.cursons@onesource.co.uk

What is Overview & Scrutiny?

Each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements. Each overview and scrutiny committee has its own remit as set out in the terms of reference but they each meet to consider issues of local importance.

They have a number of key roles:

1. Providing a critical friend challenge to policy and decision makers.

2. Driving improvement in public services.

3. Holding key local partners to account.

4. Enabling the voice and concerns of the public.

The committees consider issues by receiving information from, and questioning, Cabinet Members, officers and external partners to develop an understanding of proposals, policy and practices. They can then develop recommendations that they believe will improve performance, or as a response to public consultations.

Committees will often establish Topic Groups to examine specific areas in much greater detail. These groups consist of a number of Members and the review period can last for anything from a few weeks to a year or more to allow the Members to comprehensively examine an issue through interviewing expert witnesses, conducting research and site visits. Once the topic group has finished its work it will send a report to the Committee that created it and it will often suggest recommendations to the executive.

Terms of Reference

The areas scrutinised by the Committee are:

- Customer access
- E-government and ICT
- Finance (although each committee is responsible for budget processes that affect its area of oversight)
- Human resources
- Asset Management
- Property resources
- Facilities Management
- Communications
- Democratic Services
- Social inclusion
- Councillor Call for Action

AGENDA ITEMS

1   CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2   APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

(if any) - receive.

3   DISCLOSURE OF PECUNIARY INTERESTS

Members are invited to disclose any pecuniary interest in any of the items on the agenda at this point of the meeting.

Members may still disclose any pecuniary interest in an item at any time prior to the consideration of the matter.

4   MINUTES (Pages 1 - 6)

To approve as a correct record the minutes of the meeting held on 13 February 2014 and authorise the Chairman to sign them.

5   ONESOURCE JOINT WORKING WITH THE LONDON BOROUGH OF NEWHAM (Pages 7 - 22)

Members are asked to receive a presentation (attached)

6   EXCLUSION OF THE PUBLIC

The Committee decided on the motion of the Chairman that the public should be excluded from the remainder of the meeting on the ground that it was likely that, in view of the nature of the business to be transacted, if members of the public were present there would be disclosure to them of exempt information within the meaning of paragraph 3 of Schedule 12A to the Local Government Act 1972 and it was not in the public interest to publish the information.

7   CORPORATE PERFORMANCE INDICATORS

Report enclosed.

8   URGENT BUSINESS

To consider any other item in respect of which the Chairman is of the opinion, by reason of special circumstances which shall be specific in the minutes that the item should be considered at the meeting as a matter of urgency.

**Andrew Beesley
Committee Administration
Manager**

**MINUTES OF A MEETING OF THE
VALUE OVERVIEW & SCRUTINY COMMITTEE
Town Hall, Main Road, Romford
13 February 2014 (7.30 - 9.45 pm)**

Present:

Councilllors Robby Misir (Chairman), Ray Morgon (Vice-Chair), Rebbecca Bennett, Jeffrey Brace, Keith Darvill, +Fred Osborne and +Ron Ower

Apologies for absence were received from Councillor Billy Taylor, Councillor Damian White, Councillor Clarence Barrett and Councillor Sandra Binion.

+Substitute members; Councillor Ron Ower (for Clarence Barrett) and Councillor Fred Osborne (for Sandra Binion).

13   **MINUTES**

The minutes of the meeting held on 28 November 2013 and the minutes of the Joint Overview & Scrutiny Committee meeting held on 23 January 2014 were agreed as correct records and signed by the Chairman.

14   **CORPORATE PERFORMANCE INDICATORS**

The report before members detailed a graphical illustration of trends over 2012/13 and 2013/14 for the Council's corporate performance indicators that related to the Value Goal in the Corporate Plan.

At the Committee meeting on 28 November 2013, Members received the Quarter 1 and Quarter 2 Corporate Performance Reports, which had been to Cabinet in September and November 2013. Those reports provided a snapshot of performance in time. Members asked if more detail could be provided for the Value corporate performance indicators, in the form of actual numbers, trend and benchmarking data. The appendix to the report contained such information.

All benchmarking data had been sourced from London Authority Performance Solution (LAPS) data. Facilitated by London Councils, the LAPS project aimed to share, compare and analyse local performance data collected by London Boroughs on a quarterly basis. This data was provided on a voluntarily basis, with a proviso that the data was made available for internal use only and was not published. To ensure the benchmarking data was as meaningful as possible, Havering's statistical nearest neighbour

according to the Office for National Statistics (Bexley) and the Council's geographical nearest neighbours (Redbridge, Barking & Dagenham and Newham) had been highlighted.

The latest benchmarking data for Quarter 2 2013/14 had been used, except for the Council Tax and NNDR collection rates where Q4 2012/13 provided a more meaningful end-of-year comparison; and speed of processing new Housing Benefit only claimants and speed of processing changes in circumstances of Housing Benefit only claimants where Q1 2013/14 was the latest comparative data (as it was always a quarter behind).

It was important to note that since the abolition of the National Indicator Set in 2010, most performance indicators were collected on a local basis and therefore methodologies may have differed slightly.

In reply to a question regarding Council Tax payments officers confirmed that approximately 60% of Council tax was collected by Direct Debit/Standing Order. Officers also confirmed that approximately 2-3% of customers chose to pay their Council tax over twelve months as opposed to ten months.

Officers also confirmed that fraud measures were in place to dissuade occupiers with properties that were in multiple occupation from claiming Single Resident Discount on their Council Tax bills.

Members noted that there had been an improvement in the NNDR collection rate since the service had been brought back in-house from the London Borough of barking and Dagenham.

Officers explained that when the shared services platform was introduced later in the year that both local authorities would be running separate software packages to deal with Housing Benefit and Council Tax claims. Contract end periods for the separate software packages had been factored into potential savings figures when the One Source proposal was being considered.

In reply to a question relating to the percentage of Member/MP enquiries that were completed within the 10 day target, officers advised that StreetCare was the service with the highest number of enquiries and that residents were now being encouraged to self-report enquiries via the reporting portal on the Council's website. Members suggested that an update on the self-reporting portal would be useful in the future once the service had had time to embed.

Members noted that ensuring customer satisfaction was a high priority for the Council. In 2012/13, the performance for the Call Centre (telephony) was being monitored, however in 2013/14 this had been extended to the Contact Centre as a whole. This included not only the Call Centre but also the PASC (the face-to-face) service combined. The target had been increased to 85% for this financial year (2013/14) which was a high target compared to other authorities.

15   **MANAGING SICKNESS ABSENCE**

The report before members provided the Committee with an update on sickness levels following the previous Overview and Scrutiny data provided on levels of absence and reiterated the work being undertaken to reduce the number of days off work. It also highlighted the wellbeing measures that the Council were putting in place to help prevent ill health and encourage a healthier workforce.

Sickness absence was calculated using the formula *Total number of working days lost (FTE) / total number of employees (FTE).* The methodology had changed in 2013/14 to include former Homes in Havering (ALMO) staff and this had had an adverse impact on performance.

The three most common causes of absence for all staff were stress, other and musculoskeletal problems. This was in line with the Absence Management Annual Survey Report 2013 by the Chartered Institute of Personnel and Development (CIPD). Members noted that although average figures were quoted, there were over 40% of staff who had had no absence in the last year. The figures were often skewed by long term cases, with those off with potential life threatening illnesses, including cancer and Parkinson's disease.

The graphs shown in the appendix showed that significant numbers of councils across London had shown an increase in sickness since last year. This was highly likely to be due to the restructures which have been carried out both in Havering and across other councils and the amount of redundancies, including compulsory redundancies, which had resulted. Members acknowledged that employees were under significant pressure to deliver the same services (or more) with less capacity, whilst also going through periods of uncertainty themselves of not knowing if they would have a job.

Whilst acknowledging that sickness, both nationally and within comparative London Councils, had gone up, a concerted effort had started to ensure that sickness was managed.

A new corporate sickness absence procedure was implemented in 2012 and as a consequence all line managers were expected to attend

mandatory training to ensure the changes and expectations were known. Each manager had access to a dashboard of information on their employees to ensure they had the data to manage their own areas. Members were advised that managers who did not attend the mandatory training in dealing with sickness absence were penalised financially within their cost budgets.

As absence levels had increased from the previous year, the Council were currently in the process of implementing improvements looking at how it could further reduce absence levels. There was obviously an adverse impact on service delivery should sickness levels not continue to fall to a satisfactory level.

A management development programme had commenced which would outline expectations and support to managers. Return to work interviews were expected for each absence to ensure that the reasons for absence were known and that correct action under the procedure was taken. This had been well researched as one of the most effective ways of managing absence from work. Managers needed to ensure that they were aware of why their staff were absent in order to look at preventative measures and individuals needed to know the impact of them being off as well.

Members noted the appendices showing instances of short and long term and comparative data for the current and previous rolling year. It was important to note that some figures would change each month as data was inputted and long term absences closed off. The data shown on the pie chart for long and short term split was also data from April 2012 to March 2013, as this breakdown was not available in the current dashboard reporting. Changes in departmental breakdown of data provided to senior managers had also been influenced by the corporate restructure last year where staff have moved departments and directorates and the return of the ALMO, as those staff have now been incorporated into other service areas.

Members were advised that long term absentees were still referred to Occupational Health for further assistance in allowing the employee to return to work at the earliest opportunity. Absentees were encouraged to speak with their managers throughout the process but could also speak directly with Human Resources if they needed to.

16   **PLANNING PERFORMANCE**

Members received a presentation on planning performance from the Council's Head of Regulatory Services and Planning Control Manager.

The presentation outlined Planning's performance indicators (PIs), targets and trends, recent Government changes/designations, workload patterns and staffing.

Planning applications were split into four areas:

Major Applications

Processing of applications was targeted within 13 weeks and the target was 60%
- Larger scale development: new housing of more than 10 units, changes of use involving 1000sq.m plus, operational development more than a hectare
- Target measured how quickly the Council dealt with these submissions
- The bigger the percentage, the better the performance

Minor Applications

Processing of minor applications was targeted within 8 weeks. Target was 65%
- Mid-scale schemes: single residential unit upwards or extensions to commercial properties.

Other Applications

Processing of other applications within 8 weeks. Target was 80%
- Other applications: principally involved householder submissions, also included changes of use of shops, adverts and shopfronts amongst others.

Conditions Clearance

Conditions clearance by speed of decision within 8 weeks. Target was 64%
- In granting planning permission, conditions were attached to secure the submission of further details

Members noted that the percentage of new housing approved which were affordable homes was 20%, affordable housing was sought on schemes of 10 units and more or on suitable sites of 0.5 hectares or larger.

Members were advised that several factors were involved in the efficient processing of planning applications including legislation, staffing, skills, demand levels and patterns, submission quality and decision method Major applications included all the above plus complexity and legal agreements and Minor applications increasingly involved legal agreements.

Members noted that the department had been restructured to distinguish between enabling and regulation and that a significant number of complex proposals had recently been submitted.

Recent Government changes and designations had seen the introduction of the "Prior Approval" process in May 2013 for householder extensions and changes of use from office to residential and the six month fee refund requirement in October 2013.

Officers advised that that there were three teams dealing with planning applications; a Direct decision team, an Area team and the Major Project team.

Direct Decision Team

- Four members of staff
- Caseload average of 30-35 applications per officer, Team Leader had approximately 20 applications.

Area Team

- Five members of staff plus one vacancy
- Caseload average of 60 applications per officer (which needed to be reduced)

Major Projects Team

- Caseload average of 30 applications

Members were advised that an improvement plan had been drawn up and implemented and additional staff had been recruited to fill existing and newly created vacancies. The improvement plan also encouraged members of the public to engage with the department prior to submittance of plans using the planning portal on the Council's website. Members also noted that the Council was developing its own Community Infrastructure Levy similar to that of the Mayor of London's CIL.

                                                           Chairman

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Value Overview and
Scrutiny Committee

April 2014

Newham London

Havering
LONDON BOROUGH

What we'll be covering today

- Background and timeline
- Estimated savings
- Structure
- Governance
- What will be different – and the same
- Future plans

Slide 2

Services included in oneSource

- Payroll
- HR
- Finance and Pensions
- ICT
- Council Tax, Housing Benefits and Business Rates
- Legal
- Democratic Services

- PMO and Business Improvement
- Property, Asset Management and Facilities
- Health and Safety
- Audit, Insurance and Risk
- Transport (Havering)

Slide 3

Estimated savings (gross)

	Estimated Savings				
	Year 1 2014/15 (£000)	Year 2 2015/16 (£000)	Year 3 2016/17 (£000)	Year 4 2017/18 (£000)	Year 5 2018/19 (£000)
Havering	1,460	2,829	3,314	3,566	3,904
Newham	2,652	4,961	5,629	6,182	6,708
Total	4,112	7,790	8,943	9,748	10,612

Slide 4

Estimated net savings (Havering)

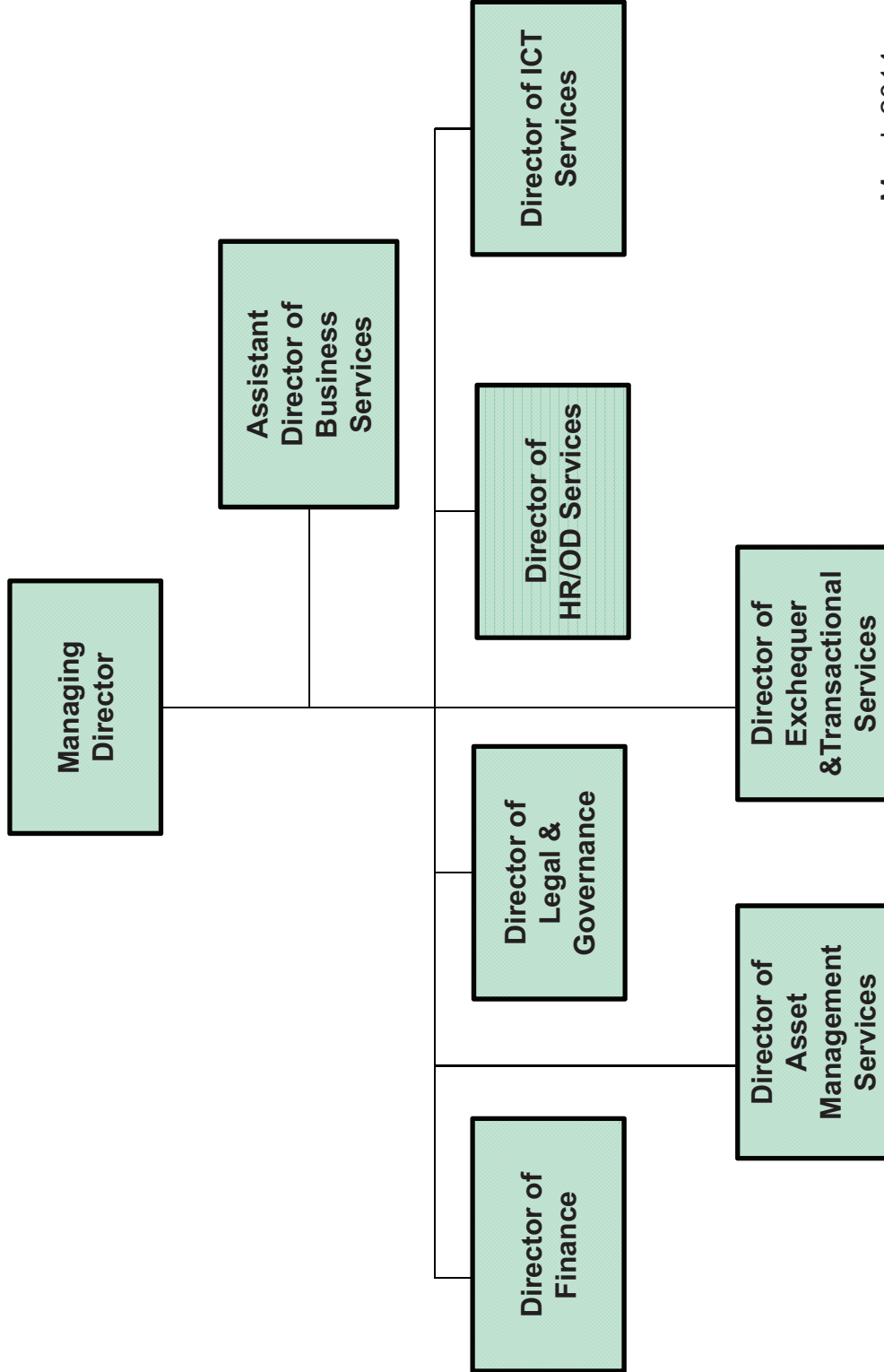|	Estimated savings				
	Year 1 2014/15 (£000)	Year 2 2015/16 (£000)	Year 3 2016/17 (£000)	Year 4 2017/18 (£000)	Year 5 2018/19 (£000)
Gross savings	1,460	2,829	3,314	3,566	3,904
Investment costs (exc redundancy)	337	169	-	-	-
Net total savings (exc redundancy)	1,122	2,660	3,314	3,566	3,904

Slide 5

Savings assumptions

- Based on a shared service industry standard formula
- 30% reduction of fixed costs in the senior management structure
- A productivity gain of 9% by the services coming together and eliminating duplication
- An 11% efficiency gain by re-engineering services / common processes.
- Inclusion of a separate LBN Oracle self-service efficiency calculation.

Slide 6

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Joint Committee – Governance model

- Cabinet members (3 & 3)
- Meet at least twice a year
- Rotate chair / vice chair of committee
  - Havering have the chair until May 2014
- Approve service plans, budgets, business/strategic plan
- Monitor service levels and performance
- Approve new business opportunities
- Mediation process
- Termination clause – Mutual / One side only

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Managing Director

Assistant Director of Business Services

Director of Legal & Governance

Director of HR/OD Services

Director of ICT Services

Director of Finance

Director of Asset Management Services

Director of Exchequer &Transactional Services

March 2014

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What's the same

- Staff still employed by Havering or Newham
- Staff on same terms and conditions, policies and procedures
- Most people will be in the same roles
- Most people working in the same teams and place
- Providing the same services to customers
- Similar processes

Slide 9

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What's different

- Support services now provided by oneSource

- Teams made up of both Havering and Newham staff

- Some changes to service names/structures

- Some staff may work at either Havering or Newham

- Most letters and emails sent out from oneSource

- New email addresses and intranet

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What will change after 1 April

- All services to be reviewed and redesigned

- New structures and roles within services

- Aim to converge HR policies and procedures

- Aim to have consistent pay grades

- Review our processes to make them more efficient

- Work with our customers to improve our services

- More self service, including One Oracle

- Start to work for new customers

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The timetable for service reviews

2014/15	2015/16	2016/17
• Legal *(service review commenced 2013)* • ICT *(service review commenced 2013)* • Procurement (transactional / operational / strategic) • NNDR • Democratic Services • Election Services • Facilities Management and Post room • Health and Safety • Management of School Capital • Audit Insurance and Risk • Property • Technical Services	• Payroll • Transactional Finance • Transactional HR • Pensions • Operational / Strategic Finance • Operational / Strategic HR • Debt Management / Recovery team	• Benefits • Council Tax

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The oneSource vision

To be the one source of innovative, high quality & affordable support to all public services

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Slide 13

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![oneSource - supporting public services]

Future business development

- New customers to further reduce costs for Havering and Newham

- Could offer full back office support or individual services (HR/Payroll/Legal)

- Developing business development and marketing plan and on-boarding model

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Slide 14

Any questions

Slide 15

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