

## **Bromsgrove District Council**

### **Report of the Portfolio Holder Portfolio Holder for Finance, ICT, and Enabling Services**

Help me to be Financially Independent

#### **FINANCE**

The finance team's activities include accountancy, payroll and payments. The Payroll team also provide the service for Redditch Borough Council, Rubicon Leisure and Wyre Forest District Council. Across all of the payrolls there are approximately 1400 staff. The Payment section ensures that all the invoices from our suppliers are paid in a timely manner and on average there are approximately 6000 invoices paid out every year. The finance team provides all financial advice and support to Members and officers, undertakes treasury management and investment activities and prepares all statutory accounting reports.

The Council's accounts for 2018/19 were completed on time with approval by Members by July 2019. The Council received an unqualified judgement for both the statutory accounts and the Value for Money assessment which was a continuation of the previous year's high quality standard.

Officers within the finance teams continue to work with service managers and budget holders to identify savings and support the development of business cases to generate additional income to the Council. Over the next few months the focus will be financial modelling of the Medium Term Financial Plan.

The uncertainties relating to significant future funding streams continue to make projections challenging. The one year spending review makes it difficult for the council to undertake long term financial planning due to the uncertainty this introduces.

Work has now started on the building of an Enterprise Resource Planning solution. It is apparent that over the last few years weaknesses have been identified in the financial management, planning and forecasting capabilities of the systems we currently have in place. In addition, it has been reported by officers, external and internal audit and more recently within the peer challenge report that the finance system we have does not enable the Council to make decisions based on accurate, timely and flexible information which will become increasingly important to meet the future challenges in the commercial environment. It is also recognised that there are a significant number of manual processes that are undertaken in payroll, payments

and HR to ensure that data can be accessed and reported on by officers and external partners. Furthermore there are no seamless links between systems and information has to be manually transferred between the systems. This could cause potential data issues when considering consistent information. The ERP system is expected to allow the council to rectify these weaknesses and improve performance and processes.

The implementation will be led by the Financial Services Manager and will ensure involvement by budget holders and managers to ensure the system meets their needs.

## **Customer Access and Financial Support**

### **The Service's Role**

The Customer Access and Financial Support Service comprise the Council's Customer Services, Revenues and Welfare Support teams.

The Teams aim to support the community of Bromsgrove by

- Providing excellent customer care with clear gateways to access the council's services.
- Help people to pay their rent and council tax by delivering a high performing welfare support service which processes claims for Housing Benefit and Council Tax Support efficiently and accurately.
- Supports the Council's financial position by maximising the Council Tax and Business Rates tax-base.
- Help customers to pay the right amount to the Council through the effective administration and recovery of Council Tax, Sundry Income and Non-Domestic Rates
- Helps Bromsgrove's vulnerable residents through the delivery of Discretionary Housing Payments, Council Tax Hardship Funds, and Essential Living Funds

### **Our aims for 2019**

During 2017/18 and first two quarters of 2018 the Customer Access and Financial Support teams experienced a period of disruptive change with the implementation in November 2017 of a revised structure within the Welfare Support Team, the roll-out of Full Service Universal Credit to Bromsgrove, and changes to the management structure within the Customer Access and Financial Support.

The changes impacted negatively on the performance of the service and therefore the aims for the period from September 2018 to date have been targeted at; first

controlling and normalising performance, and then implementing improvements to performance and service delivery.

Our plans in taking this course of action have been to:

- **Improve Benefit Processing** by working with the DWP to review the management structure within the Welfare Support Team and implementing a revised interim structure that provides support to processing teams and develops a performance culture within the service.
- **Improve Council Tax and Non-Domestic Rates collection rates** by reviewing internal procedures and processes and ensuring that the recovery functions are working efficiently and supporting customers to pay their tax and rates liabilities
- **Maximise Council Tax and Non-Domestic Rates tax-base** through the continued focus of the compliance team on identifying undervalued business premises and ensuring accuracy in Council Tax discount and NNDR relief.
- **Offering Digital Choice to Customers** through the provision of a new customer portal which will enable customers to transact with the council and interrogate their accounts on-line, enabling greater resilience within the CT and NDR administration teams.

## How we are performing

### Improve Benefit Processing

In August 2018 we entered into discussions with the DWP as to how we could improve performance within the Welfare Support team. Actions were taken to provide greater oversight and support to the processing teams and changes were made to management and reporting lines. Improvements to key performance measures have been achieved and focus will now move to supporting the improvements and implementing efficiencies in service delivery.

Date	Days to Process New Claim	Days to Process CIC
August 2018	61	16
August 2019	25	6

### Improve Council Tax and Non-Domestic Rates Collection

The key comparative measure for performance of Council Tax and NDR administration remains CT and NDR collection rates. Actions were taken in 2018/19 to address performance in respect of these measures. At present additional resources have not been delivered to the team, but steps have been taken to rationalise processes and to provide a more efficient recovery procedure.

The tabulation below sets out the relative performance for Council Tax and Non-Domestic Rates collection within Bromsgrove demonstrating improvements within each measure.

<b>Tax Year</b>	<b>2017/2018</b>	<b>2018/2019</b>
Council Tax Collection Rate	98.1%	98.4%
NDR Collection Rate	94.2%	96.7%

In context the improvements within Council Tax collection are in contrast to national and regional figures which show a flattening in performance and slight reduction when comparing year to year.

	<b>2017/2018 Collection Rate</b>	<b>2018/19 Collection Rate</b>	<b>Year to Year change</b>
Bromsgrove	98.1	98.4	0.3
All England	98.0	97.9	-0.1
Shire Districts	97.1	97.0	-0.1
West Midlands Shire Districts	98.2	98.1	-0.1

Non-Domestic Rates collection requires further improvement but performance from 2017/18 to 2018/19 places Bromsgrove within the top 5 most improved councils.

	<b>2017/18 Collection</b>	<b>2018/19 Collection</b>	<b>Year on Year Change</b>
Cherwell	92.3	98.4	6.1
Salford	91.6	95.7	4.0
Redditch	95.1	98.3	3.2
Bromsgrove	94.2	96.7	2.5
South Bucks	96.4	98.8	2.4

#### Maximising CT and NDR tax-base

The Customer Access and Financial Support Team's compliance officers provide a resource for ensuring the accuracy of the Council's tax-base by identifying missing and undervalued council tax and non-domestic rates assessments, and ensuring the accuracy of Council Tax discounts, and NDR reliefs.

The performance of the team is measured in terms of the additional Council Tax and Non-Domestic Rates that is levied due to their work. The table below sets out the income generated to the period ended 31<sup>st</sup> March 2019

<b>Work Stream</b>	<b>Additional Income (£000's)</b>
Council Tax discount/exemption compliance	44
Council Tax un-banded properties	148
Non-Domestic Rate unrated and underrated property	485
<b>Total</b>	<b>677</b>

### Improving Digital Choice

Council Tax, Non-Domestic Rates and Welfare Benefits are services which experience a large volume of transactional enquiries. In Council Tax administration these transactional enquiries can be high volume/low complexity and by offering customers the opportunity to access services through digital gateways resources can be moved from low complexity activities to income collection or to high complexity work.

The service has begun a process of providing on-line transactional forms which can be accessed by the customer and when fully completed allow for automatic processing of registration for Council Tax and for changes in Council Tax payment method.

The following tabulation shows the number of on-line enquires received to the end of August 2019 and the division of these enquires between those which are processed automatically and those which require an officer to complete the system update.

<b>Month</b>	<b>On-Line enquiries</b>	<b>Automatic Processing</b>	<b>Officer Processed</b>
April	865	478	387
May	860	492	368
June	807	439	368
July	896	430	466
August	545	228	317
<b>Total</b>	<b>3,973</b>	<b>2,067</b>	<b>1,906</b>

The ability to automatically update systems from customer completed on-line forms allows greater efficiency in the way that the Council Tax transactional services are

delivered and the process automation has released the equivalent of 0.70 FTE processing hours for other activities.

## **2020 Vision – Our Aims for the next year**

- **Revise Customer Access and Financial Support Structure:** a revised structure will be implemented during the next 12 months, the aims of this structure will be to embed the improvements that have been realised within the Welfare Support Team, to provide greater support for the Revenues Services Team to ensure continued improvement to collection rates, and to continue to improve the customer experience.
- **Enhance Digital Access to Council Services:** the on-line services for Council Tax, Welfare Support and Non-Domestic Rates will be developed to increase the transactions that can be carried out on-line; to include applications for Council Tax discounts and exemptions, and to provide customers with access to their Council Tax, Non-Domestic Rates, and Housing Benefit accounts.

This enhanced provision of on-line services will enable us to; provide choice to customers in the way that they contact us; to develop 24 hour access to services; allow transactional enquiries to move from physical to digital channels; and to release resources for the completion of complex cases.

- **Investigate risk based recovery for Council Tax and Non-Domestic Rates** which will allow for targeted action to be taken in the event of non-payment and move towards a programme of risk based intervention which will smooth out the issue of recovery notices and enable a more balanced customer service provision that removes peaks in demand and provides more consistent access for the customer
- **Develop stronger levels of discount, relief and rebate compliance** by developing more robust procedures for the review of all Council Tax discounts and Non-Domestic Rate Relief which will ensure that all discounts are verified on a bi-annual basis and by implementing financial penalties and prosecutions as an incentive against fraudulent applications.
- **Increase footprint and visibility of Financial Inclusion Officers** the role of the Financial Inclusion Officers will be developed by partnering with agencies in the outer areas of the Bromsgrove District such as Rubery and Hagley providing a local resource and access for customers with financial hardship or specialist needs.

## **Customer Services**

### **Payments**

Customer services continue to monitor payment methods for council services and regularly work with customers to promote alternative payment methods (e.g. direct debit). Latest figures from finance suggests in costs £1.24 per transaction in cash at cashiers, compared to 2p per transaction via direct debit. When costs of reminders, and summons' are added this figure increases, further highlighting the importance of direct debit.

We are working with Council Tax and housing benefit overpayments to introduce allpay – a barcoded billing system that customer can pay their council tax / HB overpayment at any Post Office or Paypoint location using cash or card. The current scheme provider is limited to only cash, only at post office and only for council tax. It costs approximately 53p per transaction using this service which places it cheaper than the traditional cash office, and more expensive than direct debit. We anticipate this service to be operational for when the year-end bills go out in Feb/March 2020.

### **Council Tax**

Customer Services provides face-to-face support for customers with Council Tax queries. Any customers with complex queries are directed through to the dedicated council tax direct line to be resolved over the telephone by a Council Tax Officer.

We are currently in the process of scoping out some telephone support to Council Tax at times where there are high call demands.

### **Digital Support**

There are 2 public access PC's and free Wi-Fi in the Customer Service Centre. Customer Service staff will provide digital support to those who need help in accessing council services online. We anticipate as more council services increase their online provision that the demand for support will grow in future.

## **DEMOCRATIC SERVICES**

Democratic Services team have been supporting Members in various roles throughout the year, including all Council Committees, Boards and Working Groups.

### **Overview and Scrutiny**

The number of items which have been pre-scrutinised prior to consideration by the Cabinet, has continued to increase and the system of scrutiny is working well. Council has again, referred items directly to the O&S Board, to enable them to be considered in greater detail and in a more meaningful way. The Finance and Budget Working Group continues to work well on a cross party basis. As portfolio holder, I

am hoping to attend the meetings regularly as I want to maintain a good relationship with the Group to help us to address the significant financial challenges that the Council faces.

### **Member Training**

The Member Development Steering Group has in the last year concentrated on preparing for the induction of new Members following the May elections. A new approach was taken which I think was a success, this involved a mix of training sessions to allow new Members to get up and running and the inclusion of briefing notes on a number of areas included in the Induction Packs. More detailed training sessions are being organised on those topics for later in the year.

The Group is also carrying out a review of the IT equipment used by Members and considering a number of options to be made available.

### **Constitution**

The Constitution Review Working Group has already met this new municipal year and the inclusion of deputy leaders has led to some constructive debate. The Group have agreed to meet on a more regular basis in the coming months.

### **LEGAL SERVICES**

The legal team operate as a support service providing advice and guidance to elected Members and officers throughout the Authority and doing the legal work associated with Council services. Their aim is to ensure that the decisions of the Council are legal and proportionate, the actions and decisions of the Council are in the public interest, and all Council documentation is robust. From time to time the team represent the Council in Civil and Criminal proceedings and we also provide contracted external legal support to other public organisations.

### **IT SERVICES**

As an enabling service, the role of the IT Service is to enable other parts of the organisation to deliver against the corporate strategic purposes. IT makes a key contribution to the strategic direction of the Council by providing professional support and guidance relating to the use of technological resources now and for the future.

The main projects that IT *have worked* on over the last twelve months are:-

- Upgrade to Revenues and Benefits system.
- Upgrade of Uniform Database and Application.
- Move to Rubicon SLA operating environment.
- Security patching of PC's and servers.
- New Automation and Robotics environment created.
- Review Of Information Security Policy
- Implemented Bring Your Own Device solution (BYOD)



- Delivered Gas Booking System

The main projects IT *are working* on at the moment are:-

- New corporate enterprise application for Finance, Cash Receipting, Payroll and Self-Serve HR (Human Resources).
- Replacement Housing Management System
- Upgrading from Windows 7 to Windows 10 across the technical estate
- Implementing PSN Security Audit changes.
- Upgrade of the virtual server infrastructure.
- Microsoft Office upgrade to Office 365
- Review of Members IT requirements.
- Upgrade of Server Operating Systems

## **HR & OD**

As an enabling service, the roll of HR is to enable other services to deliver against the corporate strategic purposes. HR & OD makes a key contribution to the Strategic direction of the Council by providing professional support and leadership in terms of the use of employee resources now and in the future. HR & OD also build and maintain good employee relations through collaborative working with the Trade Unions at both a local and regional level.

The key projects HR&OD have delivered over the last twelve months are:

- Review of the corporate HR & OD Strategy
- Designed and launched an employee benefits package
- Reviewed and implemented a revised pay model to incorporate the national agreed pay spines.
- Launched the purchase of annual leave scheme through the employee benefits platform
- Continued to exploit the HR21 system functionality
- Developed online booking element of the HR21 system for training
- Developed a Corporate Training Plan for 18/19

The key projects HR&OD are *currently working* on are:

- Continuing to deliver the actions in the corporate HR&OD strategy
- Reviewing / changing employment policies. Currently in consultation with the Trade Unions to introduce / review the following policies
  - Disciplinary
  - Grievance
  - Code of Conduct
  - Mileage

- Capability
- Continuing to rolling out the new Employee Benefits package which includes various staff discounts for employees.
- Supporting the corporate Culture work including rolling out the skills matrix to identify skills gaps and potential within our workforce and the ability to record the data on the self-serve and supported on the implementation and roll out of the One to One and Appraisal Guidance and process.
- Developed a Leadership Profile and devising a Management development programme.
- Co-ordinating corporate and service based training
- Supporting service reviews & TUPE (where appropriate)
- Reviewing the corporate approach to the use of agency staff and relaunching Matrix
- Planning the next Staff Survey