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THREE RIVERS & WATFORD
SHARED SERVICES
JOINT COMMITTEE



AGENDA

Date: 13 June 2011

Time: 7.30 pm

Place: Three Rivers District Council

Members of the Committee:-

| | | |
|---------------|--------------------------------------|--------|
| Councillors:- | A Wylie (Vice-Chair) G Derbyshire | A Khan |
|---------------|--------------------------------------|--------|

The Joint Committee welcomes contributions from members of the public to its discussion on Part A agenda items. Contributions will be limited to one person speaking for and one against each item for not more than three minutes. Details of the procedure and the list for registering the wish to speak will be available for a short period before the meeting

| Item | | Page |
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| 1 | APOLOGIES FOR ABSENCE / SUBSTITUTE MEMBERS | |
| 2 | DISCLOSURES OF INTEREST To receive any disclosures of interest. | |
| 3 | MINUTES To confirm as a correct record the minutes of the Joint Shared Services Committee held on 7 March 2011. | 1 - 6 |
| 4 | NOTICE OF OTHER BUSINESS To announce items of other business notified to the Secretary of the Joint Committee, together with the special circumstances which justify their consideration as a matter of urgency. The Chairman to rule on the admission of such items. (Note: If other confidential business is approved under this item, it will also be necessary to specify the class of exempt or confidential information in the additional item(s)). | |
| 5 | REVENUES AND BENEFITS - PROGRESS REPORT This report gives an update on the Revenues and Benefits service. | 7 - 54 |

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| <p>6 REVENUES AND BENEFITS - HARMONISED WRITE-OFF PROCEDURES</p> <p>The report recommends that harmonised write-off procedures be recommended to the two councils.</p> | 55 - 70 |
| <p>7 ICT PROJECTS</p> <p>This report outlines the projects that have been requested from ICT for the next financial year and the criteria that have been used to prioritise them.</p> | 71 - 98 |
| <p>8 ICT HARMONISATION</p> <p>This report gives detailed options and capital implications for the harmonisation of business system applications across Watford Borough and Three Rivers District Council.</p> | 99 - 150 |
| <p>9 UPDATE ON PROPOSALS FOR HARMONISATION OF TERMS AND CONDITIONS OF EMPLOYMENT</p> <p>The purpose of this report is to inform the Committee of the outcome of the consultation period and to seek approval to implement the proposals contained within this report.</p> | 151 - 162 |
| <p>10 GRIEVANCE POLICY AND PROCEDURE</p> <p>This report seeks approval to a harmonised grievance policy and procedure.</p> | 163 - 174 |
| <p>11 PERFORMANCE MANAGEMENT 2010/11</p> <p>This report provides an update on the performance of the shared services in the current year.</p> | 175 - 176 |
| <p>12 EXCLUSIONS OF PRESS AND PUBLIC</p> <p>The Chairman to move:- “that, under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if the press or public were present during consideration of the item there would be disclosure to them of exempt information as defined under Paragraph 4 of Part 1 of Schedule 12A to the Act.” If approved the Chairman will ask the press and public to leave the meeting at this point.</p> | |

PART B - Closed to the Public**13 ICT REVIEW**

This executive summary outlines the findings of the ICT Review/Strategy conducted by external consultants Actica Consulting Limited.

14 OTHER BUSINESS

If approved under Item 4.

Members are reminded that meetings of the Joint Committee shall end no later than 10.30pm unless otherwise agreed by the Joint Committee.

For more information concerning this agenda please contact the Secretary to the Joint Committee, Elwyn Wilson, Democratic Services Manager, Three Rivers District Council, Northway, Rickmansworth, Herts, WD3 1RL. Telephone: 01923 727248.

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THREE RIVERS DISTRICT COUNCIL AND WATFORD BOROUGH COUNCIL

At a meeting of the **Joint Shared Services Committee** held in the Penn Chamber, Three Rivers House, Rickmansworth, on Monday 7 March 2011 7.30pm to 9.31pm.

Present: Councillors Brian White (Chairman), Andy Wylie (Vice-Chairman), Matthew Bedford, George Derbyshire, Stephen Johnson and Ralph Sangster.

Officers:

- David Gardner - Director of Corporate Resources and Governance
- Tricia Taylor - Executive Director Resources
- Terry Baldwin - Head of HR
- Avni Patel - Head of ICT
- Phil Adlard - Head of Revenue and Benefits
- Alan Power - Head of Finance
- Sarah Haythorpe - Principal Committee Manager

JSS35/10 DISCLOSURES OF INTEREST

None.

JSS36/10 MINUTES

The Minutes of the meetings of the Joint Shared Services Committee held on 10 January 2011 were confirmed as a correct record and were signed by the Chairman.

JSS37/10 NOTICE OF OTHER BUSINESS

The Chairman ruled that the following report which had not been available for five clear days before the meeting was of sufficient urgency to be considered by the Committee for the reason indicated:

Items 5 – Performance Management 2010/11 – Addendum on Internal Audit

To enable ongoing financial control.

JSS38/10 PERFORMANCE MANAGEMENT 2010/11

This report provided an update on the performance of the shared services in the current year.

Finance

The Head of Finance reported that all the bank reconciliations and journal entries had been completed. Members received and noted the latest performance indicators and details on the bank reconciliations.

Human Resources

The Head of HR advised that the next quarterly performance indicators would be available at the end of March. At the last meeting it was reported that one part-time employee faced compulsory redundancy at Three Rivers but that employee

had now been redeployed within the Council so there would be no compulsory redundancies at Three Rivers.

There were 20 potential redundancies at Watford and consideration was being given to backfill any vacancies to offset the need for compulsory redundancy.

ICT

The Head of ICT advised that a report would be prepared on the Infrastructure Review project on the harmonisation of software applications to include options for the Uniform/IDOX system. Contact had been made with the supplier and the Council were awaiting proposals. The report would also include the capital implications for 2011/12 onwards. The outcome and conclusions of the independent ICT review would be reported to the next meeting of the Joint Committee.

On CRM alignment, work was planned to replace the system in the next financial year with consideration being given to LAGAN (Watford's CRM system).

With regard to the restructuring of the ICT team, a paper had been presented to both management teams. There were 5 vacancies within the team which had been offered to Watford to staff, facing compulsory redundancy, but no interest had been shown. The posts would be advertised in the next week.

With regard to the servers which needed replacing (there were currently approximately 70 at Watford and 35 at Three Rivers) Members requested that consideration be given to consolidate the servers and put together a replacement programme. Members noted there was an ongoing cost in the budget each year to replace the servers. The Head of Service reported that this would be an ongoing requirement because the new servers came with a 3 year warranty as standard but servers could start developing faults after this time.

Members advised they had been experiencing problems accessing the Shared Services Intranet, Council emails and systems and requested that an update be provided at the next meeting.

Revenue and Benefits

Members were updated on progress with the outstanding caseload in Revenue and Benefits staffing and the request to further compare the service to other Local Authorities in terms of cost per claim.

At the January meeting the Committee were advised about the investigations into the option of Meritec dealing with outstanding caseloads. Since the meeting, the Council had been approached by the company that provided the existing agency staff with a proposal that if they were to revise their rates this would make them a more viable proposition. Meritec had quoted £22 per hour and the existing agency had reduced their rate from £29 to £23 per hour. In January five agency staff had been working on benefit assessing but since then one had left and two had applied for permanent vacancies. A decision had been made to retain two existing agency staff until the end of March.

As of 28 February the number of outstanding claims for each authority was as follows:

Watford - 270 of these 122 were pending and waiting on a response and 186 were less than 28 days old.

Three Rivers - 204 of these 70 were pending and waiting on a response and 129 were less than 28 days old.

As of 25 February 2011, Watford had 7,329 claimants (11,964 gross), an increase of 2.38% over the following month. 263 new claims had been received in January and 254 in February.

Three Rivers had seen a smaller increase of 0.81% over the same period with 107 new claims received in January and 161 in February.

At the request of the Committee, an assessment had been undertaken of the cost per claim of the shared service and a comparison undertaken against other authorities. The sample was based on the benchmarking survey referred to at the January meeting. Data provided to a national benchmarking group had been obtained from ten other Local Authorities with a caseload of between 10,000 and 14,000. The combined caseload of the shared service was 12,009 (as at 01/04/10).

Using this formula, the 12,000 caseload equated to a weighted caseload of 28,530. Based on a gross cost of the service of £1,685,000, the cost per claim of the shared service was £59.06. The average of the benchmarking group was £59.10.

Based on information provided by Finance, an assessor on the mid-point of Scale 6 would have a gross salary of £35,211 which equated to an hourly rate of £18.25. This was lower than either of the agency staff rates (before and after renegotiation) and the cost quoted by Meritec.

There had been greater control over the management of work trays and this had already seen a reduction in NI181 from 36.54 (Dec – Jan) to 27.98 (Jan – Feb) for TRDC and 35.72 to 29.19 for WBC.

Full use of the agency staff during March would continue with the aim of greatly reducing the number of claims greater than 28 days.

Collection of both Council Tax and Business Rate continued to struggle in spite of active recovery. The team were regularly issuing summonses for non-payment as well as frequent statutory reminders. The collection rates against target at the end of February were:

Watford Council Tax 92.8% (target 94.8%)
Watford Business Rate 95.7% (target 99.6%)

Three Rivers Council Tax 96.8% (quarter target at December 86.9%)
Three Rivers Business Rate 97.6% (target 99.6%)

To assist with recovery, a blitz of council tax correspondence was being completed. As at 27 February, there were 897 items outstanding, the lowest since 10 August (which coincided with when reminders stated to be sent).

The collection of general debtors for both authorities was ahead of target as at 28 February.

The development days had been well received with good suggestions coming forward. Progress was now being achieved through the Team Leaders on the management of work. Agreement had also been made with the Customer Service Centre at Watford to deal with benefit enquiries.

Members welcomed the news that the backlog in processing benefits claims was now reducing but they hoped that pressure would be kept up to reach the performance targets Three Rivers had before shared services.

The local trend was that both Councils were receiving more claims but from April there would be changes in working styles to be more flexible to deal with claims but resources would be contained within the budgetary requirements.

Members were advised that decisions would be made and measures taken so workloads did not get out of hand. It was requested that expenditure figures on the cost of each benefit claim processed be compared with other similar sized Authorities in Hertfordshire/South East.

An Addendum on the Shared Services Internal Audit Manager who would be retiring on 31 March 2011 was tabled at the meeting. A number of options were put forward to the Committee which included:

- that the two Councils' Audit Committees be asked to agree their requirement for audit days based on need;
- that one of the existing staff be appointed to act up as manager in the short term;
- that talks continue with Wycombe Council and Aylesbury Vale District Council to produce a business case for the four councils with flexibility to include further authorities if the case warrants it to be presented at the next meeting; and
- that options 2 and 3 be kept 'open' at this stage.

A number of questions were raised by the Committee:

Could the 475 audit days be substantiated?

Did we need another Member of the audit team to act up as Audit Manager?

It was advised that the Head of Finance who oversees the Internal audit team would be concentrating on IFRS and the closing of the accounts for both Councils so it would be beneficial to have a member of the team acting as the Manager on an interim basis. The County Council option to manage Internal Audit could not be considered until later in 2011/12. Outsourcing the internal audit service would involve a tendering process. Talks were progressing with Wycombe and Aylesbury Vale Councils with details available later in the year.

Members received the audit plan for 2010/11 which showed a total of 635 audit days. The interim audit plan for 2011/12 showed 475 audit days which equated to 35 contractor days and 440 by the internal audit team who had 535 productive days available.

Members agreed that both the Councils' Audit Committees should sign off their audit plan.

RESOLVED:-

- (1) that the report be noted.
- (2) that a report be presented at the next meeting with further information on the Infrastructure Review and capital implications for 2011/12 onwards

for harmonisation of systems supported by ICT. If the report would not be available for the next meeting the Committee to be advised in advance of the meeting.

- (3) that an update be provided at the next meeting on access to the Shared Services Intranet, Emails and Council systems.
- (4) that expenditure figures on the cost of each benefit claim processed be compared with other similar sized Authorities in Hertfordshire/South East;
- (5) that the two Councils' Audit Committees be asked to agree their requirement for audit days based on need;
- (6) that one of the existing staff be appointed to act up as manager in the short term;
- (6) that talks continue with Wycombe Council and Aylesbury Vale District Council to produce a business case for the four councils with flexibility to include further authorities if the case warrants it to be presented at the next meeting; and
- (7) that options 2 and 3 be kept 'open' at this stage.

JSS39/10 SERVICE PLANS

This report sought agreement to the service plans for the medium term and followed the format used last year. The Performance Indicators would be provided separately at each Committee meeting. The service plans included details on the key challenges each service faced next year.

Finance

The Head of Finance advised the service had undertaken a cost reduction exercise making significant reductions in their budget. The Finance team would continue to face the challenges in the coming year to reduce budgets and implement efficiencies.

Work would be progressed over the next year to review Service Level Agreements (SLAs) which had been implemented two years ago.

On workforce planning, there had been success in recruiting new people to the team. The next big challenges would be the closing of accounts and satisfactory audit clearance.

The collection fund would be incorporated in the Finance service.

Human Resources

The Head of HR advised that the Health and Safety service was now being provided by Herts County Council two days a week with one day at Watford and one day at Three Rivers at a cost of £24,000 a year.

Looking into the future of the Human Resources service work was progressing to sell the HR service externally. A business case was being prepared for another Council to use the HR services and an approach had been made to manage a Parish Council. On the harmonisation of both Councils' terms and conditions from 1 April 2012, proposals would be presented to staff in the next few weeks but there had been concerns at Watford on dress code and annual leave. A

feasibility study would be provided at the end of month to the management team at Three Rivers on NJC job evaluation.

ICT

The Head of ICT advised that the restructure of ICT was complete with improvements being made to first point of contact and call resolutions. A bench marking exercise would be undertaken in May with details available in September.

Staff training would be provided to ensure best practice was being observed to deliver the ICT services.

ICT's SLA's would to be revisited with departments during the next financial year.

Members requested that a mechanism for prioritising and delivering the ICT Projects be prepared with a report presented at the next meeting.

Revenue and Benefits

The Head of Revenue and Benefits highlighted details in the service plan on the future of services, risks and benchmarking against other local authorities in Hertfordshire. The Government had indicated that a new universal credit system could be implemented in October 2013.

RESOLVED:-

- (1) that the ICT budget for staff development be carried over into 2011/12 budget;
- (2) that a mechanism for prioritising and delivering the ICT Projects be prepared with a report presented at the next meeting;

JSS40/10 DATE OF NEXT MEETING

The next meeting would be held on Monday 13 June at Three Rivers House.

RESOLVED:

that the date be noted.

CHAIRMAN

Agenda Item 5

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13 June 2011

PART A

AGENDA ITEM

5

Title: REVENUES & BENEFITS- PROGRESS REPORT

Report of: Director of Corporate Resources & Governance – Three Rivers D.C.

1. **SUMMARY**

1.1 This report gives an update on the Revenues & Benefits service

2. **RECOMMENDATIONS**

2.1 That this report be noted.

2.2 That the Committee endorses the action taken in appointing Serco

Contact Officer:

For further information on this report please contact:

Phil Adlard – Head of Revenues & Benefits

telephone number: 01923 278023

email: phil.adlard@watford.gov.uk

Report approved by:

Tricia Taylor – Executive Director Resources – Watford Borough Council

David Gardner – Director of Corporate Resources & Governance – Three Rivers DC

3. DETAILED PROPOSAL

Introduction

- 3.1 At its meeting on 10 September 2010 (Minute JSS15/10 refers), the Committee noted the contents of the Revenues and Benefits Action Plan resulting from the review carried out by ISCAS Ltd in July and August 2010.
- 3.2 Since then members have received updates. The latest position is attached at Appendix 1. Completed actions have been shaded. In summary, of the 73 recommendations, 41 have been implemented, 3 are no longer valid, and 29 are still being implemented.
- 3.3 The remainder of this report details the actions now being taken to complete the Plan and other actions to improve performance. The objective is to achieve a target date of December 2011 when it will be possible to say that the implementation of the shared service has been completed, the backlogs created during the implementation cleared, and the resources allocated to the service are capable of achieving the on-going targets set for it.

Generally

Current Workloads

- 3.4 The service is currently receiving 100 claims for benefit, and between 400-500 items of correspondence for Council Tax, each week. Activities such as Annual Billing and the issue of council tax reminders (4,374 for Watford in May and 3,397 for Three Rivers) generate further correspondence. There are currently over 400 benefit claims outstanding and 3,000 items of correspondence outstanding.
- 3.5 The outcome of this set of circumstances is that the Revenues & Benefits Shared Service is in a state where it has been staffed to work to a process that has not been fully completed yet with the result that this is adding to the workload and increasing the backlog. A situation that, at the last meeting of the Shared Service Committee, members were keen to avoid.

ICT

- 3.6 The principle supporting the original staffing levels was that the two councils' Academy system would be on the same platform. This will enable:-
- the introduction of "e-services" that will enable customers to self-serve, receive electronic communications etc, and,
 - more front-line queries to be dealt with by both Customer Service Centres at Three Rivers and Watford.

These opportunities have not yet been realised.

- 3.7 The service is currently suffering periods of downtime due to periodic issues in relation to the IT service. This however, is being monitored by the Head of Revenues & Benefits in collaboration with the Head of IT.
- 3.8 Moving the Three Rivers Academy system from its current Unix platform to Windows, so that it is aligned with Watford, is key to the service making progress. The project is being managed by the Head of Revenues & Benefits and is currently on track to be delivered in August 2011.

Customer Services & Customer Care

- 3.9 The revenues and benefits services offered by the councils' customer services centres can be harmonised once a uniform system is in operation. This should create greater capacity in the back office. CSC staff at Watford are being trained to be able to deal with more queries.
- 3.10 In the meantime, there is a pressure on both Revenues & Benefits in terms of calls received. In addition, there is a requirement for a Benefits Officer to be present at both Three Rivers House and South Oxhey to offer a Benefits Surgery. To alleviate this pressure, we having been working closely with the staff and they have suggested, and this is supported by management, that to make more time available for processing Revenues & Benefits work, the service proposes the following short-term solution:
1. No phone calls are accepted on a Wednesday after 12.00 noon.
 2. The South Oxhey office is not staffed on Wednesday (drop in facilities will still be provided).
 3. Staff hours of work will be amended where appropriate on Wednesday so that staff will work from 11.00 to 19.00 to maximise the time available without calls.

Reconciliations

- 3.11 A considerable amount of effort is being exerted in closing the 2010/11 accounts. This has, to some extent, impinged on the 'day to day' activities. However, there has been good co-operation between the revenues and benefits team and the finance team. Regular progress meetings have been held, attended by the Section 151 officers. Processes have now been put in place to ensure, that in future, regular reconciliations will take place during the financial year, thus avoiding a rush at the end of the year to complete the final accounts.

Benefits

Backlog and Customer Expectation

- 3.12 The website has been updated with the latest figures showing how old the outstanding claims are. This measure can be significantly improved by concentrating on the oldest few, and this is being done. However, the measure can be misleading. The figure does not show how long it is taking to process claims, merely how long it would take to process the outstanding claims if they were all processed today. The current figures (as at 23/05/2011)are:-

| | Outstanding Cases No. | Average Period Outstanding Days |
|--------------|-----------------------|---------------------------------|
| Three Rivers | 142 | 42.00 |
| Watford | 285 | 31.11 |

The trend is that the number of cases outstanding is reducing although we still have a greater number of claims outstanding when compared to the summer of 2010 when there was a greater reliance on temporary agency staff.

Despite the caseloads for both authorities remaining fairly stable over the past twelve months, the volume of new claims is high.

Three Rivers caseload at 10 May 2011 stood at 5,351 compared to 5,530 in April 2010 (a drop of 179 or 3%).

Watford caseload at 10 May 2011 stood at 7,229 compared to 7,100 in April 2010 (an increase of 129 or 1.8%)

However as the following table shows we still receive 400-500 claim forms in each month which will be a combination of new claims, repeat claims, changes of address.

| New Claims | Three Rivers | Watford |
|------------|--------------|---------|
| February | 161 | 254 |
| March | 202 | 362 |
| April | 158 | 268 |

3.13 The Service Plan includes the following Performance Indicators:-

NI 181 Time taken to process new claims and change events

RB3 Days taken to process new claims

RB4 Speed of processing changes

The last two measures disaggregate NI181. These comprise the 'single housing benefit extract' (SHBE) return to the Department of Work and Pensions (DWP) and have to be done. The targets for 2010/2011 and latest results (quarter 4 Jan-Mar 2011) as provided by the SHBE are:-

| | Three Rivers | | Watford | |
|--------|---------------|--------------|---------------|--------------|
| | Target (days) | Qtr 4 (days) | Target (days) | Qtr 4 (days) |
| NI 181 | | 14.79 | | 27.89 |
| RB3 | 20 | 35.71 | 40 | 36.56 |
| RB4 | 10 | 12.35 | 20 | 24.31 |

This measure more accurately reflects the 'customer experience', i.e. how long it takes to receive benefit.

We have set the following, challenging end of year targets for 2011/12 as outlined in the Service Plan agreed by members at Committee 7 March 2011:

| | Three Rivers | Watford |
|-------|--------------|---------|
| NI181 | 25 | 27 |
| RB3 | 25 | 27 |
| RB4 | 15 | 20 |

3.14 All of the above measures are made worse where a claimant has not provided all of the information required to process their claim. It should be noted that the lapsed time returned to the DWP starts on the first contact. The council cannot simply reject the claim if full information is not supplied in order to produce a better PI result. Of the claims shown in 3.12 above, 61 TRDC claims and 76 WBC

claims are “pending”, awaiting information from the claimant.

- 3.15 Clearly, though, it is better from both the customer and the council’s standpoint if all of the information required to process a claim is made available at the earliest opportunity.
- 3.16 Customers should be told how long they can expect to wait for their benefit to be paid. The difficulty for officers is that, when not providing full information, the customer can be responsible for the delay. Officers are of the view, however, that we should promise customers *“to process claims within 28 days of receiving full information”*.
- 3.17 The Action Plan includes consideration of ‘fast tracking’ claims:-
- This might be done for personal callers who arrive with all of the required information
 - By mobile working (e.g. as at Aylesbury Vale) where staff fill in a claim form over the telephone and a personal visit is arranged to scan the necessary data which we anticipate being able to introduce by the end of the current year.
 - Or by better use of the scanning team who are in a good position to determine, on receipt of a claim, whether all of the information has been attached.
- 3.18 To improve the DWP indicators *“we will assess whether we have complete information within one week of receiving a claim and inform the claimant within that time of any information that is missing”*.

Claims that are received by post and via the DWP may require a letter to be sent seeking the outstanding information. Personal callers making a claim at the CSCs and surgeries can be sent away with a note of what is still required.

Staffing & Capacity

- 3.19 At the inception of the Revenues & Benefits Shared Service based at Watford an establishment was agreed and put into place. In addition, at that stage, there was a reliance on Agency Staff to assist with the backlog that arose through a combination of increased caseload and the introduction of a new processing system for Watford.
- 3.20 The Agency Staff continued in place until April 2011 by which stage, two of the assessment officer vacant posts had been filled and a third by a dedicated Appeals Officer.
- 3.21 At that stage, having conducted a comparison of staffing levels against other similar sized authorities, members were advised that it was expected that with existing levels of staff, workload could be managed and backlogs reduced.
- 3.22 Members had already considered the option of using an off-site resource provided by Meritec but this was not progressed as the Agency providing the temporary resource at that time came back with competitive, reduced rates which made business sense for us to remain with them.
- 3.23 However, in the course of the last two months, it has been identified that although the staffing levels are appropriate in a “clean running” situation, they are inadequate in the current operation.
- 3.24 With the current position with regard to the Welfare Reform Bill and the role that

Local Authorities will have in delivering Universal Credits slowly becoming clearer, it is apparent that we need to have a more flexible solution when additional resources are needed. The solution offered by Serco does not tie us into a lengthy contract and we only pay when there is a need for the use of their services.

Revenues

3.25 A recovery programme including court dates is now in place. Whilst this is achieving its aim on one front in the form of increased collection rates, it is an inevitable consequence that the issue of reminder and final notices generate a high volume of correspondence in response.

Targets are:-

| | | | |
|---|---------|------|---------|
| Council Tax | | TRDC | Watford |
| | | % | % |
| Council Tax Base (to be collected eventually) | | 99.5 | 97.5 |
| In Year Collection: | 2010/11 | 98.8 | 97.3 |
| | 2011/12 | 98.9 | 97.5 |
| | 2012/13 | 99.1 | 97.9 |
| | | | |
| NNDR | | TRDC | Watford |
| | | % | % |
| In Year Collection (all years) | | 99.8 | 99.8 |

The service plan breaks the in-year figure down into quarterly targets. PIs on the shared services website breaks this down into monthly targets and actuals.

The current collection rates as at 31 May 2011 (and the monthly targets) are:

| Council Tax | May 2011 | Target | May 2010 |
|---------------|----------|--------|----------|
| WBC | 19.7 | 16.6 | 17.8 |
| TRDC | 20.1 | 16.6 | 20.0 |
| Business Rate | | | |
| WBC | 23.5 | 21.0 | 17.2 |
| TRDC | 25.5 | 21.0 | 27.8 |

3.26 The new accounts receivable system allows reminders to be issued for outstanding debts including commercial arrears. The monthly PI report records progress in debt recovery.

3.27 There are different write-off regimes at each council. It would help efficiency if harmonisation were possible and proposals are being considered for member approval. Write-offs requiring member approval will be produced shortly.

3.28 The implementation of the new Income Management System will afford the shared service greater control over income reconciliation with the role being brought into Revenues & Benefits and will also open up more payment channels with both CSC areas now able to accept payments over the phone at first point of contact.

The Way Forward

- 3.29 To address the backlogs, agreement is being sought to engage the services of a private company. We have been in discussion with three providers; Serco, Liberata and Capita. Capita were unable to offer help until July at the earliest so the dialogue went no further. The proposals submitted by Serco and Liberata are attached in Appendix 2 and 3 for information
- 3.30 The recommendation is that we engage Serco. This solution differs from a regular use of Agency contractor as the arrangement is on a resilience basis, i.e. we only use them when there is a demand and we are not tied into a long-term contract. In addition by basing their costs on a daily rate there is more certainty of what our costs will be.
- 3.31 The use of such an organisation will allow us to deal with peaks in workload and prevent associated backlogs but at a lower cost that we would incur if we were to use a traditional agency arrangement.
- 3.32 The company predicts a minimum average daily performance of 10 to 14 new claims a range of 13 – 40 changes in circumstances for Benefits and 25 – 50 items of Council Tax work per day.

All work is supported by the company's own QA framework with errors corrected at their own expense.

- 3.33 Based on the predicted output above, to clear every new claim we have would take between 42 and 30 "man" days at a cost of £5,880 to £4,270. However, we need to factor in that our own staff will also be reducing the workload and in May made 650 decisions against approx 400-500 claim forms.

Added to this would be the change in circumstances that also need to be processed. Due to the fact that changes are not identified as such when received in the service it is difficult to quantify although there are 180 claimant letters awaiting action received during March 2011 and 224 received during April 2011. These relate to a variety of changes and would take 13 – 20 "man" days costing £1,885 to £2,800.

With regard to Council Tax work outstanding. There are currently in the region of 3,500 items outstanding. To clear all of this would take 115 days at a cost of £14,950.

We do not propose to pass this much work to Serco. Using resources released following two vacancies arising, staff have been working overtime over the weekends of 3 and 10 June to reduce the workload.

There are approximately 390 "moves" outstanding that were received in April which would cost £1,690.

4. IMPLICATIONS

4.1 Policy

- 4.1.1 The recommendations in this report are within the policies of the Joint Committee, Three Rivers District Council and Watford Borough Council.

4.2 Financial

- 4.2.1 The indicative cost quoted the resilience service provided by Serco is £140 per day for benefits staff and £130 per day for revenues staff. This is assuming a 7.30 hour day. As a comparator, agency benefit assessment staff are currently charged at approx £23 per hour (equivalent to £172 per day) and the previous

contact with Meritec to provide an offsite solution was quoted at £22 per hour (£165 per day)

As stated earlier, the arrangement is a “pay as you go” so costs will be reduced. In addition, the faster turnaround of new claims and changes will result in the potential for a reduced subsidy loss through fewer overpayments being classified as “local authority error” due to delay.

For Council Tax, the more prompt and accurate the billing activity, the easier recovery of council tax will be.

4.2.2 The result of this plan will be that we can identify a point (December 2011) by which we will have introduced the applications that will enable self-service, third party access to resolve queries and mobile working, all of which were identified as being necessary to generate savings identified in the Cost Reduction Exercise discussed at the Joint Shared Service Committee in November 2010.

4.3 Legal Issues (Monitoring Officer)

4.3.1 None specific to this report.

4.4 Risk Management and Health & Safety

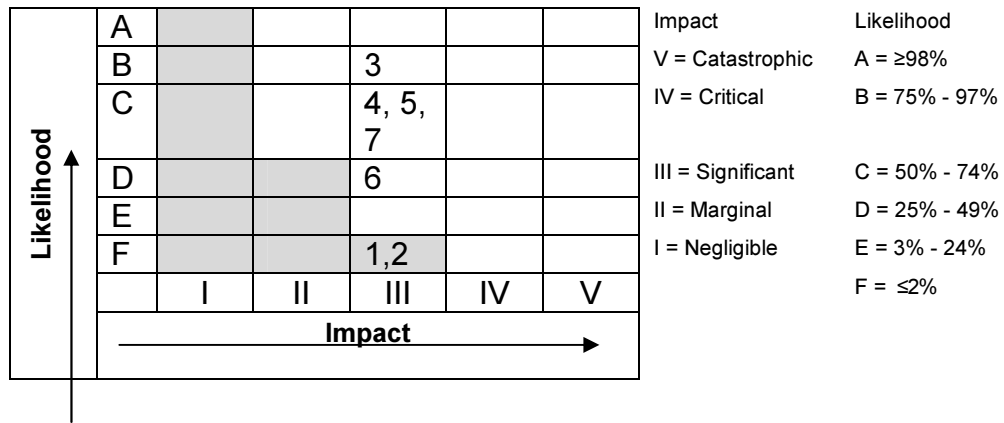
4.4.1 The following table gives the risks if the recommendation is agreed, together with a scored assessment of their impact and likelihood.

| | Description of Risk | Impact | Likelihood |
|---|---|--------|------------|
| 1 | The level of performance promised by Serco is not delivered | III | F |
| 2 | The quality of work produced by Serco is below existing standards | III | F |

4.4.2 The following table gives the risks that would exist if the recommendation is rejected, together with a scored assessment of their impact and likelihood:

| | Description of Risk | Impact | Likelihood |
|---|---|--------|------------|
| 3 | The service will be unable to deal with increases in demand | III | B |
| 4 | Increased workload will lead to increase in stress-related absences | III | C |
| 5 | Level of complaints due to delays will increase | III | C |
| 6 | Continued progress of the implementation of shared services, will be compromised due to management time taken up by “fire-fighting” | III | D |
| 7 | Risk of intervention by Audit Commission Inspection Teams due to poor levels of performance | III | C |

4.4.4 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood. Risks are tolerated where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require either monitoring or managing, in which case a treatment plan is prepared.



Appendices

- 1 Current progress against Action Plan as at 31 May 2011
- 2 Proposal submitted by Serco for Resilience Processing
- 3 Proposal submitted by Liberata for Resilience Processing
- 4 Action Timeline

Background Papers

No papers were used in the preparation of this report.

PROGRESS AGAINST ACTION PLAN AS AT 31 MAY 2011

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|------------------|--|---------------|---|-------------------------------------|---------------|----------|------------------|
| 3.6.1 | The authority should liaise with their external auditors regarding the £4,000 discrepancy between Civica, Academy and the finance system, to establish their thoughts on this amount and whether it is material. | High | Discrepancies with conversion of Civica to Academy investigated. Credit accounts transferred and Debit accounts to be raised. Systems now balance following this action | Revenues Manager | 31/03/11 | Yes | |
| 3.6.2 | Ongoing processes should be set up to ensure daily reconciliation of payments between Cedar and Academy is maintained and not just reconcile to the posting file. | High | 23/05/11 – Concentration on reconciling closing account as at 31/03/11. Existing controls will be in place for 2011/12 | Benefits Manager | March 2011 | No | June 2011 |
| 3.6.3 | Responsibility for Statutory returns such as the NNDR2 should be made clearer | Medium | New post approved by Joint Shared Service Committee 06/11/10 | Head of Revenues and Benefits | December 2010 | Yes | |
| 3.6.4 and 7.1.13 | Reconciliation of the Benefits system to all financial systems should be commenced immediately. Processes and procedures must be agreed with Finance. | High | To be dealt with at the same time as 3.6.2 above | Benefits Manager | March 2011 | No | June 2011 |
| 3.6.5 | A review of cheque handling and control within the benefits service should be undertaken. This should include the automatic interface of cheque payments. | Medium | Interface will require involvement of both Academy & COA. Existing controls in place are adequate and recommendation not a high priority | Benefits Manager | March 2011 | No | Oct 2011 |
| 3.6.6 | Clarification of the procedure for emergency payments for the service as a whole is needed. A review and documentation of the reconciliation procedure for both Watford and Three Rivers | Medium | Existing controls are in place but formalised procedure to be drafted. | Benefits Manager & Revenues Manager | April 2011 | No | July 2011 |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|-----------------|---|---------------|---|--|----------------|----------|------------------|
| | payments should occur. | | | | | | |
| 3.6.7 | The benefits overpayments brought forward from the Civica system to the Academy system should be reconciled. | Medium | System reconciled November 2010 | Recovery Team Leader | November 2010 | Yes | |
| 4.4.1 | Ensure subsidy administration is the responsibility of a control section that provides quality checks and training | High | New post approved by Joint Shared Service Committee 06/11/10 | Head of Revenues & Benefits | December 2010 | Yes | |
| 4.4.2 | Provide officers with clear procedures for the inputting of data into the Academy system. | High | "ACS" Procedure Manual has already been purchased and will be updated on an ongoing process. New post of Policy, Training & Quality Team Leader will be responsible | Policy, Training & Quality Team Leader | April 2011 | No | September 2011 |
| 4.4.3 | Provide officers with an overview of Benefits subsidy and the impact on subsidy loss when poor data is inputted into the system. | Medium | Training delivered as part of programme August 2010 | Benefit Manager | August 2010 | Yes | |
| 4.4.4 | Use checking and quality assurance throughout the year to identify recurring errors and amend procedures and processes accordingly. | High | Academy "QA" module being used | Benefit Manager | August 2010 | Yes | |
| 4.4.5 | Run subsidy once a month and report to the Head of Service of likely annual subsidy loss or where subsidy gains could be obtained. | Medium | Practise commenced September 2010. | Head of Revenues & Benefits | September 2010 | Yes | |
| 5.3.1 And 6.7.1 | Move the Academy systems on to one server as soon as possible | High | Originally delayed to bring releases up to date. Project commenced May 2011 reporting progress to Programme Board. | Head of Revenues & Benefits | April 2011 | No | Aug 2011 |
| 5.3.2 | Review cash reconciliations working practices and bring the control function under one officer's responsibility | Medium | New post approved by Joint Shared Service Committee 06/11/10 | Head of Revenues & Benefits | December 2010 | Yes | |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|---------|--|---------------|---|-------------------------------------|----------------|----------|------------------|
| 5.3.3 | Review the need for a dedicated support team or officer. This should include a review of succession planning for key roles | High | New post approved by Joint Shared Service Committee 06/11/10 | Head of Revenues & Benefits | December 2010 | Yes | |
| 5.3.4 | Review the current structure | Medium | Much work had been undertaken in forming existing structure prior to implementation of Shared Service. No further action in short-term Not a priority action – will review by end of 201/12 | Head of Revenues & Benefits | April 2012 | No | |
| 5.3.5 | Implement daily, weekly and monthly performance measures of work throughput | Medium | Performance is now monitored regularly using data from Academy and Anite systems | Benefits Manager & Revenues Manager | May 2011 | Yes | |
| 5.3.6 | Review levels of Council Tax and NNDR previous year's arrears as well as current year performance. | Medium | Agreed. Previous years' collection already reported as part of QRC4 return. Now incorporated as part of monthly report | Revenues Manager | May 2011 | Yes | |
| 5.3.7 | Plan for single persons discount review over quarters 3 and 4 | Low | Working in partnership with Herts CC | Revenues Manager | December 2011 | No | |
| 5.3.8 | Commence recovery action for Council Tax and NNDR immediately – (Planned) | Medium | Recovery commenced August 2010. Full recovery programme for 2011/12 in place and being adhered to | Revenues Manager | August 2010 | Yes | |
| 5.3.9 | Harmonise level of costs and recovery polices as soon as possible | Medium | Completed as part of first court action September 2010 | Revenues Manager | September 2010 | Yes | |
| 5.3.10 | Harmonise payment dates as soon as possible | Medium | Most date are harmonised apart from DD. Will review for 2012/13 | Revenues Manager | April 2012 | No | |
| 5.3.11 | Harmonise working practices and polices relating to disablement relief | Medium | Work underway – Inspector in process of reviewing cases | Revenues Manager | July 2011 | No | |
| 5.3.12 | Consider reviewing bailiff performance and selecting the highest performing company | Medium | Agreed – will monitor performance of existing bailiffs in first half of 2011/12 | Revenues Manager | October 2011 | No | |
| 5.3.13 | Either write off debts or reinstate committal proceedings unless it is uneconomic to collect the debt | Low | Agreed – two staff have been tasked to identify cases for write-off | Revenues Manager | September 2011 | No | |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|------------------------|---|---------------|--|---------------------------------------|---------------|----------|------------------|
| 5.3.14 | Harmonise recovery policies relating to bankruptcies. | Low | Agreed – not high priority. Will be resolved during 2011/12 | Revenues Manager | March 2012 | No | |
| 5.3.15 | Review the structure for recovery and billing purposes and where responsibility for recovery is placed. | Low | Agreed – new Revenues Manager implemented temporary changes to be reviewed in quarter 2. | Revenues Manager | May 2011 | Yes | |
| 5.3.16 | Review write-off policies and harmonise over the two authorities | Low | Review completed and revised procedure submitted to Joint Shared Service Committee 13 June 2011 | Head of Revenues & Benefits | May 2011 | Yes | |
| 5.3.17 | Train 6 of the 9 the recovery officers to attend a magistrate's court | Medium | Training completed 10/11/10 | Revenues Manager | November 2010 | Yes | |
| 5.3.18 | Ensure refunds are made, this is corrected immediately. | High | Completed August 2010 | Revenues Manager | August 2010 | Yes | |
| 5.3.19 | Notepads from the old Civica system have not been converted into the Academy system Either bring the information into the Academy system or import them into the Anite system using functionality within Anite | Medium | Will form part of duties of Policy Quality & Training Team Leader | Policy Quality & Training Team Leader | April 2011 | No | Sept 2011 |
| 5.3.20 And 8.1.7 | Review the use of Anite to bring efficiencies to the service | High | Will form part of duties of Policy Quality & Training Team Leader | Policy Quality & Training Team Leader | April 2011 | No | Sept 2011 |
| 5.3.21 | Obtain an independent review of Academy or liaise with other authorities as to functionality available. | High | Will consider once migration to one server has been completed. We have the option to have "health checks" and will take this up. In meantime will make use of existing expertise across both councils in shared service. | Head of Revenues & Benefits | August 2011 | No | March 2012 |
| 5.3.22 | Review the clerical/administrative support required within the | Medium | Much work had been undertaken in forming existing structure prior to | Head of Revenues & | April 2012 | No | |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|---------|--|---------------|--|---------------------------------------|---------------|----------|------------------|
| | structure | | implementation of Shared Service. No further action in short-term Not a priority action – will review by end of 2011/12 | Benefits | | | |
| 5.3.23 | Review printing of demand notices when Academy has been migrated to one system | Medium | Migration originally delayed to bring releases up to date. Project commenced May 2011 reporting progress to Programme Board. | Head of Revenues & Benefits | April 2011 | No | Aug 2011 |
| 5.3.24 | Configure the systems so Watford CSC have access to Academy | Medium | Configuration completed and training of CSC completed May 2011 | Revenues Manager | May 2011 | Yes | |
| 5.3.25 | Consider additional resources to input information relating to benefit overpayment and issue invoices | High | Completed November 2010 | Recovery Team Leader | November 2010 | Yes | |
| 5.3.26 | Measure performance of benefit overpayment collection and set targets as soon as possible | High | Completed and reported to Joint Shared Service Committee as part of regular meeting | Revenues Manager | March 2011 | Yes | |
| 5.3.27 | Provide training and interim support to other officers when the Revenues Manager leaves | High | Completed – Interim Manager in post. Now left as permanent appointment made | Head of Revenues & Benefits | August 2010 | Yes | |
| 6.6.1 | Review benefit working practices to actively manage the workload and prepare an improvement plan to include targets based upon resources available and workload anticipated. | High | In place. Benefits Manager & Team Leaders meet weekly to review individual performance | Benefits Manager | May 2011 | Yes | |
| 6.6.2 | Decide upon the target for the “Right Time” indicator for the Benefits Service. | Medium | Completed and reported to Joint Shared Service Committee as part of regular meeting | Benefits Manager | March 2011 | Yes | |
| 6.6.3 | Measure the actual workload within the Anite system and not just those items entered onto the Academy system. | High | Will form part of duties of Policy Quality & Training Team Leader | Policy Quality & Training Team Leader | April 2011 | No | Sept 2011 |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|-----------------------|---|---------------|--|---------------------------------------|------------|----------|------------------|
| 6.6.4 | Provide Customer Care training for all officers. | Medium | Will be delivered following introduction of new working practices with CSC taking more front-line queries. | Policy Quality & Training Team Leader | April 2011 | No | July 2011 |
| 6.6.5 | Formalise the Complaints process within the service. Use regular reporting to manage the outstanding complaints | Medium | Complete. Complaints for both authorities now dealt with under individual authority procedures | Head of Revenues & Benefits | May 2011 | Yes | |
| 6.6.6 | Undertake customer surveys to measure satisfaction with the service | Medium | Agreed to work in collaboration with both CSC | Head of Revenues & Benefits | June 2011 | No | |
| 6.6.7 | Develop a measurement process of the target for customer care within the whole service. | Medium | Agreed to work in collaboration with both CSC | Head of Revenues & Benefits | June 2011 | No | |
| 6.7.1 And 5.3.1 | Review the project to migrate the Academy system and move the system on to one server as soon as possible | High | Originally delayed to bring releases up to date. Project commenced May 2011 reporting progress to Programme Board. | Head of Revenues & Benefits | April 2011 | No | Aug 2011 |
| 6.7.2 | Benchmark the service regularly with a benchmarking club | Medium | Agreed. Now part of "BenX Review Group" | Head of Revenues & Benefits | March 2011 | Yes | |
| 6.7.3 | Based upon current resources create a benefits improvement plan on how the service will improve over the coming months | High | Incorporated into Service Plan for 2011/12 | Head of Revenues & Benefits | March 2011 | Yes | |
| 7.1.1 | Remove surname splits and have work allocated by team leaders on a daily and priority basis to officers. Ensure that new claims received are a priority followed by changes in circumstance that will create an overpayment | High | Work now allocated on new claim / change split. | Benefit Manager | May 2011 | Yes | |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|---------|---|---------------|--|-------------------------------------|------------|----------|------------------|
| 7.1.2 | Fast track new (clean) claims – consider a fast track service for customers at the CSC | Medium | Agreed to work in collaboration with both CSC | Benefit Manager | June 2011 | No | |
| 7.1.3 | Empower the team leaders to allocate work and manage performance through their teams | High | In place | Benefit Manager | April 2011 | Yes | |
| 7.1.4 | Implement a performance framework that involves all officers. Notify all concerned of performance on a daily basis by email, intranet, whiteboards or one to ones | High | In place | Benefit Manager & Revenues Manager | March 2011 | Yes | |
| 7.1.5 | Commence customer feedback surveys. Consider a target for customer satisfaction | Medium | Repeat of 6.6.6 and 6.6.7 above | Head of Revenues & Benefits | June 2011 | No | |
| 7.1.6 | Review all recent circulars with Benefit Manager, team leaders and the policy and development team immediately | Medium | In place – Policy Quality & Training Team staff now tasked with responsibility | Benefits Manager | Aug 2010 | Yes | |
| 7.1.7 | Commence team meetings immediately. Use as a basis for two way communication and ideas for service improvement | High | In place | Benefits Manager & Revenues Manager | March 2011 | Yes | |
| 7.1.8 | Use quality checking to create training needs for the service and for individual officers. Weight types of errors based upon financial and non financial impact | High | Academy “QA Module” now in use for both WBC and TRDC claims. | Benefits Manager | Aug 2010 | Yes | |
| 7.1.9 | Within the performance framework build in individual performance levels. Agree with officers an average for performance over a period and review at one to ones or whenever appropriate | Medium | In place | Benefit Manager & Revenues Manager | March 2011 | Yes | |
| 7.1.10 | Release the written procedures, review with staff working groups to | High | “ACS” Procedure Manual has already been purchased and will be updated on | Policy, Training & | April 2011 | No | September 2011 |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|------------------------|---|---------------|---|--|----------------|----------|------------------|
| | ensure they are adopted. | | an ongoing process. New post of Policy, Training & Quality Team Leader will be responsible | Quality Team Leader | | | |
| 7.1.11 | Work with the agency contractor currently undertaking appeals to share knowledge amongst key officers such as team leaders or the policy team | High | Agency Contractor is now permanent employee | Benefits Manager | April 2011 | Yes | |
| 7.1.12 | Use the policy and development team to create training plans. | Medium | In place. Academy "QA" Module being used to determine training needs | Policy, Training & Quality Team Leader | March 2011 | Yes | |
| 7.1.13 And 3.6.4 | Reconcile the benefits system to all other systems such as Council Tax and Finance | High | To be dealt with at the same time as 3.6.2 above | Benefits Manager | March 2011 | No | June 2011 |
| 7.1.14 | Ensure there is a responsible officer for the system administration. | High | New post approved by Joint Shared Service Committee 06/11/10 | Head of Revenues and Benefits | December 2010 | Yes | |
| 7.1.15 | Review the call handling processes and either allocate officers to telephone duty or use the CSC resource better | Medium | CSC Watford now trained to handle frontline queries (Council Tax). Benefit Officer staff phones on rota basis | Head of Revenues and Benefits | May 2011 | Yes | |
| 8.1.1 | Consider giving the partnership an identity | High | Closed – Decision made at inception of Shared Service that councils would keep their own identity | None | | | |
| 8.1.2 | Improve staff morale by provide training and demonstrate commitment to harmonising working practices | High | Team Development Days held in January & February 2011 | Head of Revenues & Benefits | February 2011 | Yes | |
| 8.1.3 | Consider professional training such as IRRV Technician | High | Agreed – Three staff currently studying | Head of Revenues & Benefits | September 2010 | Yes | |
| 8.1.4 | Ensure scanners are maintained and serviced regularly | Medium | Completed – Scanner contract reviewed | Benefits Manager | November 2010 | Yes | |

| Ref No. | Recommendation | Risk Priority | Action to Date | Responsibility | Deadline | Resolved | Revised deadline |
|------------------------|---|---------------|---|---------------------------------------|----------------|----------|------------------|
| 8.1.5 | Review the time taken by IT to respond when users are locked out of the network | High | Closed. No longer a significant issue | None | | | |
| 8.1.6 | Review the number and types of printers available to ensures they are adequate for the administration and printing requirements | High | Migration to Windows Platform will increase capacity (see 5.3.1) | Head of Revenues & Benefits | April 2011 | No | August 2011 |
| 8.1.7 And 5.3.20 | Immediately review the use of the Anite system | High | Will form part of duties of Policy Quality & Training Team Leader | Policy Quality & Training Team Leader | April 2011 | No | Sept 2011 |
| 8.1.8 | Provide a PC which can access all systems in the private interview room. | Medium | Agreed to work in collaboration with CSC | Benefit Manager | June 2011 | No | |
| 8.1.9 | Set up Watford income section users on the Three Rivers systems | Medium | Agreed. Scheduled for completion in June 2011 | Income Team Leader | June 2011 | No | |
| 8.1.10 | Review the IT issues list, prioritise and create a well managed project to remove all IT issues | Medium | Completed. Future issues now raised as part of regular scheduled meetings between Head of R & B and Head of ICT | Head of Revenues & Benefits | September 2010 | Yes | |
| 8.1.11 | Harmonise HR policies as soon as possible | High | Corporate initiative underway | Head of HR | June 2011 | No | |
| 8.1.12 | Review the web site and bring up to date, identify responsibility for maintenance of the site and web pages | Medium | Agreed. Responsibility assigned and tasks will be completed during 2011/12 | Revenues Manager | March 2012 | No | |



Proposal for a Resilient Revenues and Benefits Processing Service for Watford and Three Rivers Councils

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advise | design | integrate | deliver

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1 Introduction

RB Solutions is a unique company who offer value for money business improvement solutions to the Revenues and Benefits environment.

We have a highly skilled team of experienced practitioners who understand the complexities of the Revenues and Benefits environment and are well versed in best practice procedures in Local Government. Our experience of providing remote processing services for Councils is second to none.

Our proposal to Watford Borough Council and Three Rivers District Council is based on providing a resilient remote processing service to ensure that the excellent performance which is already being achieved by the Council can be maintained at all times.

Like all organisations, the Council is affected by circumstances which result in periods of higher than average demand on the service throughout the year e.g. legislation changes, annual billing, annual upratings, system updates, staff retention and recruitment issues, sickness, holidays etc. RB Solutions offers a resilient processing service during such times so that the quality of service you provide is unaffected.

RB Solutions was acquired by Serco on 17 February 2010. The acquisition of RB Solutions by Serco and the combination of Serco's existing BPO capabilities combined with RB Solutions specialist skills expands the breadth of services we can offer to existing and new customers.



2 Our Approach

2.1 General

We have successfully been working in the Revenues and Benefits off-site processing market since 2004 and have therefore worked with, and are currently working for a large number of Council's who use our services on an ad-hoc basis to cover peaks in their workload.

A major part of our success is due to the fact that we fully understand the Revenues and Benefits market place and what drives the volumes through your services. Because of this market specific experience and intelligence and the partnerships we have developed with our customers we have been able to create staffing procedures that enable us to successfully manage our business and compliment our customer's requirements and demands.

RB Solutions currently employs 55 Revenues and Benefits Assessors (Not including 35 London Borough of Islington Assessors). All our staff must have at least 3 years processing experience and a minimum of 2 years experience of the major back office systems (Academy, Northgate, Civica and Pericles). In addition, during the recruitment process all candidates undertake a written test and system processing test which they must pass before a job offer is made.

All RB Solutions staff are full time employees and are based at our Processing Centres in either Ashton under Lyne or Barrow in Furness.

In addition to these core resources we have successfully developed a number of resource pools that compliment our permanent RB Solutions staff that we can call upon to increase the flexibility of our service provision. These are:

1. A partnership with arvato Local Government to provide additional service resilience

Since August 2008 we have had an exclusive partnership with arvato Local Government when they became our resilience partner for remote Revenues and Benefits processing. In essence the context of the partnership is that arvato supply RB Solutions with experienced Revenues and Benefits Assessors to assist with any additional workload we may have, over and above our permanent employed staff. If arvato's Assessors are ever utilised, they work to the same standards (output levels and quality levels) as RB Solutions Assessors.

2. A pool of experienced and reliable Revenues & Benefits Associates

Since 2005 we have grown a pool of experienced self employed Revenues and Benefits Associates that we can call upon should there be a requirement that we cannot fulfil from RB Solutions staff or arvato. The Associates that we use have a proven track record of delivering service excellence in the Revenues and Benefits market place.

3. A flexible pool of experienced resources who can work additional hours in overtime



Our RB Solutions staff, our resilience partners' staff and our Revenues and Benefits Associates are extremely flexible and are prepared to work additional hours at short notice. This is only used for short term assignment support.

2.2 Service Overview

An overview of how the service would typically be delivered is outlined below:

1. your front office staff continue to deal face to face with the public's enquiries
2. once checked, logged and scanned, the forms/accounts or files are batched into an agreed work tray(s), which can be accessed from our processing centre(s)
3. our staff then process these onto your back office processing system to agreed service levels (see section 2.5)
4. the forms/accounts or files are completed as appropriate when they have been fully processed
5. we will e-mail you a statement of work completed at a frequency to be agreed

For the day to day running of the contract, RB Solutions will appoint an experienced team leader's to manage the assignments.

All team leader's are suitably experienced in either the Benefits or Council Tax field and part of their responsibility will be to manage the work allocated to our 'team' of processors to ensure the work is processed in the most efficient way to achieve your strategic objectives and targets. This will include monitoring 'pending' items to ensure there is no unnecessary delay between information being received and accounts being actioned as required.

Anthony Case would assume the role of Assignment Sponsor for Watford Borough Council and Three Rivers District Council and as such would be the point of escalation for any operational issues which arise during its duration.

We can also confirm that RB Solutions conforms to all the relevant Housing Benefits Standards on the use of agency workers/outsourcing in Strategic Management, Internal Security and recruitment.

2.3 On-site Visits

In order to ensure that we conform to the Council's working practices and procedures we will send the assigned members of the Revenues and Benefits team onsite for 2/3 days at the commencement of the assignment. They will familiarise themselves with your procedures and will begin to process work during the visit. The onsite assessor(s) will then train other members of the offsite processing team as required to ensure that the service we provide is consistent with the way you work. There is a small charge for this to cover expenses only.

In addition, we will also send a member of the Quality team onsite for 1 day to agree the requirements for quality checking. There is no additional charge for this.



Moreover, RB Solutions will always endeavour to allocate the same staff to Watford Borough Council and Three Rivers District Council each time there is a requirement for work, once again maintaining continuity of service.

We find that the on-site visits are invaluable in ensuring that we deliver a service specific to the needs of the Council, NOT a generic service which could be provided to any local authority.

2.4 IT Requirements

Serco RB Solutions has two processing centres - Ashton under Lyne and Barrow in Furness, with a sophisticated IT infrastructure replicated in each office. Therefore the contract can be managed from either location which provides a high degree of resilience. These offices are backed up by 30Mb and 10Mb dedicated internet connections; additionally each office has a 16Mb ADSL link for Disaster Recovery. Moreover, should either office be unavailable we have implemented a home working solution whereby staff can access our infrastructure and work from home if necessary. There is therefore a great deal of resilience in the service and a range of options to ensure that Business Continuity can be ensured whatever the cause of the disruption.

The infrastructure is supported by firewalls managed by a third party and subject to a stringent SLA.

Please also note that our 5-year contract with the London Borough of Islington involves 85 Islington Benefits, Contact Islington and Parking Services staff based in Ashton with Serco RB Solutions responsible for the IT infrastructure and support of PC's and printers.

We therefore have considerable experience in ensuring Business Continuity for offsite processing and are extremely confident that the solution we propose is robust and resilient and that continuity of service will be ensured whatever issues may arise.

Serco RB Solutions IT staff will make contact with the nominated person and establish the method of connectivity to be used. We generally access Council's IT systems in two ways, either through a Citrix Access Gateway or through VPN, either IPSec Site-to-Site or L2TP client VPN. We would be happy to use either method when accessing Watford Borough Council and Three Rivers District Council's processing systems. If you have another method of access which you would like to us explore we would be happy to discuss this further with you.

We will at this stage also supply user details so that network logins and system logins can be created. Once the necessary logins have been created, these can be tested immediately and access to the relevant systems established. Should you require us to use @watford or @threerivers.gov.uk email addresses then these can also be set-up.

We will also agree in advance if you require letters we generate as part of our processing at your council offices or at our own offices in Ashton under Lyne. Should you require that we print and despatch the letters on your behalf a supply of stationery and envelopes will need to be provided and we can agree how the postage should be accounted for.



2.5 Security and compliance

2.5.1 Serco RB Solutions Resources

Serco RB Solutions has adopted the baseline personal security standards, which is the good practice guide to the pre-employment screening of staff. At Serco RB Solutions we ensure that pre-employment checks are carried out on all staff whose responsibilities include accessing DWP information on CIS. As a minimum we verify:

- Identity
- Employment history for the preceding 3-years
- Nationality and immigration status
- Unspent criminal record
- A reasonable account of any significant periods of time spent abroad

There are no declarations of interest for any claims or Council Tax records in Watford Borough Council and Three Rivers District Council. We are happy for our staff to prepare and sign any confidentiality statement required by the Council.

2.5.2 IT

Serco RB Solutions are currently operating with Local Authorities who are GCSx compliant. In March 2009, the DWP issued guidance relating to external providers of Housing Benefit services and provided 4 options for ensuring ongoing compliance to the GCSx requirements. After exploring each of the options available, we have chosen option 3, which is "The local authority extends its network (and therefore the footprint of the CoCo) to the part of the third party network that is delivering housing benefits services on its behalf". This option is the most suitable for our business type and service provision and has been implemented across the LA's we are currently working with.

Serco RB Solutions does not transfer any data from the authority's network to our own network. All data is accessed via the authority's network and system's and this provides the authority with the same safeguard's and audit trail that exists for their own staff.

Access by Serco RB Solutions to the authority's network and systems will be via a secure login for each member of staff. Serco RB Solutions only supply named users and do not use generic login details. All our PCs are password protected and appropriate access levels are determined, controlled and monitored and access is restricted to those with responsibility for working on that customers system.

Serco RB Solutions has a sophisticated firewall policy which is managed for us by a specialist company and allows us to ensure that our network cannot be breached and, therefore, prevents access to an authority's network by unauthorised parties.

Since Serco RB Solutions was formed in 2004 we have had no incidents relating to the misuse of confidential information that we have access to.

Our customers include us in any security audits they may be undergoing and we have had not had issues identified in our set-up.



2.5.3 Confidentiality

We will ensure that all information relating to cases in which the Council has instructed us to act on your behalf is treated as confidential and will not be disclosed for any purpose other than the performance of the contract.

All data held by us in connection with the contract will remain the property of the Council at all times and will be dealt with in accordance with the current Data Protection Legislation.

2.6 Performance

Below is a matrix which gives an indicative minimum average daily performance levels that RB Solutions would expect our Benefits Assessors to perform to with an industry standard DIP and Workflow system.

We are confident that RB Solutions can achieve these figures Watford Borough Council and Three Rivers District Council.

| CASE TYPE | NUMBER PER DAY |
|--|----------------|
| New Claims | |
| PRE-ASSESSED IS/JSA/PC Claims – Non PT | 15 |
| PRE-ASSESSED IS/JSA/PC Claims – PT | 13-15 |
| PRE-ASSESSED Non –IS Claims – Non PT | 14 |
| PRE-ASSESSED Non –IS Claims – PT | 12 |
| NOT PRE-ASSESSED IS/JSA/PC Claims – Non PT | 13-14 |
| NOT PRE-ASSESSED IS/JSA/PC Claims – PT | 10-12 |
| NOT PRE-ASSESSED Non –IS Claims – Non PT | 12 |
| NOT PRE-ASSESSED Non –IS Claims – PT | 10 |
| PRE-ASSESSED IS/JSA/PC CTB only Claims | 16 |
| PRE-ASSESSED Non –IS CTB only Claims | 15 |
| NOT PRE-ASSESSED IS/JSA/PC CTB only Claims | 14 |
| NOT PRE-ASSESSED Non –IS CTB only Claims | 13 |
| | |
| CIC's | |
| CANCELLATIONS | 20 |
| COA | 13-14 |
| HOUSEHOLD CHANGES | 20 |
| INCOME CHANGES | 20-25 |



| | |
|-------------------------------|-------|
| RENT INCREASES – Non PT | 40 |
| RENT INCREASED – PT | 25-30 |
| FUTURE UPRATINGS | 40 |
| ETD'S | 40 |
| POSTAL INTERVENTIONS – IS | 30 |
| POSTAL INTERVENTIONS – Non IS | 15-20 |
| VISIT INTERVENTIONS – IS | 30 |
| VISIT INTERVENTIONS | 15-20 |

Similarly, the matrix below gives an indicative daily performance level for Council Tax Assessors which we are confident we could achieve for Watford Borough Council and Three Rivers District Council.

| WORK TYPE | NUMBER PER DAY |
|--------------------------------------|----------------|
| OCCUPATIONS/VACATIONS | 30 |
| DISCOUNT APPLICATIONS | 40 |
| EXEMPTIONS | 40 |
| CTY VO CHANGES | 50 |
| RECOVERY PROCESSING (MIXED CASELOAD) | 25 |
| MIXED CASELOAD | 25 |

The above totals include the reading of correspondence on file, checking of associated accounts, dealing with any outstanding correspondence, completing notes on both the processing application and DIP system and writing associated letters / documentation.

We would assure the Council that should RB Solutions staff achieve the above average daily performance target within the 7.5 hour working day they will continue to process for the remainder of the working day.

The actual hours worked and performance achieved by individual and by the team in total will be provided to the Council at the agreed frequency from reports produced from our PMQA software.



2.7 Quality of Service

RB Solutions' focus is very much on Quality and we are convinced that we provide the best offsite processing capability for Revenues and Benefits in the UK. Our objective is to provide a quality service ensuring that the output we provide is of a very high standard.

The main reason we are able to provide such a high quality of service is that all our staff are highly qualified and experienced revenues/benefit processors. To ensure this we undertake a stringent selection process for all potential staff which includes in-depth interviews and a practical Revenues / Benefits knowledge test, which requires a 100% pass rate in order for an offer of employment to be made. In addition we only employ team leaders who have had previous supervisory experience in the Revenues / Benefits environment.

Within RB Solutions each team leader is responsible for the day to day management of a maximum of 8 processing staff, monitoring and allocating the appropriate type and amount of work to each individual on a daily basis. Targets for both throughput and accuracy are set for staff, and are monitored continuously by team leaders and daily by managers. The team leader managing the staff will also carry out regular spot checks to ensure that the appropriate quality is achieved. This enables us to monitor the accuracy and throughput of staff.

Our processing centres are developing a true "ONE TEAM" Culture – with daily team briefings, weekly structured meetings and a weekly training session using both internal and external resources, to keep up with and share best practice procedures. A monthly "Legislation Workshop" ensures that we can be confident in our staff's knowledge of regulations and other initiatives.

To further ensure that RB Solutions staff conform to a consistent and accurate level we utilise checklists on all contracts we undertake. We can provide example Quality reports for both Council Tax and Benefits, which are used as a Best Practice guideline to maintain accuracy and overall efficiency should you require them.

As standard we provide a 10% quality check for all the work we have processed – all checking being done by our quality team, not by the team processing the data. Quality Control Checklists for Council Tax and Benefits, which demonstrate how this is achieved can also be provided if required.

As far as accuracy is concerned, on all our contracts we achieve a very high accuracy figure (95%-99% is the average for pre-assessed work) and we would deliver 98% accuracy at Watford Borough Council and Three Rivers District Council.

The actual figures for both throughput and accuracy will be collated and monitored as part of the contract and statistics will be provided to the Council at an agreed frequency. For our own internal purposes we monitor Quality on a weekly basis so that any issues that can be identified quickly and remedial action put in place if necessary.

The PMQA system allows for a percentage of work to be automatically selected for each member of staff. The percentage selection can be varied for each user.



The system selects the cases to be checked each day, and our QA Team then carry out the checks as necessary and record the details and result of the check within the system. This then allows us to see the following information at any time:

- Number of checks completed for each user;
- Number of errors identified, broken down into financial, non-financial & procedural error categories;
- % quality level for financial, non-financial and procedural error categories;
- Details of any errors, such as income details or claim details, which enables us to quickly identify and training needs.

Any errors identified either financial or non-financial will be corrected at our expense.

DRAFT



3 References

As mentioned above our business is built very much on the quality of the service we provide and we strongly encourage all prospective customers to take up references.

RB Solutions has undertaken a substantial amount of processing work for a large number of Council's. The following Authorities are a selection for your information and we would be happy to pass on contact details for you to take references as required:

Bath and North East Somerset Council ([Council Tax, Benefits and Appeals](#))

Basildon District Council ([Quality Checking, Council Tax, Benefits and Appeals](#))

Bracknell Forest Borough Council ([Benefits, Appeals and Quality Checking](#))

Broxbourne Borough Council ([Benefits](#))

Dacorum Borough Council ([Benefits](#))

Dudley MBC ([Benefits](#))

Fareham Borough Council ([Benefits and Council Tax](#))

Flintshire County Council ([Benefits](#))

Gosport Borough Council ([Benefits](#))

Gwynedd Council ([Benefits](#))

London Borough of Barnet ([Council Tax and Benefits](#))

London Borough of Enfield ([Council Tax and Benefits](#))

London Borough of Haringey ([Benefits and Council Tax](#))

London Borough of Havering ([Benefits and Council Tax](#))

London Borough of Islington ([Benefits, Appeals and Quality Checking](#))

Medway Council ([Council Tax and Benefits](#))

Royal Borough of Kensington and Chelsea ([Benefits](#))

Southend on Sea Borough Council ([Benefits](#))

West Somerset District Council ([Council Tax and Benefits](#))

Wrexham County Borough Council ([Council Tax and Benefits](#))

In addition we would be delighted to host a visit to our processing centre in either Ashton under Lyne or Barrow, for members of the Council's Revenues and Benefits team to see the operation and meet some of the people involved in providing the service.



4 Our Commercial Proposal

Serco RB Solutions are proposing to enter into a flexible partnership with Watford Borough Council and Three Rivers District Council where the Councils can call on our services as and when you require them.

The solution:

Serco RB Solutions would offer the services of suitably experienced Revenues Officers and Benefit Assessors for a fixed daily rate.

The rate would either be a flat rate, which is not dependent on the number of assessors or the length of the assignment, or could incorporate discounts depending on the number of staff required and the duration of the assignment.

Serco RB Solutions would provide staff to Watford Borough Council and Three Rivers District Council within a maximum lead time of 10 working days from the request being received (if the resource is available within the 10 working day period, it will be made available earlier).

The costs are based on a 37.5 hour week.

All prices are subject to VAT.

The quote would be valid for 30-days from the date of the proposal.

DRAFT



5 Terms and Conditions

This proposal is subject to terms and conditions to be agreed.

It is proposed that this service be added to the existing contract under full Contract Change management.

Prices quoted are subject to VAT at the standard rate.

DRAFT

Saving time and money for Three Rivers and Watford Shared Service Centre with offsite support for essential Revenues & Benefits services

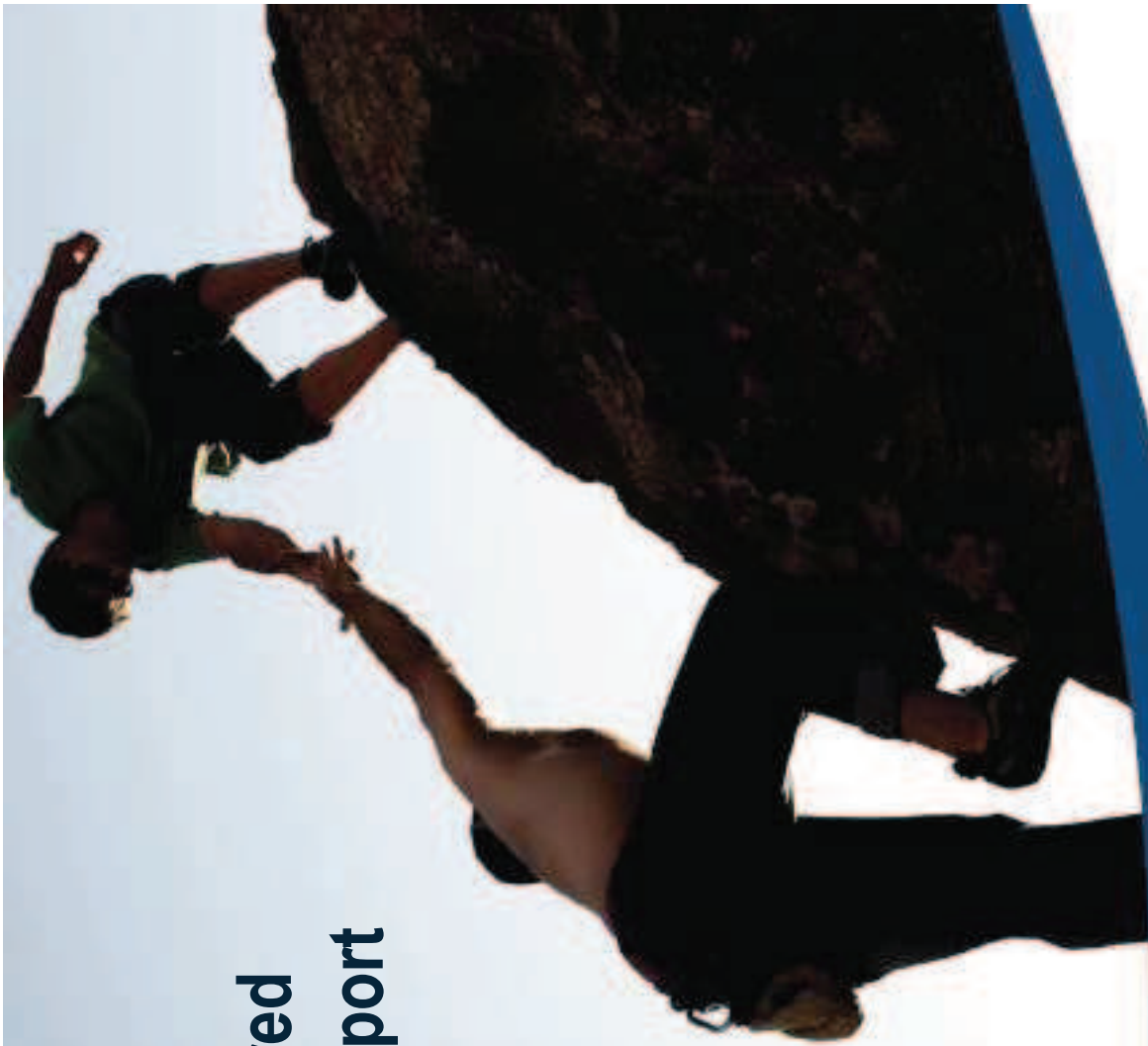
Excellence in shared service, on-demand.

27 May 2011



LIBERATA

**Virtual
Resource
Solutions**



Foreword

I am delighted to provide this Business Case which explains how we can save time and money for Three Rivers and Watford Shared Service Centre by providing offsite support for its Revenues & Benefits services.

If you would like more information or if I can be of any further assistance, then please don't hesitate to contact me.

Angela Storey
Service and Solution Development
Director
Email angelastorey@liberata.com
Mobile 07779245657



Liberata is the market benchmark for “productivity” in Revenues & Benefits, helping its clients achieve and redefine service performance, capacity, quality and cost.

Client expectations are continuously met and exceeded because we have invested in our own operations and tools so that we are engineered to deliver best-in-class productivity.

The consequence is that Liberata can operate more boldly with its clients, building and sharing its already high performing platform to pre-quantify productivity gains with minimised risk and time for attainment.

By engaging Liberata, clients can confidently predict their performance improvement outcomes by knowing “how” they will reach their target productivity levels.

Virtual Resource Solutions are a great way of sharing with you the economies we have achieved. Welcome to excellence in shared service, on-demand.

Dermot Joyce,
Chief Executive,
Liberata

**Virtual
Resource
Solutions**



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Virtual Resource Solutions excellence in shared service, on-demand

From our Director of Operations

For Liberata and many of its clients, shared services is not a new initiative – we’ve been doing it for years. As a result, our operations are engineered to deliver the highest levels of productivity. Our high processing volumes yield economies of scale that are, as far as we are aware, unmatched by our competitors for efficiency, cost or guaranteed quality.

Virtual Resource Solutions (VRS) is our way of sharing these benefits with you, freeing up your team, staying on top of workloads and preparing for year end.

Typically operating at up to 20% less than traditional in-house costs, 40% less than overtime costs and 60% less than temporary staffing costs, we can assist with your daily processing activities, eliminate your backlog and provide access to highly experienced specialist skills.

“ We want to share with you the success our clients are already benefitting from. The level of productivity we have achieved will save you vital time, money and enable you to focus on more important work. We’d love to help.” Lloyd Clark, Director of Operations, Liberata

Engineered for High Productivity

Liberata has invested to create the next generation of industrialised business processing, positioning itself to make a vital public service contribution.

- 700 Revenues & Benefits professionals connected to one network (OneTeam).
- 300-FTE Shared Service Centre at the centre of Liberata’s annual processing of 220,000 benefits cases and £1.7bn Council Tax & Business Rates collections.
- More efficient and quality assured document administration (OneTouch).
- Faster liability order management workflow and automation (FLOW).

- Performance regime designed to maximise visibility of process and officer productivity.



Liberata’s Shared Service Centre in Barrow-in-Furness is the UK hub for its Revenues and Benefits operations. We operate in a truly scalable and virtual environment which means that all 700 Liberata Revenues and Benefits professionals are connected to the virtual network and operate as extensions of the 300-FTE Shared Service Centre in Barrow. Liberata’s OneTeam™ approach provides clients with significant economies of scale and resilience, whilst ensuring that Liberata can match talent wherever and whenever it is most needed.



VRS: Benefits Assessments

Approach

Liberata operate as an extension to your team by providing a highly flexible VRS Benefits Assessment service on a transactional basis that will respond to changes in demand so you can select exactly the type of support you need.

- **We agree at the outset the levels of service you require.**
- **Work is separately allocated to staff with the right level of experience and knowledge for each work type.**
- **We guarantee to complete each work item with a final decision on every case given to us. That's why we only charge for completed cases.**
- **We can quickly scale-up to help you to manage demand, clear backlogs and prevent new ones occurring.**

Quality

We have been providing revenues and benefits services to our clients since 1994 and truly understand how important the quality of the work is to you and your customers. To this end we guarantee the quality of the work we do for you.

Service

Remote services to support any/all of:

| |
|---|
| Electronic DWP Documents & Rent Increases |
| Changes in Circumstance |
| Payments |
| New Claims |
| General Correspondence |
| Specialist Assessments |

Benefits Document Processing

We follow a simple six-step process:



Subject to contract. Liberata standard terms and conditions apply.



VRS: Revenues Administration



Approach

Liberata operate as an extension to your team by providing a highly flexible VRS Revenues Administration service on a transactional basis that will respond to changes in demand so you can select exactly the type of support you need.

Quality

We have developed effective processes that are proven to ensure:

- Database accuracy and integrity (detailed checking, recording, reporting).
- More efficient and quality assured document administration (OneTouch).
- Prompt and accurate billing.
- Faster liability order management workflow and automation (FLOW).
- Consistency through one revenues team working to standardised processes.
- Guaranteed and measurable daily outputs and integrated management reporting.

Service

Remote services to support any/all of:

| |
|---|
| Direct Debt & SPD Applications/Reviews |
| Occupation Changes, Discounts |
| AOE, AOB, Arrangements, Insolvency |
| Failed Liability Order Management |
| Correspondence, Exemptions, Refunds, Deceased |
| Council Tax Evaluation List |
| Bailiff Returns |
| NNDR Occupation Changes, Reliefs |
| NNDR Correspondence, Exemptions, Refunds |
| NNDR Bailiff Returns |
| NNDR Valuations |

Method

We follow a simple six-step process:

| | |
|---|---|
| 1 | Work item allocated to Revenues Officer tray |
| 2 | Work item opened and action taken on Revenues IT system |
| 3 | Notebook entry made (if appropriate) and any output checked for correctness |
| 4 | Work item completed |
| 5 | % of completed work items checked for accuracy |
| 6 | Client provided with weekly update of work completed against target |

Subject to contract. Liberata standard terms and conditions apply.

VRS: Processing Prices



Approach

Operated as a fully-managed service, we provide a seamless extension to the Council. Our engagement begins with a scoping definition to agree the levels of service you require and understand any policies or procedures you wish us to adopt so that we can act consistently. Our aim is to establish connectivity and remove your processing workload – fast.

Performance

We provide a quality driven service that is guaranteed and continuously checked, only using staff who have the right level of experience and knowledge.

Capability

As one of the UK's leading providers of specialist business processes, we employ over 700 Revenues & Benefits professional staff, collect over £0.5bn Council tax, £1.2bn NNDR and are responsible for a benefits caseload of over 220,000 annually. This volume of transactions provides a clear incentive for industrialised processes to gain maximum economies of scale and productivity.

VRS Provisional Pricing*

| BENEFITS SERVICE | PRICE PER DECISION |
|---|--------------------|
| Electronic DWP Documents/Rent Increases | £6.26 |
| Changes in Circumstance | £11.32 |
| Payments | £13.45 |
| New Claims | £17.44 |
| General Correspondence | £17.44 |
| Discretionary Payments | £17.44 |
| Specialist Work | £24.17 |

| COUNCIL TAX SERVICE | PRICE PER DECISION |
|--|--------------------|
| Direct Debit and Single Person Discount Applications/Reviews | £1.26 |
| Occupation Changes and Discounts | £3.94 |
| AOE, AOB, Arrangements, Insolvency | £2.90 |
| Failed Liability Order Management | £1.42 |
| Correspondence, Exemptions, Refunds, Deceased | £4.47 |
| Bailiff Returns | £5.61 |

* all prices are exclusive of VAT

Other services in the VRS range

Excellence in shared service, on-demand.



VRS: Subsidy Maximisation



Expertise

Benefit payments are normally a substantial part of Council expenditure and it is therefore vital you maximise your subsidy claim.

The claiming of Housing Benefit and Council Tax Benefit Subsidy is very complex. Recent reviews and the auditing of subsidy claims have revealed a high percentage of duplication and error resulting in a substantial under-claiming of subsidy grant.

Liberata provide expert subsidy services to a number of Councils and have a dedicated Subsidy Team with over 60 years' of combined benefits experience and up-to-date professional expertise in government legislation.

After more than 20 years working in a wide variety of benefits environments, Liberata also has gained a highly specialised knowledge of the leading benefits systems giving us the ability to replicate processes to your preferred platform.*

*Available for Academy and Northgate users only.

Advantages

- **Accurately estimate ongoing benefit expenditure, track expenditure against forecast, identify areas for subsidy maximisation and provide expert guidance on achieving this.**
- A single interpretation of complex regulations and guidance on removing duplication and inconsistency provides quality reassurance for Council & Auditors.
- Validation of subsidy data at claim level often reveals significant duplication, error and under-claiming of subsidy grant.
- Accurate claims result in reduced qualifications or financial amendments.
- Accurate monthly subsidy and reconciliation statements provide greater budget and financial control, minimise the deficit between actual payments and subsidy grant, and help to maintain a good relationship with DWP and Auditors.
- Remote system access reduces costs - direct contact is maintained via telephone conferencing facilities.

Services

1 Subsidy Review

One-off review of existing subsidy service to assess current performance, determine quality levels and identify opportunities to improve service and maximise subsidy.

2 DWP Statutory Returns

Completion of Final Claim and both Initial and Mid-Year Estimates. Batch run all subsidy and reconciliation system processes; extract and validate system data, compile reports with full supporting evidence to be able to complete DWP Final Claim and Estimates.

3 Full Subsidy Service

Monthly statements, bi-monthly projections, postings and system reconciliation, analysis of incentivised expenditure, annual budget projection, DWP Final Claim, DWP Initial and Mid Year Estimates plus full supporting evidence, software testing, legislative change, Audit and DWP enquiries and limited in-year data validation.

Subject to contract. Liberata standard terms and conditions apply.



APPENDIX 1: VRS Technical Requirements

For Liberata to deliver remote services, we have designed a basic operating model that assumes:

(i) VPN Connectivity

An Internet IPSEC VPN (site to site) that provides direct access to the Revenues and Benefits server(s). This will need sufficient bandwidth and low latency to allow our staff to work productively.

(ii) Remote Working Solution

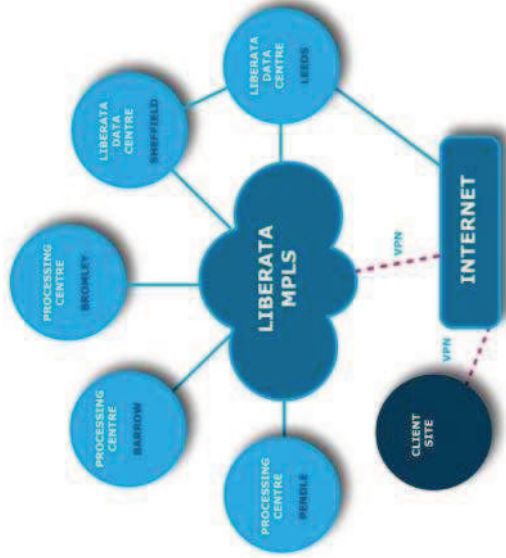
Access to the Council's Revenues and Benefits application, either via thin client technology (e.g. Citrix) or directly via a browser if the system supports HTTP/S client/server connections over a WAN link with connectivity via the VPN referenced above. Such HTTP/S connections can be either HTML or recognised plug-ins such as Oracle JInitiator, providing security and performance requirements are fully addressed.

(iii) CoCo Compliant Security

Liberata is the first organisation to achieve GCSe accreditation. This demonstrates our absolute commitment to security. Our provision of this service is fully compliant and based on the understanding that clients will provide secure and reliable connectivity and access with full regard for Data Protection and other relevant legislation to ensure the continued compliance of all parties.

Variations

Liberata has proposed a means of securely accessing remote Revenues and Benefits systems that uses popular and approved technologies securely. If a council should have secure remote connectivity/access facilities that do not conform to the above, Liberata may still be able to deliver the required service. Please contact us to discuss how we may best deliver a remote service using alternative technologies and facilities.



Compatible with all major systems.

We are committed to security and compliance.

Liberata is the first organisation to achieve GCSe accreditation.





APPENDIX 2: VRS for Revenues & Benefits

Liberata Virtual Resource Solutions (VRS) provides a range of flexible services enabling you to access a dedicated pool of permanent and experienced practitioners to provide additional capacity and resilience for as long as you need. With over 30 years of providing public sector services and a team of 700 practitioners working in a virtual shared services environment, Liberata is uniquely placed to help you manage your resourcing challenges, allowing you to concentrate on higher value activities.

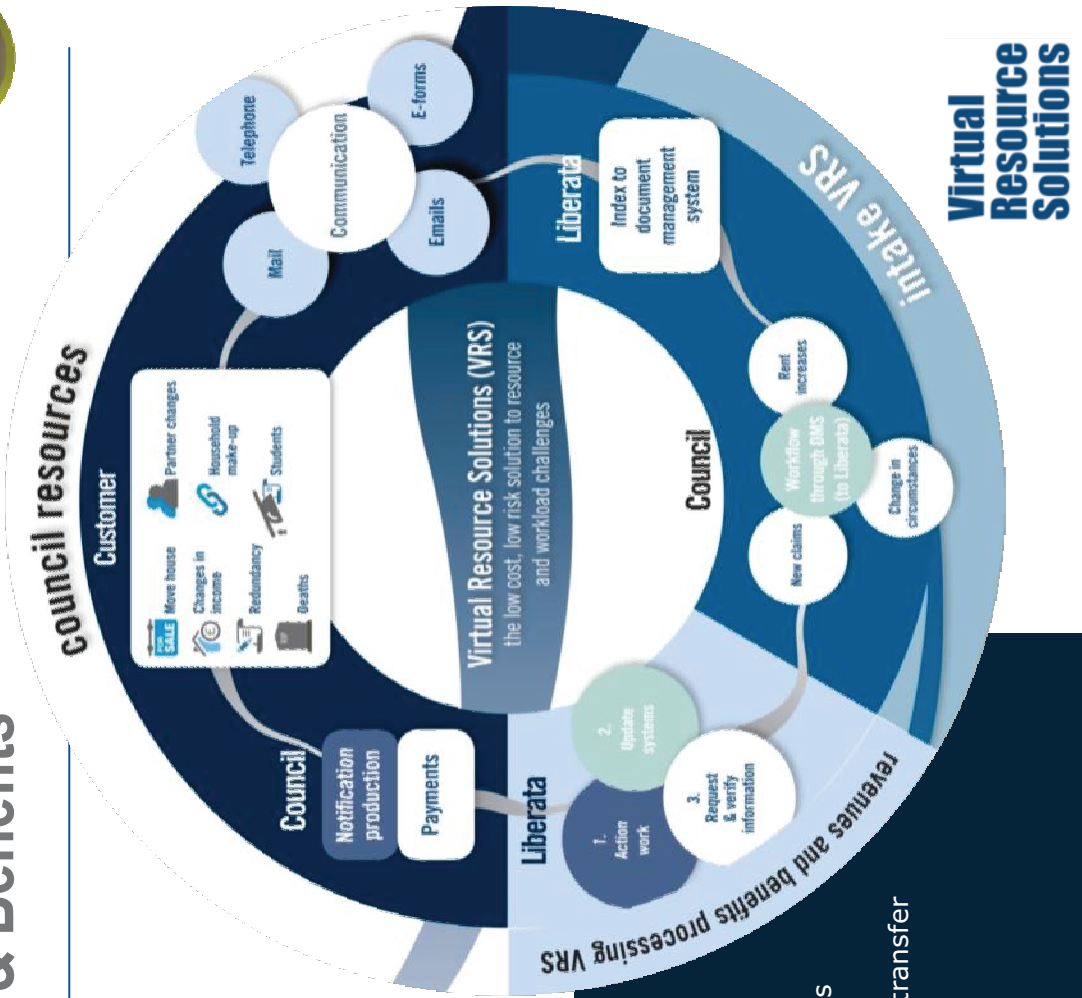
- VRS Range – Investing in productivity**
- Revenues**
- Benefits**
- Intake** (mail handling, scanning & indexing)
- IT Hosting**

Features

- Compatible with all major systems
- Compliant with government security standards, including Code of Connection
- Dedicated Liaison Manager
- Experienced & permanent practitioners
- Flexible resourcing to meet your needs
- Fully compliant with regulatory requirements
- Priced per transaction
- Performance & quality levels guaranteed and linked to fees
- Rapid deployment

Benefits

- Flexible resourcing
- Low cost
- Low risk
- Performance & quality guarantees
- Quick start up
- No staff or asset transfer
- Service resilience



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Experience that counts

2,500 people in 20 locations actively supporting central and local government

Liberata is one of the UK's most experienced and knowledgeable providers of business process services, managing services on behalf of public sector clients for 35 years, transforming service and cost efficiency and targeting real outcomes by redefining productivity and the customer experience.

| | |
|--------------------------|----------------------------|
| Revenues & Benefits | Document Management |
| Finance & Accounting | Property Management |
| Public Access | Administrative Support |
| HR & Payroll | Information Security |
| ICT Services | Fraud Management |
| Procurement | Design, Print & Web |
| Purchase-to-Pay Services | Virtual Resource Solutions |

For further information about Liberata please contact:

Liberata

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London
EC2V 7AN

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W: www.liberata.com

E: angelastorey@liberata.com



LIBERATA

**Virtual
Resource
Solutions**

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ACTION TIMELINE

| | <i>June</i> | <i>Jul</i> | <i>Aug</i> | <i>Sept</i> | <i>Oct</i> | <i>Nov</i> | <i>Dec</i> |
|---|-------------|------------|------------|-------------|------------|------------|------------|
| <i>Tackle Backlog</i> | → | → | | | | | |
| <i>Utilising Resilience Support provided by SERCO</i> | → | → | → | → | | | |
| <i>Restrictions on incoming calls</i> | → | → | | | | | |
| <i>Migrate TRDC system to Windows Platform</i> | → | → | | | | | |
| <i>Prepare Watford CSC scripts</i> | → | | | | | | |
| <i>Train R&B staff on combined system</i> | | | | → | → | | |
| <i>Train CSC staff on combined system</i> | | | | → | → | | |
| <i>Resolve telephone problems</i> | → | → | | | | | |

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THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13 June 2011

PART A

AGENDA ITEM

5

Title: REVENUES & BENEFITS- PROGRESS REPORT

Report of: Director of Corporate Resources & Governance – Three Rivers D.C.

Addendum

After para 2.2, add:

2.3 That the Committee approve expenditure up to £25,000 to engage Serco to assist with the outstanding workload

In place of para 3.16:

Customers should be told how long they can expect to wait for their benefit to be paid. The difficulty for officers is that, when not providing full information, the customer can be responsible for the delay. Officers are of the view, however, that we should promise customers “*to process claims within 28 days of receiving full information*”.

Substitute:

Customers should be told how long they can expect to wait for their benefit to be paid. The difficulty for officers is that, when not providing full information, the customer can be responsible for the delay. Officers are of the view, however, that by December 2011 we should promise customers that we will process their benefit claim or change in circumstances within 3 – 5.

After para 3.33, add:

3.34 The total expenditure incurred in engaging Serco will be below £25,000 and we would seek approval to spend up to that amount for this purpose.

Contact Officer:

For further information on this report please contact:

Phil Adlard – Head of Revenues & Benefits

telephone number: 01923 278023

email: phil.adlard@watford.gov.uk

Agenda Item 6

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13 June 2011

PART A

AGENDA ITEM

6

Title: *HARMONISED WRITE-OFF PROCEDURES*

Report of: Head of Revenues & Benefits

1. **SUMMARY**

1.1 This report recommends that harmonised write-off procedures be recommended to the two Councils.

2. **RECOMMENDATIONS**

2.1 That the harmonised write-off policy and procedures attached at Appendix 1 be recommended to the two Councils.

Contact Officer:

For further information on this report please contact:

Phil Adlard – Head of Revenues & Benefits

telephone number: 01923 278023

email: phil.adlard@watford.gov.uk

Report approved by:

Tricia Taylor – Executive Director Resources – Watford Borough Council

David Gardner – Director of Corporate Resources & Governance – Three Rivers DC

3. DETAILED PROPOSAL

- 3.1 Three Rivers and Watford have historically had individual write-off policies each meeting their individual financial standing orders and schemes of delegation.
- 3.2 In an effort to harmonise the policies and procedures the attached document (Appendix I) has been drafted so that the service can work to one harmonised procedure with parity over procedure and levels of authorisation.
- 3.3 The attached procedure has been discussed and agreed at the Shared Service Management Team on 7 April 2011.
- 3.4 Whilst the Joint Committee will, by approving this report, by agreeing to the parameters set out, it will still be the individual authority's responsibility to agree the policy and amend delegations as appropriate.

4. IMPLICATIONS

4.1 Policy

- 4.1.1 The recommendations in this report are within the policies of the Joint Committee, Three Rivers District Council and Watford Borough Council.

4.2 Financial

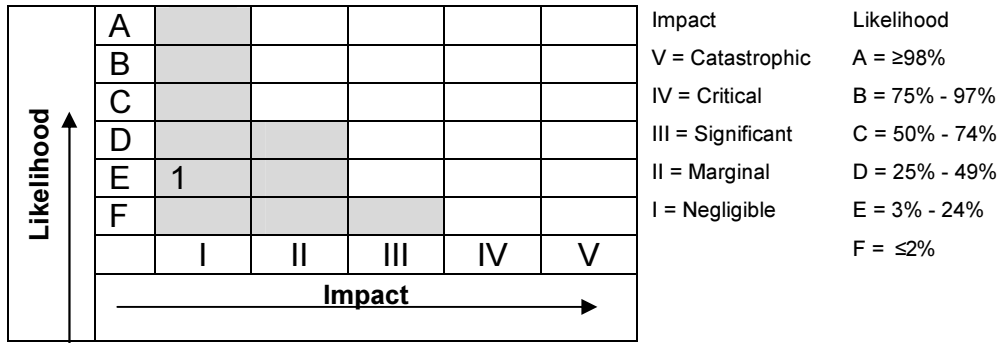
- 4.2.1 There will be no financial issues with the approval of this report. However, each authority will need to agree that the financial limits are acceptable and amend any delegatory powers as they see fit.

4.3 Risk Management and Health & Safety

- 4.3.1 There are no risks to the Joint Committee in agreeing the recommendation.
- 4.3.2 The following table gives the risk that would exist if the recommendation is rejected, together with a scored assessment of its impact and likelihood:

| Description of Risk | | Impact | Likelihood |
|---------------------|--|--------|------------|
| 1 | Lack of clarity created due to two separate write-off policies will create an unsatisfactory inconsistent approach | I | E |

- 4.3.3 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood. Risks are tolerated where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require either monitoring or managing, in which case a treatment plan is prepared.



4.4 **Equalities**

4.4.1 *Relevance Test*

Has a relevance test been completed for Equality Impact? Yes

Did the relevance test conclude a full impact assessment was required? No

Appendices

- 1 Harmonised write-off policy

Background Papers

No papers were used in the preparation of this report.

**Watford & Three Rivers Councils
Revenues & Benefits Shared Service**

Write off Policy & Procedures

April 2011

| | |
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| 2. Writing off level 1 debts..... | 8 |
| 3. Writing off level 2 debts..... | 9 |
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| Appendix 1 – Council Tax Debts..... | 11 |
| Appendix 2 – Business Rate Debts | 12 |
| Appendix 3 – Housing Benefit Overpayments | 13 |
| Appendix 4 – Sundry Debts | 14 |
| Appendix 5 – Equality Impact Assessment..... | 15 |
| Version Control..... | 16 |

1. Overview

1. The Revenues & Benefits Shared Service has individual write off policies and procedures for the following debt streams:

Council Tax – Appendix 1

NNDR / Business Rate – Appendix 2

Housing Benefit Overpayments – Appendix 3

Sundry Debts – Appendix 4

2. An equality impact assessment has been completed for this document and is attached as Appendix 5.
3. This write off policy and associated procedures are written in accordance with the Financial Procedure Rules of both authorities as follows:

Responsibility of the Chief Financial Officer (s151 officer)

- a. to agree arrangements for the collection of all income due to the Council and to approve procedures & documentation.
 - b. Where debt is recovered centrally, to establish and initiate appropriate procedures, including legal action where necessary, for debts that are not paid promptly.
 - c. To agree the write-off of bad debts up to an approved limit in each case and refer larger sums to the Executive / Cabinet.
 - d. To approve all debts to be written off in consultation with the relevant chief officer and to keep a record of all sums written off up to the approved limit and to adhere to the requirements of the Accounts & Audit Regulations 2003
 - e. To obtain the approval of the Executive / Cabinet in consultation with the relevant Chief Officer for writing off debts in excess of the approved limit
 - f. To ensure that appropriate accounting adjustments are made following write-off action
4. The approved limits are set out in the following table. They apply to individual debtors and not debts.

| Debt | Approval Limit | Level 1 debt 0 - £500 | Level 2 debt £501 - £3000 | Level 3 debt £3001 and more |
|-----------------------------------|----------------|-----------------------------------|------------------------------|-----------------------------------|
| Council Tax | | Head of Revenues & Benefits | S151 Officer | Executive / Cabinet |
| Business Rate | | Head of Revenues & Benefits | S151 Officer | Executive / Cabinet |
| Sundry Debtor | | Head of Revenues & Benefits | S151 Officer | Executive / Cabinet |
| Housing Benefit Overpayment | | Head of Revenues & Benefits | S151 Officer | Executive / Cabinet |

5. These limits will not apply in the case of debts for which there is no legal recourse for recovery, i.e. irrecoverable debts due to the insolvency of the debtor or death of the debtor for which there are no assets.
6. Writing off a debt as irrecoverable must be a last resort. All methods of legal recovery processes must have been exhausted first.
7. All irrecoverable write-offs must be made in accordance with the individual procedures as set out in the relevant appendix.

2. Writing off level 1 debts

1. These are debts that can be written off with the approval of the Head of Revenues & Benefits
2. All debts less than the approval limit £500.00 will be written off on a monthly basis.
3. All debts will be contained in one document per fund together with any relevant supporting documentation.
4. The supporting documentation will be as outlined in the relevant appendix.
5. A debt will not be considered to have been written off until it has been authorised by the Head of Revenues & Benefits
6. All write-off documentation will be kept by the Revenues Manager for retention for a period of two years. A total debt figure will be maintained.
7. The fact that a debt has been written off does not exclude it from being re-raised if new information comes to light as to the debtor's whereabouts.
8. Annual write-off of small debit & credit balances for closed accounts will be completed as part of the year end process. The figure for this will be no more than £10.00

3. Writing off level 2 debts

1. These are debts that can be written off with the approval of the Section 151 officer of the relevant authority
2. All debts less than the approval limit £3000.00 will be written off on a quarterly basis.
3. All debts will be contained in one document per fund together with any relevant supporting documentation.
4. The supporting documentation will be as outlined in the relevant appendix.
5. A debt will not be considered to have been written off until it has been authorised by the Section 151 officer.
6. All write-off documentation will be kept by the Revenues Manager for retention for a period of two years. A total debt figure will be maintained.
7. The fact that a debt has been written off does not exclude it from being re-raised if new information comes to light as to the debtor's whereabouts.

4. Writing off level 3 debts

1. These are debts that require the approval of the Executive or Cabinet for them to be written off as irrecoverable.
2. All debts will be written off on a quarterly basis and will be presented in a report to be submitted by the Head of Revenues & Benefits.
3. The report will contain all relevant supporting documentation that will assist the Executive / Cabinet in their decision making process and will be written in accordance with the respective Council's requirements
4. The supporting documentation will be as outlined in the relevant appendix.
5. A debt will not be considered to have been written off until it has been approved by the Executive / Cabinet.
6. On approval, the debt may be written off on the relevant computer system.
6. All write-off documentation will be kept by the Revenues Manager for retention for a period of two years. A total debt figure will be maintained.
7. The fact that a debt has been written off does not exclude it from being re-raised if new information comes to light as to the debtor's whereabouts.

Appendix 1 – Council Tax Debts

Procedures Prior to write-off

1. All Council Tax debts must be pursued in a timely and efficient manner.
2. A debt can be deemed irrecoverable at any point in the recovery cycle. There can be a variety of reasons for this, such as:
 - a. Inability to trace the debtor
 - b. Debtor deceased
 - c. Debtor declared insolvent
 - d. No longer cost effective to pursue
 - e. Statutory Time Limits have been exceeded.
3. The Council must ensure that all reasonable efforts have been made to collect the debt before any consideration is given to writing the debt off. What is reasonable will be determined by the size of the debt. Consideration should be made of the fact that the cost to obtain a liability order is £100.00 and costs to issue documents around £25.00 with a home visit around £40.00
4. Where appropriate, the following recovery processes available to the Council must have been exhausted:
 - a. Issue of Court Summons
 - b. Obtaining a Liability Order
 - c. Attachment of Earnings Order
 - d. Attachment of Benefits
 - e. Referral to a Bailiff
 - f. Instigation of Insolvency action
 - g. Charging Order
 - h. Attachment of Allowances
 - i. Committal to prison
5. Other options that should be considered as determined by circumstances will include:
 - a. Use of tracing agents
 - b. Contact with other Local Authorities
 - c. Home Visit
 - d. Liaison with other Authority departments
 - e. Joint & Several Liability
 - f. In cases where there is a Council Tax Benefit Excess Payment, DWP CIS data.

Appendix 2 – Business Rate Debts

Procedures Prior to write-off

1. All Business Rate debts must be pursued in a timely and efficient manner.
2. A debt can be deemed irrecoverable at any point in the recovery cycle. There can be a variety of reasons for this, such as:
 - a. Inability to trace the debtor
 - b. Debtor deceased
 - c. Debtor declared insolvent
 - d. No longer cost effective to pursue
 - e. Statutory Time Limits have been exceeded.
3. The Council must ensure that all reasonable efforts have been made to collect the debt before any consideration is given to writing the debt off. What is reasonable will be determined by the size of the debt. Consideration should be made of the fact that the cost to obtain a liability order is £100.00 and costs to issue documents around £25.00 with a home visit around £40.00
4. Where appropriate, the following recovery processes available to the Council must have been exhausted:
 - a. Issue of Court Summons
 - b. Obtaining a Liability Order
 - c. Referral to a Bailiff
 - d. Instigation of Insolvency action
 - e. Committal to prison
5. Other options that should be considered as determined by circumstances will include:
 - a. Use of tracing agents
 - b. Contact with other Local Authorities
 - c. Site Visit
 - d. Liaison with other Authority departments

Appendix 3 – Housing Benefit Overpayments

Procedures Prior to write-off

1. All debts must be pursued in a timely and efficient manner.
2. A debt can be deemed irrecoverable at any point in the recovery cycle. There can be a variety of reasons for this, such as:
 - a. Inability to trace the debtor
 - b. Debtor deceased
 - c. Debtor declared insolvent
 - d. No longer cost effective to pursue
 - e. Statutory Time Limits have been exceeded.

It is important to make clear the difference between an overpayment that we choose not to or are unable to recover and an overpayment that is deemed non-recoverable by the Housing Benefit Regulation. The latter will not be governed by this policy.

3. The Council must ensure that all reasonable efforts have been made to collect the debt before any consideration is given to writing the debt off. What is reasonable will be determined by the size of the debt. Consideration should be made of the fact that the cost to obtain a liability order is £100.00 and costs to issue documents around £25.00 with a home visit around £40.00. In addition, the circumstances giving rise to the overpayment should also be considered with only a good cause for writing off an overpayment that arose due to fraud.
4. Where appropriate, the following recovery processes available to the Council must have been exhausted:
 - a. Deductions from on-going benefit
 - b. Registration of the debt with the County Court (MCOL)
 - c. Attachment of Benefits
 - d. Referral to a Bailiff
5. Other options that should be considered as determined by circumstances will include:
 - a. Use of tracing agents
 - b. Contact with other Local Authorities
 - c. Home Visit
 - d. Liaison with other Authority departments
 - e. DWP CIS data.

Appendix 4 – Sundry Debts

Procedures Prior to write-off

1. All debts must be pursued in a timely and efficient manner.
2. A debt can be deemed irrecoverable at any point. There can be a variety of reasons for this, such as:
 - a. Inability to trace the debtor
 - b. Debtor deceased
 - c. Debtor declared insolvent
 - d. No longer cost effective to pursue
 - e. Statutory Time Limits have been exceeded.
3. The Council must ensure that all reasonable efforts have been made to collect the debt before any consideration is given to writing the debt off. What is reasonable will be determined by the size of the debt. Consideration should be made of the fact that the cost to obtain a liability order is £100.00 and costs to issue documents around £25.00 with a home visit around £40.00
4. Where appropriate, the following recovery processes available to the Council must have been exhausted:
 - a. Issue of Court Summons
 - b. Referral to a Bailiff / Collection Agent
 - c. Instigation of Insolvency action
5. Other options that should be considered as determined by circumstances will include:
 - a. Use of tracing agents
 - b. Contact with other Local Authorities
 - c. Home Visit
 - d. Liaison with other Authority departments

Appendix 5 – Equality Impact Assessment

Function/Service Being Assessed: Shared Service Write-off Policy

1. Populations served/affected:

- Universal (service covering all residents)?
- Targeted (service aimed at a section of the community –please indicate which) ?

2. Is it relevant to the general duty? (see Q and A for definition of ‘general duty’)

Which of these three aspects does the function relate to (if any)?:

- 1 – Eliminating Discrimination
- 2 – Promoting Equality of Opportunity
- 3 – Promoting good relations

Is there any evidence or reason to believe that some groups could be differently affected?

- Yes
- No

Which equality categories are affected?

- Race
- Age
- Sexual Orientation
- Disability
- Gender
- Religion

3. What is the degree of relevance?

In your view, is the information you have on each category adequate to make a decision about relevance?

- Yes (specify which categories)
- No (specify which categories)

Are there any triggers for this review (for example is there any public concern that functions/services are being operated in a discriminatory manner?) If yes please indicate which:

- Yes
- No

4. Conclusion

On the basis of the relevance test would you say that there is evidence that a medium or high detrimental impact is likely? (See below for definition)

- Yes
- No

Note: if a medium or high detrimental impact has been identified then a full impact assessment must be undertaken using Form B.

Completed forms should be attached as an appendix to the relevant report and a copy sent to the Community Partnerships Unit in Corporate Development, Strategic Services.

Definition of Low, Medium or High detrimental impact.

For any one (or more) equality group the following evidence is found:

| | |
|-------------------------|---|
| | <p>Evidence may come from one or more of the following sources:</p> <ul style="list-style-type: none"> • Local service data • Data from a similar authority (including their EIA) • Customer feedback • Stakeholder feedback • National or regional research |
| High Relevance | <p>The evidence shows a clear disparity (of more than 80% probability) between different sections of the community in one or more of:</p> <ul style="list-style-type: none"> • levels of service access; • quality of service received; or • outcomes of service. |
| Medium Relevance | <p>The evidence is unclear (or there is no evidence) if there is any disparity in terms of:</p> <ul style="list-style-type: none"> • levels of service access; • quality of service received; or • outcomes of service. |
| Low Relevance | <p>The evidence shows clearly (at least 80% certainty) there is no disparity in terms of:</p> <ul style="list-style-type: none"> • levels of service access; • quality of service received; or • outcomes of service.. |

Version Control

| Version Number | Date | Reason for Update | Made by |
|----------------|----------|-------------------|---------|
| 0.1 | 29.03.11 | Original Draft | PA |

Agenda Item 7

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13/06/11

PART A

AGENDA ITEM

7

Title: *ICT PROJECTS*

Report of: Avni Patel - Head of ICT

1. **SUMMARY**

1.1 This report outlines the projects that have been requested from ICT for the next financial year and the criteria that have been used to prioritise them.

2. **RECOMMENDATIONS**

2.1 That the Joint Committee agrees the prioritisation criteria and takes note of the work being requested from ICT in addition to providing the business as usual service.

2.2 That the Joint Committee notes that once priority of the projects has been agreed by both councils, a work plan will be created to implement these, the work required to meet the TRDC audit recommendations and the ICT review recommendations.

Contact Officer:

For further information on this report please contact:

Avni Patel – Head of ICT

telephone number: 01923 278457

email: avni.patel@watford.gov.uk

Report approved by:

David Gardner – Director of Corporate Resources & Governance – Three Rivers D.C.

3. **DETAILED PROPOSAL**

3.1 Following the last Joint Committee, officers have had discussions about the projects that have been requested from ICT for delivery in this financial year (11/12). The list of projects comprises of work that was already identified within the ICT service plan, projects that have arisen from the work to make efficiency savings at both councils, projects identified from service plans of non-shared services at both councils and work that is required due to legislative changes. (appendix 1)

3.2 The following priorities for both councils have been agreed by both directors and are as follows:

Priority 1 - Invest to save/cost reduction projects

Priority 2 - Completion of shared service implementation projects

Priority 3 - ICT review recommendation projects

Priority 4 - Projects required to fulfil legislative requirements

Some projects that do not fall into this category will need to carry on as notice has been given to the previous supplier and new suppliers have already been commissioned.

The rest need further prioritisation by both councils; work has begun with the performance section to prioritise and set budgets against the TRDC projects.

The same is expected with WBC over the coming weeks.

3.3 In addition to the above projects there are a number of audit actions for TRDC that require implementation. (appendix 2)

Work is progressing to align work required to meet these recommendations along with the recommendations in the Actica report and will be reported to the next Joint Committee meeting.

4. **IMPLICATIONS**

Possible implications are listed below.

Some projects will be deferred, others may not be taken forward at all. This needs conversations with the business units affected and will be the subject of a paper at the next Joint Committee.

4.1 **Policy**

4.1.1 The recommendations in this report are within the policies of the Joint Committee, Three Rivers District Council and Watford Borough Council.

4.2 **Financial**

4.2.1 There are no changes to the budget or the efficiency gains already agreed by the Joint Committee, Three Rivers District Council or Watford Borough Council as a result of this report. Where budgets have not been identified for the projects or there is insufficient resource for ICT to deliver them, we will be going back to services to ensure that this is done within their project business case and also where external resources are required, that these are planned in also.

4.3 **Legal Issues** (Monitoring Officer)

4.3.1 None specific

4.4 **Risk Management and Health & Safety**

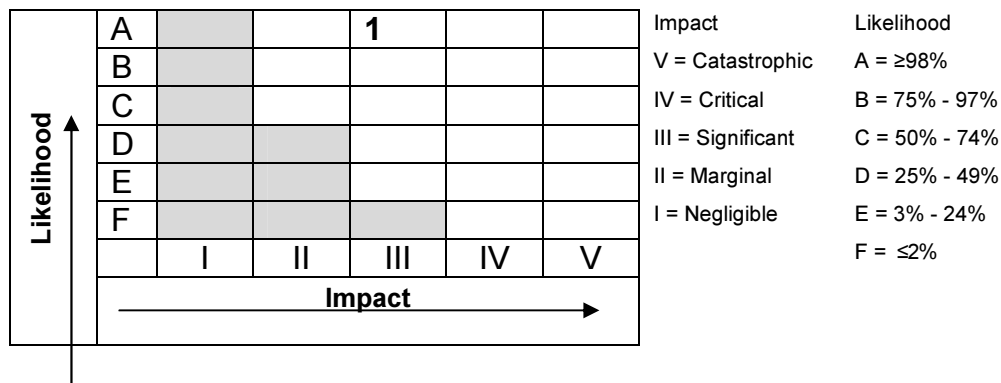
4.4.1 The subject of this report is covered by the ICT service plan. Any risks resulting from this report will be included in the risk register and, if necessary, managed within this plan.

4.4.2 There are no risks to the Joint Committee in agreeing the recommendation.

4.4.3 The following table gives the risk that would exist if the recommendation is rejected, together with a scored assessment of its impact and likelihood:

| Description of Risk | | Impact | Likelihood |
|---------------------|---|--------|------------|
| 1 | No clear prioritisation criteria for projects required from ICT resulting in unrealistic workload and resource demand from the service. | III | A |

4.4.4 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood. Risks are tolerated where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require either monitoring or managing, in which case a treatment plan is prepared.



4.5 **Equalities**

4.5.1 *Relevance Test*

Has a relevance test been completed for Equality Impact? No

Did the relevance test conclude a full impact assessment was required? No

Appendices

- Appendix 1 ICT Projects
- Appendix 2 ICT TRDC Audit Action Plan

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Appendix 1- ICT Projects

| Authority | ICT Section | Project Name | Priority | Financial Year | Quarter | Current Status | Carry Over | Over-arching Programme | Monitoring Group | Lead | Comments |
|-----------|----------------|--|----------|----------------|---------|-------------------------|------------|------------------------|------------------|----------------------|---|
| WBC | Business | WBC: Planning - Scanning Solution | 1 | 11/12 | Q1-Q2 | Initiate | YES | SP | CPIP | Nausheen | |
| WBC | Business | WBC: Env Services Pest Control | 1 | 10/11 | Q4 | Complete | NO | SP | | Emma | |
| WBC | Business | WBC: Env Services Bins & Boxes | 1 | 10/11 | Q4 | Complete | NO | SP | | Emma | |
| WBC | Infrastructure | WBC: Wigenhall Depot Move & Rebuild | 1 | 11/12 | Q1-Q2 | Deliver | YES | SP | | Mark | |
| WBC | Business | WBC: Bartec In cab system | 1 | 11/12 | Q1-Q4 | Identify | YES | SP | CPIP | Client side lead | |
| WBC | Business | WBC: Process improvement - Planning | 1 | 11/12 | Q1-Q4 | Identify | NO | SP | CPIP | Client side lead | |
| WBC | Business | WBC: TLC Data Cleansing | 1 | 11/12 | Q1-Q4 | Identify | YES | SP | CPIP | TBC | |
| TRDC | Business | TRDC: Changing bin rounds | 1 | 11/12 | Q1 | Initiate | YES | SP | TRDC Mgmt Board | Northgate / Bhavisha | |
| TRDC | Business | TRDC: Document management system | 1 | 11/12 | Q1- Q4 | Identify | NO | SP | TRDC Mgmt Board | TBC | Project agreed as part of Improvement East |
| TRDC | Business | TRDC: Automate/transfer online elements of customer contact | 1 | 11/12 | Q1- Q4 | Proposed - Service Plan | NO | SP | TRDC Mgmt Board | TBC | Project agreed as part of Improvement East |
| W&T | Business | W&T: Revs & Bens Process Harmonisation & Improvement inc CSC | 1 | 11/12 | Q2 | Identify | YES | SP | CPIP | TBC | |
| W&T | Business | W&T: Cash Receipting Implementation | 2 | 11/12 | Q1-Q3 | Deliver | YES | ICT Service Plan | CPIP | TBC | |
| W&T | Business | W&T: Academy Migration | 2 | 11/12 | Q1 | Identify | YES | SP | CPIP | Neville | |
| WBC | Infrastructure | WBC: Thin client server farm refresh ** | 3 | 11/12 | Q2-Q3 | Identify | NO | Infrastructure Review | SSMT | 3rd Prty/Mark | |
| W&T | Infrastructure | W&T: Implement new SAN & replacement backup | 3 | 11/12 | Q1-Q2 | Initiate | YES | Infrastructure Review | SSMT | 3rd Prty/Mark | |
| W&T | Infrastructure | W&T: Server replacement following Actica review | 3 | 11/12 | Q2-Q4 | Identify | NO | Infrastructure Review | SSMT | TBC | |
| WBC | Infrastructure | WBC: Gov- Connect | 4 | 11/12 | Q1-Q4 | Identify | YES | ICT Service Plan | ICT | Mark | Statutory requirement to meet |
| TRDC | Infrastructure | TRDC: Gov- Connect | 4 | 11/12 | Q1-Q4 | Identify | YES | ICT Service Plan | ICT | Mark | Statutory requirement to meet |
| WBC | Business | WBC: Councillors ICT Review | | 11/12 | Q1 | Deliver | YES | ICT Service Plan | | Emma | |
| WBC | Business | WBC: Asset Management Implementation | | 11/12 | Q4 | Deliver | YES | Client Service Plan | | Nausheen | |
| WBC | Business | WBC: Uniform Housing Module | | 12/13 | Q2-Q4 | Defer | NO | Client Service Plan | | TBC | |
| WBC | Business | WBC: Environmental Services HandHelds | | 11/12 | Q2-Q4 | Defer | NO | Client Service Plan | | TBC | |
| WBC | Business | WBC: Environmental Services Point & Click | | 11/12 | Q2-Q4 | Defer | NO | Client Service Plan | | TBC | |
| WBC | Business | WBC: Environmental Services SMS Solution | | 11/12 | Q2-Q4 | Defer | NO | Client Service Plan | | TBC | |
| WBC | Business | WBC: Uniform Upgrade V8.0 | | 11/12 | Q1-Q2 | Complete | YES | ICT Service Plan | | Asia | |
| WBC | Business | WBC: Uniform Upgrade(Ongoing) | | 11/12 | Q1-Q4 | Identify | NO | ICT Service Plan | | Asia | Mandatory to remain within 2 latest versions of supplier releases. |
| WBC | Business | WBC: E-Committee System | | 11/12 | Q1-Q2 | Deliver | YES | Client Service Plan | | Bhavisha | Existing contract due to expire - June 2011 |
| TRDC | Business | TRDC: TLC | | 11/12 | Q1 | Deliver | YES | Client Service Plan | | Pauline Rice | |
| TRDC | Business | TRDC: EDMS | | 11/12 | Q1 | Deliver | YES | Client Service Plan | | Pauline Rice | |
| TRDC | Business | TRDC: Public Access | | 11/12 | Q1 | Deliver | YES | Client Service Plan | | Pauline Rice | |
| TRDC | Business | TRDC: Uniform v8.0 Upgrade | | 11/12 | Q4 | Complete | YES | ICT Service Plan | | Pauline Rice | |
| TRDC | Business | TRDC: Uniform Upgrade(Ongoing) | | 11/12 | Q1-Q4 | Identify | NO | ICT Service Plan | | Pauline Rice | Mandatory to remain within 2 latest versions of supplier releases. |
| TRDC | Business | TRDC: Replacement CRM | | 11/12 | Q1-Q4 | Proposed - Service Plan | NO | Client Service Plan | | TBC | |
| TRDC | Business | TRDC: Capita Housing Module Scoping for Replacement | | 11/12 | Q2-Q4 | Identify | NO | Client Service Plan | | TBC | Existing Capita Housing system license expires in Mar 2013 |
| W&T | Business | W&T: Touchpaper ** | | 11/12 | Q1-Q2 | Deliver | YES | ICT Service Plan | | Odiri | |
| W&T | Business | W&T: Print Review | | 11/12 | Q2-Q4 | Identify | YES | Client Service Plan | | TBC | |
| W&T | Business | W&T: Implementation of recommendations following Actica Infrastructure Review ** | | 11-Dec | Q1-Q4 | Identify | NO | Infrastructure Review | | TBC | Will be critical in underpinning development and delivery of other projects |

Appendix 1- ICT Projects

| | | | | | | | | | | | |
|-----------|----------------|---|--|-------|-------|-------------------------|-----|-----------------------|--------|------------------|---|
| WBC | Infrastructure | WBC: Server move to Apsley ** | | 11/12 | Q3 | Identify | YES | Infrastructure Review | SSMT | Mark | |
| TRDC | Infrastructure | TRDC: Active Directory & Exchange server migration | | 11/12 | Q3-Q4 | Identify | YES | ICT Service Plan | | TBC | Propose delaying this until all infrastructure work is complete |
| TRDC | Infrastructure | TRDC: Thin Client | | 11/12 | Q3-Q4 | Identify | YES | ICT Service Plan | | TBC | Propose delaying this until all infrastructure work is complete |
| TRDC | Infrastructure | TRDC: Scanning TPO's (Leisure) | | 11/12 | Q1-Q4 | Identify | NO | Client Service Plan | | TBC | |
| WBC | Business | WBC: Communications Website Improvement | | 11/12 | Q2 | Identify | NO | Client Service Plan | | TBC | |
| WBC | Infrastructure | WBC: Turning computers off remotely (via software solution) | | 11/12 | Q1-Q4 | Identify | NO | | Carbon | Client side lead | |
| WBC | Infrastructure | WBC: Turn off printers at night - also photocopiers (via software solution) | | 11/12 | Q1-Q4 | Identify | NO | | Carbon | Client side lead | |
| WBC | Business | WBC: Penalty Charges | | 12/13 | | Defer | NO | SP | | TBC | |
| TRDC | Business | TRDC: Performance Plus - Replacement | | 11/12 | Q1 | Deliver | YES | | | Kevin | In progress - nearing completion |
| TRDC | Business | TRDC: Development of TRDC website (website review) | | 11/12 | | Identify | NO | | | TBC | |
| TRDC | Infrastructure | TRDC: Backup systems identified in continuity plans | | 11/12 | | Identify | NO | | | TBC | |
| TRDC | Business | TRDC: Corporate projects - shared services | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: LDF Policies | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Electronic storage of DC historic records | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Service cost reduction targets (Misc IT costs) | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Carbon monitoring tool | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: LDF via website | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Env Health - New search requirement, routine inspection | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Env Health - Reduce IT equipment budget | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: MOSAIC & ESD project | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Housing: Locata system - improvement | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Housing: Increasing web access (Customer) | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Housing - Ongoing management of ICT CBL system | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Sustainability - Remote data gathering system | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Sustainability - Enhancement to public meeting rooms | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| TRDC | Business | TRDC: Greentrac Energy Saving Software | | 11/12 | | Proposed - Service Plan | NO | | | TBC | |
| W&T | Infrastructure | W&T: Building Control Move | | 10/11 | Q4 | Complete | NO | | | Odiri | |
| W&T | Business | W&T: CHRIS5 Data Migration | | 10/11 | Q4 | Defer | NO | | | Emma | |
| W&T | Business | W&T: Interface development Income Management & COA | | 11/12 | Q2 | Deliver | YES | SP | | Neville/Alan T | |
| W&T | Business | W&T: Appraisal Module | | 11/12 | Q2 | Identify | YES | | | Nausheen | |
| W&T | Business | W&T: Academy Upgrades | | 10/11 | Q4 | Deliver | NO | | | Neville | Mandatory to remain within 2 latest versions of supplier releases. |
| | | ** Reference to recommendations from Actica Infrastructure Review | | | | | | | | | |
| KEY | | | | | | | | | | | |
| Column | | | | | | | | | | | |
| Programme | | SP | | | | | | | | | Project identified as part of service prioritisation or invest to save exercises. |
| | | ICT Service Plan | | | | | | | | | Identified on ICT or client side service plan |
| | | Infrastructure Review | | | | | | | | | Identified following initial findings from external infrastructure review |
| | | Client Service Plan | | | | | | | | | Identified on ICT or client side service plan |
| Monitored | | CPIP | | | | | | | | | WBC Corporate project improvement programme |
| | | Carbon | | | | | | | | | WBC Carbon management group |
| | | TRDC Management Board | | | | | | | | | |

Audit Plan 2008/2009

None relating to ICT

Audit Plan 2009/2010

| Website, inc. Document Management | | | | | | | |
|--|---|-----------|---|---------------------------|------------|--------------------|--------------------------------------|
| <i>Final report issued February 2010</i> | | | | | | | |
| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved * or ✓ | Revised Deadline |
| 23/10/01 | A formally documented and signed service level agreement should be in place between the Council and E-shopworks for the maintenance work provided. | Important | Position (March 2011) The channel migration strategy is being taken to Resources, Policy & Scrutiny Committee in June. Once this has been agreed, a decision will be made regarding the website upgrade and SLAs will be agreed as part of the contract. | Head of ICT Avni Patel | April 2010 | ✘ | December 2012 |
| 23/10/02 | An independent conformance evaluation assessment should be undertaken on the Council website on a regular basis to confirm that web accessibility standards, including the Web Content Accessibility Guidelines (WCAG) are being met. The Checklist of Checkpoints for Web Content Accessibility Guidelines can be used to undertake this assessment. | Important | Position (March 2011) This work has been put on hold pending the decision made by Resources, Policy and Scrutiny Committee regarding the Channel Strategy and website upgrade. | Head of ICT Avni Patel | July 2010 | ✘ | December 2012 |
| 23/10/03 | The Council should have a comprehensive Document Management Policy in place establishing the procedures for | Essential | Agreed Officers have met to discuss this since the last Audit Committee and acknowledged that this piece of work will take longer than anticipated | Head of ICT Avni Patel | April 2010 | ✘ (part) | September 2010 Proposed |

| Website, inc. Document Management | | | | | | | | |
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| | <p>classification, structure, security, management, retention and disposal of Council documents. Relevant legislation, including the Data Protection Act should be taken into consideration.</p> <p>The policy should also include guidance surrounding the publication of third party information to enable compliance with contractual obligations.</p> <p>The Retention Policy should be updated, formally approved and form part of the Document Management policy.</p> | | <p>as it cuts across all Council departments. Additions to Council contract documents have been drafted.</p> <p>A retention schedule has been created and is available on the intranet, further work will be done to update this as the Document Management Policy is formulated.</p> <p>Position (November 2010): A draft of the information security policy was taken to MB on 12/10/10 which covers part of this area. Further work to produce a corporate policy is in the planning stages.</p> <p>Position (May 2011): Update in progress.</p> | | | | | December 2011 |

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| 33/10/02 | <p>Physical Security – Unauthorised Device Access</p> <p>Urgent consideration should be given to:</p> <ul style="list-style-type: none"> Effectively restricting network access to authorised devices, e.g. MS (NAP) and Cisco's (NAC). | Essential | <p>Position (March 2011)</p> <p>1. This will require considerable unbudgeted capital investment therefore the timescale needs extending</p> | Avni Patel Head of ICT | 1. December 2011 | * | 1. No change |

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| | <ul style="list-style-type: none"> Confirming that the 14 devices attached to the network which do not conform to the corporate computer naming convention are confirmed as authorised devices and brought in line with the normal computer naming policy. | | 2. Current devices that do not conform to the naming convention are legacy systems that are authorised. They will be phased out and replacements will be named according to the current/new naming convention. | | 2. March 2011 | ✓ | 2. complete |
| 33/10/03 | <p>Environmental Controls – Fire Safety</p> <p>The automated fire extinguishing equipment maintenance inspection date should be clearly recorded and labelled on the equipment maintenance service label attached to the fire fighting system as per the design, installation and maintenance requirements of BS EN 12845:2004+A2:2009 for fixed fire fighting systems.</p> | Essential | <p>Agreed</p> <p>Position (May 2011) RESPONSE FROM THE FIRE SUPPRESSION ENGINEER OF SECURE IT ENVIRONMENTS LTD: <i>“These BS requirements have nothing to do with the HFC227 (FM200) gas suppression system which is installed at Three rivers County council. The standards which do apply are BS6266 and ISO 15420, these standards cover the design and installation of the system. These regulations have been updated since the original installation, with regards to the maintenance BS6266, ISO 15420 and EN15004 apply and the regulation is aimed at F-gas systems. F-gas systems are a range of gases which contain Flourine e.g Hydrofluorocarbons (HFC), perfluorocarbons (PFC) and Sulphur hexafluoride (SF8).</i></p> <p><i>All have a global warming potential (GWP) greater than 1 (1 being equivalent to the warming potential of 1 KG of CO2 over 100</i></p> | Clay Charles Mechanical and Electrical Engineer | March 2011 | ✓ | <p>The Fire Suppression system in the Server room, gas used is HFC227.</p> <p>The system complies with the latest BS6266 and ISO 5420 standards.</p> |

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| | | | <p><i>years). As the system installed at Three Rivers contains HFC227 it is covered under these regulations which were brought about by the Kyoto Protocol. It is the responsibility of the Operator to make the log book available to the technician when a service is carried out, also any service signage for cylinders is down to the operator to supply. If these are not present then the technician cannot fill in these details, we do however supply a service sheet for every visit to site."</i></p> <p><i>Clay Charles, M&E Engineer has arranged for the service company to provide an easily visible record of service details to be positioned along side the other technical data situated on the gas cylinders. This will be completed by end of May.</i></p> | | | | |
| 33/10/04 | <p>Network Topology - Single Point of Failure</p> <p>The critical single point of dependency for all network connectivity that exists for the continual availability of the core network Cisco 3600 communications device should be addressed and mitigated as a matter of urgency as it could result in a significant network disruption period in the event of its failure.</p> | Essential | 02/11 – Quote for remedial work has been requested – awaiting feedback from supplier. | Avni Patel Head of ICT | March 2011 | x | June 2011 Proposed July 2011 |

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| 33/10/05 | <p>Domain Accounts Policy – Default Accounts</p> <p>Consideration should be given to:</p> <ol style="list-style-type: none"> 1. Making use of the Windows Resource Kit passprop /AdminLockout control to restrict the use of the Administrator account to the data centre console after too many invalid administrator account access attempts are made from the network. 2. Giving the account named administrator minimal access rights and set it for failed password attempts alert monitoring via the account lockout policy settings to help prevent unauthorised access attempts remaining undetected. | Important | <ol style="list-style-type: none"> 1. Complete – locks out after 3 failed attempts 2. GFI Events manager will flag failed attempts – ICT have decided to keep the admin account as is due to the fact that legacy systems require this account to function, new systems will be given an alternative account to run their services. | Avni Patel Head of ICT | March 2011 | <p>✓</p> <p>✓</p> | <ol style="list-style-type: none"> 1. Complete 2. April 2011 |
| 33/10/06 | <p>Audit Policy – Configuration Settings</p> <p>Consideration should be given to establishing and applying an effective corporate audit trail configuration, log size and retention policy in line with best practice standards and the mandatory Government Code of Connection (Co-Co) requirements.</p> | Important | <p>Re-implementation of GFI Events manager as part of CoCo requirements will cater for this – budget for this work was approved by SSJC in 01/11.</p> <p>Position (May 2011)</p> <p>Policy to follow.</p> | Avni Patel Head of ICT | March 2011 | <p>* (Partly Met)</p> | <p>April 2011</p> <p>Proposed December 2011</p> |

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| 33/10/08 | <p>Security Options – Configuration Se Management should implement the following registry key settings on the Three Rivers DC domain:</p> <ol style="list-style-type: none"> 1. Prevent the last username from being displayed on the logon screen; and 2. Changing the settings to warn users when unsigned drivers are being installed instead of the current setting which allows unsigned drivers to silently succeed. | Important | <ol style="list-style-type: none"> 1. complete 2. in progress, planned for completion by the end of March | Avni Patel Head of ICT | March 2011 | <p>✓</p> <p>✗</p> | <p>1. complete</p> <p>2. March 2011</p> |
| 33/10/09 | <p>Account Management – Standardised Profiles.</p> <p>Management should consider implementing standardised account management profiles to be consistently applied for home directories, logon scripts, logon profiles and workstation restriction on user accounts across the domain.</p> | Important | Part complete – Shared Services are already using thin client which has set profiles. Non Shared Services will be migrated to thin client in FY 11/12 | Avni Patel Head of ICT | March 2011 | ✗ | March 2012 |
| 33/10/10 | <p>Account Management – Passwords and Privileges</p> <p>Management should review user passwords and accounts on the system to ensure that the following potential risk areas are reduced or removed from the system:</p> <ul style="list-style-type: none"> • The user account which has the | Important | Specific information requested from the auditors as the volume of accounts that have been created by the previous ITFM provider mean that it will be a resource heavy task to sift through the 909 accounts individually. | Avni Patel Head of ICT | March 2011 | ✗ | March 2012 |

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| | <p>capability to have a zero length password should be removed from the system; and</p> <ul style="list-style-type: none"> User accounts were settings at an individual level mean that users do not have to change their passwords. <p>We also recommend that the number of user accounts with system administrator permissions should be reviewed.</p> | | | | | | |
| 33/10/11 | <p>Trusted Host Domains – Security Standards</p> <p>Consideration should be given to the use of due diligence assessments to help ensure that the level of security standards applied on trusted domains do not compromise the security applied on the primary Three Rivers domain.</p> | Important | <p>IT health check has been conducted as part of CoCo compliance and ICT are in the process of implementing recommendations.</p> <p>Position (May 2011): Windows event security logs are being captured.</p> <p>The outcome of the ICT infrastructure review, which should be reported to Joint SS Committee in June 2011, will be used to consolidate and prioritise the remaining outstanding IA recommendations.</p> | Avni Patel Head of ICT | March 2011 | * | June 2011 Proposed June to December 2011 |
| 33/10/12 | <p>Services and Drivers – RAS Services and Accounts</p> <p>Management should review the services and drivers on the Domain Controllers to help ensure that only required and appropriate services are installed, running and running with appropriate configuration standards and account privileges.</p> | Important | <p>The AD migration project will result in the installation of new domain controllers with the current ones being decommissioned and used and application servers.</p> <p>Position (May 2011): The outcome of the ICT infrastructure review, which should be reported to Joint SS Committee in June 2011, will be used to consolidate and prioritise the remaining</p> | Avni Patel Head of ICT | March 2011 | * | Sept 2011 Proposed June to December 2011 |

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| | | | outstanding IA recommendations. Primarily the upgrading of existing 2003 domains to 2008 will facilitate and incorporate this requirement. | | | | |
| 33/10/14 | Network Topology - Documentation The network topology documentation should be updated to resolve all known inaccuracies and be subject to change management and version control standards. | Important | Further detail has been requested in order to complete this but there is no reason why it cannot be done by the deadline. Position (May 2011): In progress. The outcome of the ICT infrastructure review, which should be reported to Joint SS Committee in June 2011, will be used to consolidate and prioritise the remaining outstanding IA recommendations. | Avni Patel Head of ICT | March 2011 | x | June to December 2011 |
| 33/10/15 | Network Support - Security Monitoring The use of the GFI Events Manager Network Security Management Tool should be extended to include the evaluation of a wider range of system activity logs, e.g. no use is made of VPN logs or alerts for specific events such as the use of reg edit to change registry key settings. | Important | Planned for completion in 03/11. Position (May 2011): GFI Events Manager Network Security Management Tool is currently configured to capture security event information. VPN logs are currently stored on the Appgate Devices and are not being captured by GFI Events Manager Network Security. | Avni Patel Head of ICT | March 2011 | ✓ | |
| 33/10/16 | Network Support - Key Personnel We recommend that the current staffing of network support tasks should be reviewed to help ensure | Important | The ICT department has been restructured and designed to achieve more resilience and less reliance on single members of staff | Avni Patel Head of ICT | January 2011 | ✓ | |

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| | that significant reliance is not placed on key staff for network management and that adequate succession planning is in place in the event of key staff not being available. | | | | | | |
| 33/10/17 | <p>Network Device Security- Update Alerts</p> <p>The effective Windows operating system security patch management arrangements should be expanded to include the network communication devices. This should be demonstrated in the SLA Change Control KPI monitoring reports and supported by the security advisory emails received from both Cisco or from the government Warning, Advice & Reporting Point (WARP) group.</p> | Important | GovCert alerts are informally monitored and risk assessed, this will be formalised and monitored by the infrastructure team by the deadline | Avni Patel Head of ICT | March 2011 | ✓ | |
| 33/10/18 | <p>Network Device Security- Router Configurations</p> <p>Network communication router devices should be configured to:</p> <ul style="list-style-type: none"> Use Authentication, authorisation, and accounting (AAA) network security services. (www.cisco.com/en/US/docs/ios/12_2/security/configuration/guide/scfaaa.html). Consistently apply high level | Important | Quote for remedial work has been requested – awaiting feedback from supplier. | Avni Patel Head of ICT | March 2011 | * | June 2011 <i>Proposed July 2011</i> |

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| | <p>password encryption www.cisco.com/en/US/docs/ios/12_2/security/configuration/guide/scfpass.html#wp1000989</p> <ul style="list-style-type: none"> • Include a legal banner to deter unauthorised access. <p>Manage the use of the Virtual Teletype service (vty) by AAA.</p> | | | | | | |
| 33/10/19 | <p>Network Management – Standard Builds Clearly defined network security standards and device configuration requirements should be established and subject to change control, compliance monitoring and continual improvement, e.g. by adopting or adapting any standards that are already in use by trusted partnership networks.</p> | Important | This will need considerable resource; we are in the process of implementing change control software that will be integrated with our call management system. Network security standards will be harmonised with WBC and formalised during the next financial year. | Avni Patel Head of ICT | March 2011 | x | March 2012 |
| 33/10/20 | <p>Network Management – Internet Usage The effective use should be made of the existing internet activity management monitoring reports to identify potential unauthorised access or abuse to the network.</p> | Important | Monitoring is in place, a quarterly report will be sent to Management Board from June 2011 (which will report the unauthorised activity during the first quarter of FY 11/12) | Avni Patel Head of ICT | March 2011 | ✓ | |
| 33/10/21 | <p>Network Management – IT Capacity Plan A clearly defined strategic network capacity plan should be established and monitored for availability and efficiency. The plan should also give</p> | Important | This will be done along with the implementation of recommendations from the Infrastructure Review. | Avni Patel Head of ICT | March 2011 | x | March 2012 |

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| | consideration to a data storage recharge mechanism that will promote users to efficiently archive obsolete data. | | | | | | |
| 33/10/22 | Network Management – Inventory Records The Configuration Management Data Base (CMDB) records should be updated to include purchase dates, values and expected replacement dates to assist in the management of the hardware replacement policy to ensure that insecure or obsolete solutions are not used on the network. | Important | This will be completed in line with the recording and management of all ICT assets which will be stored within the Touchpaper system. All assets will be recorded to include date of purchase, value and anticipated replacement date. | Avni Patel Head of ICT | March 2011 | x | March 2012 |

| Government Connect | | | | | | | |
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| 12/09/02 | Management should consider the use of external tools like MS Baseline Security Analyser or the NIST toolkit to help ensure that all its hosts (servers) have been hardened in compliance with GC requirements and to assist in identifying any potential vulnerabilities. | Important | An internal IT Health check was conducted in August 2010 by a third party. Position (March 2011) Recommendations are currently being implemented following the health check conducted using the MS Baseline Security Analyser Position (May 2011): The outcome of the ICT infrastructure review, which should be reported to Joint | Avni Patel, Head of ICT | January 2011 | x | June 2011 Proposed June to December 2011 |

| Government Connect | | | | | | | |
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| | | | SS Committee in June 2011, will be used to consolidate and prioritise the remaining outstanding IA recommendations. | | | | |
| 12/09/03 | A current and up-to-date Information Security Policy should be formally established and approved to reflect the new ICT Shared Service Partnership with Watford Borough Council. | Important | Position (March 2011) Draft Policy was taken to Management Board for discussion in the last quarter. Updated policy is being redrafted comprising of changes recommended by MB. | Avni Patel, Head of ICT | January 2011 | x | June 2011 Proposed July 2011 |
| 12/09/04 | Management should develop its own Change Management procedures and documentation as a result of the termination of its contract with Steria, the Council's IT service provider, and the change management requirement for GC. | Important | Position (March 2011) Change control process and management ensuring the inclusion of; change control documentation and recording, approval for change is sought, change owner assigned, roll back plan identified and evidence of testing completed. Change advisory board to be created to approve all changes and be responsible for a central change schedule. | Avni Patel, Head of ICT | March 2011 | ✓ | April 2011 Sept 2011 |
| 12/09/08 | Internet web browser security features should be locked down to ensure that users cannot access and modify the browser client when accessing the internet. | Important | We plan to implement this as part of our AD migration programme utilising GPO. Position (March 2011) The AD migration project has been rolled into next financial year due to resource constraints. Position (May 2011): The outcome of the ICT infrastructure review, which should be reported to Joint SS Committee in June 2011, will be used to consolidate and prioritise the remaining outstanding IA recommendations. | Avni Patel, Head of ICT | March 2011 | x | March 2012 |

Audit Plan 2010/2011

| IT Service Desk and Change Management Audit | | | | | | | |
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| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved x or ✓ | Revised Deadline |
| 01 | <p><i>The Service Catalogue should be updated and finalised to ensure it contains a listing of all the current services being provided by ICT.</i></p> <p><i>Once finalised, the Service Desk contact details and fault reporting procedures should be made available to all Watford and Three Rivers staff on the intranet.</i></p> | <i>Important</i> | <i>Agreed.</i> | <i>Avni Patel, Head of ICT</i> | <i>June 2011</i> | x | |
| 02 | <p><i>Service Desk roles and responsibilities should be clearly defined and assigned. This should set out the different roles and responsibilities for responding to Service Desk calls.</i></p> | <i>Important</i> | <p><i>The Service Desk Manager role is to be incorporated into the new structure and all other roles and responsibilities defined once the restructure has been finalised.</i></p> <p><i>Position (May 2011): The Service Desk Manager role has been incorporated into the new structure and other roles and responsibilities have been defined.</i></p> | <i>Avni Patel, Head of ICT</i> | <i>June 2011</i> | ✓ | |
| 03 | <p><i>Management should review the priority settings and the associated response times within the LanDesk system to ensure that they correspond to the defined agreed SLA.</i></p> <p><i>Management should ensure that procedures and processes are documented to escalate calls to Service Desk management when</i></p> | <i>Important</i> | <p><i>Agreed. To be investigated and rectified.</i></p> <p><i>Position (May 2011): This has been investigated. Remedial work to correct this will form an outcome once the existing Touchpaper system is upgraded in early June 2011.</i></p> | <i>Avni Patel, Head of ICT</i> | <i>June 2011</i> | x | |

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| | <i>the incident is approaching the SLA to help identify if remedial action is required.</i> | | | | | | |
| 04 | <i>Management should document and establish a problem management process. Main activities should include problem identification and recording, classification and trend analysis. Unique references should be used to record incidents, problems and changes.</i> | <i>Important</i> | <i>Agreed.</i> | <i>Avni Patel, Head of ICT (BA\AA\OMI)</i> | <i>June 2011</i> | <i>x (partly met)</i> | <i>Proposed December 2011</i> |
| 05 | <i>Management should review the current Service Desk priority ratings and their associated response and resolution times to ensure that these are appropriate, support both Councils' requirements and can be met by the Service Desk. It is recommended that consideration is given to establishing IT Service Desk call overflow arrangements where calls are also directed to additionally trained staff on instances of high volumes of calls if necessary and responsibility be allocated to a relevant team member to monitor the performance of the service desk against agreed SLA's. <i>Management should also ensure that longer-term trend analysis is</i></i> | <i>Important</i> | <i>This will be the responsibility of the Service Desk manager to monitor performance and identify any training issues or remedial actions. Position (May 2011): Call overflow arrangement is the process of being implemented, however the arrangement will not pass callers on to additionally trained staff. Callers will have the option of holding and waiting in a queue to speak to a member of the service desk team. There is an additional facility to provide announcements when there are outages etc affecting multiple users. Service Desk priority ratings have been reviewed and agreed at GMT. Implementation will be within the Touchpaper upgrade.</i> | <i>Avni Patel, Head of ICT (ETAA)</i> | <i>June 11</i> | <i>x</i> | |

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| | <i>performed to identify performance issues and that the required corrective action is taken.</i> | | | | | | |
| 06 | <p>Management should establish a formal change management procedure which should be documented and formally approved.</p> <p>The change management procedure should include the following elements to provide a basis for the management of system changes:</p> <ul style="list-style-type: none"> • A definition of the roles and responsibilities to determine who receives the change request, who tracks all change requests, who schedules change implementation, and what each work group is required to do. • Identification of where change requests originate. • A standard process for the documentation of all change requests. • Identification of the types of changes required to be passed through the change management | Essential | <p>Agreed.</p> <p>Position (May 2011): Complete.</p> | <p>Avni Patel, Head of ICT</p> <p>(GMT \ OMI)</p> | March 2011 | ✓ | |

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| | <p><i>process and where subsequent approval may be obtained.</i></p> <ul style="list-style-type: none"> • <i>Definitions of how changes are raised, requested, logged, tracked, implemented and reviewed.</i> • <i>Requirements for the user requirement analysis to help ensure that the compatibility with existing systems is ensured.</i> • <i>Processes for informing all stakeholders of change requests.</i> • <i>The standards required for System testing, training and system documentation is updated.</i> • <i>The Process for managing emergency changes.</i> | | | | | | |
| 07 | <p><i>The ICT Shared Service should consider appointing a central change management function such as a Change Advisory Board (CAB) to oversee system changes across the entire ICT environment for both Councils and the Shared Service.</i></p> <p><i>This function should agree change priorities and allocate changes for</i></p> | Minor | <p><i>Agreed.</i></p> <p><i>Position (May 2011): CAB consists of ICT management staff. Additional information is within the change management procedure.</i></p> | Avni Patel, Head of ICT | Sept 2011 | ✓ | |

| IT Service Desk and Change Management Audit | | | | | | | |
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| | <i>implementation based on the priority of the required change and capability of ICT staff and be comprised of IT staff from the affected service areas.</i> | | | | | | |
| 08 | <p><i>Management should ensure that for all changes approval is obtained from all stakeholders of the change and this should be updated to include:</i></p> <ul style="list-style-type: none"> • <i>The sign off by the person requesting the change;</i> • <i>Approval by the service area manager of the area affected by the change;</i> • <i>ICT approval for the technical aspects of the change; and</i> • <i>Evidence of testing being successfully completed.</i> | <i>Important</i> | <i>Agreed.</i> | <i>Avni Patel, Head of ICT (GMT)</i> | <i>April 2011</i> | ✓ | |
| 09 | <i>All changes that are documented and approved by the CAB should be logged on a central schedule to detail the intended implementation of the change. This should be reviewed at CAB meetings to provide information regarding the change and to ensure that changes have been implemented as per the agreed action at the CAB.</i> | <i>Minor</i> | <i>Agreed.</i> | <i>Avni Patel, Head of ICT (OMI)</i> | <i>Sept 2011</i> | ✓ | |

| IT Service Desk and Change Management Audit | | | | | | | |
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| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved x or ✓ | Revised Deadline |
| 10 | <i>The change control process should identify the level and depth of testing required for all routine, scheduled and emergency changes. This should identify the accountable officer for testing changes and require that the extent of testing completed is authorised.</i> | <i>Important</i> | <i>Agreed.</i> | <i>Avni Patel, Head of ICT</i> | <i>April 2011</i> | <i>✓</i> | |
| 11 | <i>The requirement for roll back plans should be documented for all changes. Where roll back plans are not required this should be explicitly documented along with the reason why there is no fall back plan required.</i> <i>Additionally, processes should be in place and communicated to all users to log faults that have been identified within a system with the Service Desk as a result of changes that have been implemented.</i> <i>These faults should be tracked over the longer-term to assist in the identification of potential enhancements or identification of issues as a result of changes that have been implemented.</i> | <i>Important</i> | <i>Agreed.</i> <i>Position (May 2011): Details of roll back plans are documented for each change within the request for change template. Longer term tracking of issues that arise as a result of the change is not available currently.</i> | <i>Avni Patel, Head of ICT</i> | <i>April 2011</i> | <i>x (partly met)</i> | <i>Proposed December 2011</i> |
| 12 | <i>Access to application system data should be restricted to ensure that</i> | <i>Important</i> | <i>Agreed.</i> | <i>Avni Patel, Head of ICT</i> | <i>June 2011</i> | <i>x (partly met)</i> | <i>Proposed October</i> |

| IT Service Desk and Change Management Audit | | | | | | | |
|--|---|-----------|---|---------------------------------------|---------------|--------------------|---------------------|
| <i>Final report issued March 2011</i> | | | | | | | |
| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved * or ✓ | Revised Deadline |
| | <p><i>only authorised and appropriately trained staff can make amendments to files. The number of users with access to these files should be kept to a minimum and all activity should be subject to logging.</i></p> <p><i>User accounts within the LanDesk system should be reviewed to ensure that all user names are assigned to a specific user and the number of system administrators is only required to perform administration roles. The use of the generic account "guest" and "system" should be discontinued once it is confirmed that it will not have an adverse effect on processing within the system.</i></p> | | <p><i>Position (May 2011): Currently reviewing access to priority systems, with the removal of generic administrative logins.</i></p> | (MA) | | | 2011 |
| 13 | <p><i>Third party access to the live environment should be controlled through access requests which should be authorised to permit suppliers to support Council systems.</i></p> <p><i>The reason for access should be noted and the length of time the access is required logged. This should be automatically removed when no longer required.</i></p> | Essential | Agreed. | Avni Patel, Head of ICT (AA/MA) | February 2011 | ✓ | |

| IT Service Desk and Change Management Audit | | | | | | | |
|--|---|------------------|--|--|--|---------------------------|---------------------|
| <i>Final report issued March 2011</i> | | | | | | | |
| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved x or ✓ | Revised Deadline |
| | <i>Access by system suppliers and organisations that require access to support both Councils' systems should be logged and reviewed to ensure that access is line with service requests logged with the Service Desk.</i> | | | | | | |
| 14 | <p><i>The Council should develop an IT replacement programme for Three Rivers District Council assets to identify the effective lifecycle of IT assets.</i></p> <p><i>ICT management should review and ensure that the hardware compatibility with the existing ICT infrastructure is assessed during the procurement of software or hardware for Three Rivers Council before any money is committed. Assessment of the compatibility should be formally recorded within a change control record.</i></p> | <i>Important</i> | <p><i>Agreed – TRDC replacement programme budget for 11/12 has been requested.</i></p> <p><i>Assessment of the compatibility will be formally recorded when change control is implemented.</i></p> | <i>Avni Patel, Head of ICT</i> | <p><i>Complete</i></p> <p><i>June 2011</i></p> | <p>✓</p> <p>✓</p> | |
| 15 | <i>Documented hardware installation procedures should be in place within ICT to provide guidance to staff on how to install system hardware and to assist in cases where staff leave the organisation.</i> | <i>Important</i> | <i>Agreed</i> | <i>Avni Patel, Head of ICT (AA/MA)</i> | <i>April 11 and ongoing</i> | <i>x (partly met)</i> | |
| 16 | <i>Service desk files should be regularly backed-up to disk and to</i> | <i>Important</i> | <i>Agreed – this is complete</i> | <i>Avni Patel, Head of ICT</i> | <i>Implemented</i> | ✓ | |

| IT Service Desk and Change Management Audit | | | | | | | |
|--|---|------------------|--|---|------------------|--------------------|---------------------|
| <i>Final report issued March 2011</i> | | | | | | | |
| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved x or ✓ | Revised Deadline |
| | <i>tape. Periodic back-up restore tests should be carried out to aid in the recovery process.</i> | | | | | | |
| 17 | <i>Although acknowledged that the Service Desk is not categorised as an essential service, it is used to log service requests for both Council system. It is therefore recommended that the Shared Service should document the expected timescale and processes that are required to restore the system in the event of a disaster event.</i> | Important | <i>This will be done as part of this years update of the business continuity plan.</i> | Avni Patel, Head of ICT (MA) | June 2011 | x | |

| BACS Procedures | | | | | | | |
|---------------------------------------|--|-------------|---|--------------------|------------------|---------------------------------|---------------------|
| <i>Final report issued March 2011</i> | | | | | | | |
| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved x or ✓ | Revised Deadline |
| 4.29 | <i>Consideration should be given to transferring the responsibility for transmitting BACS payment and DD request files to the Services responsible for the corresponding expenditure and income transactions following the principles set out in the "Draft BACS Procedure – Payments" and "Draft BACS Procedure – Direct Debit" documents. Such a transfer would have to be supported by an</i> | HIGH | <i>Responsibility is being transferred to Services. Finance have the necessary hardware but staff require training. Revs and Bens will follow.</i> | Head of ICT | June 2011 | x (partly met) | |

BACS Procedures**Final report issued March 2011**

| Ref No. | Recommendation | Priority | Action to Date | Responsibility | Deadline | Resolved x or ✓ | Revised Deadline |
|---------|--|-------------|--|--------------------|-----------------------------------|--------------------------|---------------------|
| | <i>in-depth handover process by ICT.</i> | | | | | | |
| 4.31 | <i>ICT staff should supervise Service staff for an initial period of 1 month or until confidence is gained in the transmission of files to BACS and the subsequent downloading of reports and movement of transmitted files.</i> | <i>HIGH</i> | <i>Will follow on from above.</i> | <i>Head of ICT</i> | <i>Will follow on from above.</i> | x (partly met) | |
| 4.33 | <i>A designated officer within ICT should retain the facility to transmit BACS files in the event of an emergency.</i> | <i>HIGH</i> | <i>Transmission by ICT will be from the relevant Service's dedicated PC.</i> | <i>Head of ICT</i> | <i>Will follow on from above.</i> | x (partly met) | |

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13/06/11

PART A

AGENDA ITEM

8

Title: HARMONISATION OF ICT SYSTEMS

Report of: Avni Patel - Head of ICT

1. **SUMMARY**

- 1.1 This summary gives options and proposed timescales for the harmonisation of business system applications across Watford Borough and Three Rivers District Council.

2. **RECOMMENDATIONS**

- 2.1 That the Joint Committee agrees for the recommendations made in this proposal for the approach to harmonisation of ICT systems.

Contact Officer:

For further information on this report please contact:

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Report approved by:

David Gardner – Director of Corporate Resources & Governance – Three Rivers D.C.

Tricia Taylor – Executive Director Resources – Watford Borough Council

1. UPDATE ON HARMONISATION OF ICT SYSTEMS

1.1 Background

- 1.1.1 In November 2010, SSICT presented a paper outlining a proposal for the harmonisation of applications across Watford Borough and Three Rivers District Council. (Appendix 1)
- 1.1.2 Harmonisation of systems has already begun across Watford Borough Council and Three Rivers District Council through the recent procurement and successful implementation of the E-Petitions system. In addition to this, the implementation of a shared Income Management system is underway and due to be completed in October this year.
- 1.1.3 Consolidation advantages to be considered are:
- Capital hardware replacement budget could be reduced; however this has not been included within this report as it is part of the ICT review.
 - Other associated hardware costs could be reduced e.g. ongoing maintenance, power consumption. This has not been included within this report as it is part of the ICT review.
 - Reduction in licensing costs, this would depend on supplier solutions offered.
 - Reduction in ICT/Service skill sets required to maintain different applications for each Council.
 - Depending on the chosen solution, the number of upgrades could be reduced saving effort for officer and supplier resources.
- 1.1.4 It should be noted that the Actica Infrastructure Review has been finalised with a number of recommendations made in order to mitigate immediate risks associated with current hardware at both Councils. Timescales for these recommendations to be actioned are to be confirmed, but will be considered in line with the harmonisation proposal.
- 1.1.5 Future harmonisation of ICT systems will also be considered as and when further services are shared.

1.2 Outline Timescale

- 1.2.1 Outline Timetable: (These projects need to be prioritised in line with other projects requested from ICT)
- 2011-2012 – Options appraisal for the alignment of Uniform systems
- 2011-2012 – Options appraisal for the alignment of TRDC CRM (Customer Relationship Management) system with WBC
- 2011-2012 – Implementation of agreed option for TRDC CRM. (Note: The alignment of TRDC CRM system with WBC CRM system is ideal; however, we need to ensure that WBC CRM fits TRDC CSC business requirements.)
- 2011-2012 – Options appraisal for the alignment of Three Rivers Housing system
- 2012-2013 – Implementation of agreed option for Uniform systems
- 2012-2013 – Implementation of the Three Rivers Housing system

1.3 **Outline Options**

1.3.1 There are four possible approaches for harmonisation of business systems. These are detailed in the section below and would be dependent on:

- a) Supplier support and options
- b) Outcomes and timetable for hardware replacement (Actica Infrastructure review)
- c) Future shared services timetable

1.3.2 **Full system alignment:**

- One single server, one database instance and one application front end.
- Includes the alignment of business processes, business system and hardware – Full shared service e.g. Finance, ICT.

Impact on costs and resources:

- Reduction in hardware.
- Reduction of operating system licenses.
- Reduction on support services including hardware maintenance licenses due to reduced number of servers.
- Reduced supplier side annual maintenance fees.
- Making assumptions that through the efficiencies created by shared services, further costs savings through maximum reductions in software licenses could be realised. In addition to this there may be the potential to rationalise staff resources within the services using these systems, but this will become clearer as this work progresses.

Risks:

- Single point of failure, which would need to be considered when designing the system.
- It would be difficult to split the database and application if there were changes to shared services in the future.

1.3.3 **Partial alignment:**

- Shared database instance on a single server, with two separate application front ends.

Impact on costs and resources:

- Reduction in hardware.
- Reduction of operating system licenses.
- Reduction on support services including hardware maintenance licenses due to reduced number of servers.
- Some cost reduction for shared application licenses.
- Reduced supplier side annual maintenance fees.

Risks:

- Single point of failure, which would need to be considered when designing the system.

- Both authorities would need to agree the upgrade and patch management roadmap for the application itself and deviation from this would not be practical.

1.3.4 **Alignment of hardware only:**

- Consists one server, two separate databases and two separate application front ends.

Impact on costs and resources:

- Reduction in hardware.
- Reduction of operating system licenses.
- Reduction on support services including hardware maintenance licenses due to reduced number of servers.
- Allows flexibility within both authorities.

Risks:

- Single point of failure, which would need to be considered when designing the system.
- Maximum efficiencies will not be realised due to separate processes and procedures (this option may appear more attractive to the Councils as it gives the services involved more flexibility).

1.3.5 **Hosting by the supplier (with or without full system admin)**

This is still under investigation with suppliers; however, it should be noted that there is an increasing offer for this from suppliers and an increasing take-up from customers, both in the public and private sector.

Further detail will be provided in future reports to Joint Committee.

1.4 **Major applications impacted by the harmonisation proposals**

1.4.1 **WBC:**

Uniform – Software solution - in use by:

- a) Planning (inc Total Land Charges Team & Building Control)
- b) Environmental Health and Licensing
- c) Environmental Services

Lagan – CRM – is use by:

- a) Customer Service Centre
- b) Environmental Services & environmental health

Note: Both these systems have a degree of integration with each other.

1.4.2 **TRDC:**

Uniform – Software Solution – in use by:

- a) Planning (including Total Land Charges Team)

Proactive - CRM – in use by:

- a) Customer Services department
- b) Other departments e.g. Environmental Health and Environmental

Protection

M3 – software solution - in use by:

a) Environmental Health

Note: Proactive and M3 systems have some degree of integration with each other.

1.5 Application Detail: Uniform (Idox)

- 1.5.1 Uniform is owned by Idox Solutions Ltd and provides a range of modules within the application itself e.g. Building Control, Planning, Environmental Health, Land Charges, Housing, Estates, Trading Standards, Anti-Social Behaviour, Contaminated Land, Licensing.
- 1.5.2 WBC currently spend £108,208.49 per annum for 60 Uniform licenses, including additional applications e.g. Public Access for Planning, Planning portal connector and Gazetteer connector. The reason that the costs are higher for WBC is due to the integration of the Uniform product with the WBC CRM - Lagan.
- 1.5.3 TRDC currently spend £62,309.72 per annum for 60 Uniform licenses, including additional applications required e.g. Public Access for Planning, Building Control and Local Development framework, Consultee Access, Planning portal connector and Gazetteer connector.
- 1.5.4 Idox do not currently offer any form of cost saving for the alignment of systems unless a single database instance is utilised, meaning that both Councils would need to be a true shared service for the services using these systems.
- 1.5.5 It is our recommendation to look at the alignment of hardware only, with consideration of costs for a hosted and managed service for this system.
- 1.5.6 The annual cost for server hardware maintenance contracts is in the region of £24,000. These will be reduced as a result of the work to implement the ICT review recommendations. The amount this will reduce by is currently unclear as the work is currently in the planning stages.
- 1.5.7 Idox have supplied costs for hosting and managed services (this does not include licensing fees; however the savings could still be made if these services were shared).
- Hosting service - £60K
 - Upgrade and patch management – £28,800K
 - System Supervisor Service - £60K
 - Based on a 3 or 5 year commitment
 - Total annual cost £148,800

This option should be considered in line with harmonisation of business systems as well as the infrastructure review outcomes. (See appendix 2 for the full supplier proposal.)

- 1.5.8 We are currently in discussion with the supplier and further details will be fed into the options appraisal and business case for the harmonisation of this system. The impact on staffing will also be considered during this process.

1.6 Application Detail – Lagan & Proactive

- 1.6.1 Lagan is owned by Lagan Technologies Ltd which provides CRM (in use by the

WBC Customer Services department), plus a light version which is in use by various Council departments. Lagan and Uniform products are integrated using a connector called UFIS to pass cases work from the front to the back office.

- 1.6.2 The Lagan application, full and light version cost £25,924 in licensing and annual maintenance charges.
- 1.6.3 Proactive is owned by Northgate Information Solutions which provides a CRM in use by the customer services department in TRDC. The Proactive system has come to the end of its life and Northgate Information Solutions have ceased to develop the application further. This system has a degree of integration with the M3 system at TRDC.
- 1.6.4 License and maintenance costs are £25,078. Costs for other Council departments to access the Proactive system are £17,395 giving a total licence cost of £42,473 per annum.
- 1.6.5 The day to day maintenance of the Proactive system continues to be outsourced to Northgate Information Solutions at a cost of £850 per day with a maximum of 1 day per week through the year.
- 1.6.6 The Lagan system is maintained in-house by ICT staff and scripting work is performed by a specialist within the WBC CSC.
- 1.6.7 Lagan suppliers have confirmed that they support an option of one single database instance (using shared hardware) with two application front-ends. This would allow both authorities to retain their individual ways of working whilst harmonising hardware and software.
- 1.6.8 Due to the nature of the licensing agreement with Lagan, there is some dependency on the infrastructure architecture deployed but there are potential license savings in the region of £15,000 to £25,000. Full details of this proposal can be found in appendix 3.
- 1.6.9 Annual maintenance charges for the Lagan CRM solution could be split across both authorities - £13,000 each. Full details of this proposal can be found in appendix 3.

1.7 Application Detail – M3

- 1.7.1 M3 is owned by Northgate Information Solutions. As with Proactive, M3 has come to the end of its life and Northgate Information Solutions have ceased to develop the application further.
- 1.7.2 TRDC currently use the M3 application costing £9,393.61 within the Environmental Health section.
- 1.7.3 The use of M3 would need to be included within the procurement process for Proactive (TRDC CRM) given the integration between M3 and Proactive. There is also the potential to migrate to Uniform for this service in line with WBC – see above.

1.8 The harmonisation roadmap is still a work in progress and we are liaising with suppliers to obtain further quotes for hosting and managed services.

The outcomes of options appraisals and business cases for each system harmonisation will be reported to future Joint Committee meetings.

The infrastructure review has identified a number of applications in use by both authorities that are not yet harmonised. In addition to the work to harmonise the major systems detailed in this report, ICT will develop an action plan to harmonise the remaining applications in line with the future shared services programme as it develops. Where there are opportunities, such as products coming to end of life, harmonisation will be discussed with services and accelerated where possible.

Appendices

Appendix 1 – Harmonisation paper submitted November 2010

Appendix 2 – IDOX (Uniform system) hosting and managed service costs

Appendix 3 – Lagan technologies (Lagan CRM system) – Proposal for sharing Watford Lagan services

Background Papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

- Shared Services Programme Detailed Business Case

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HARMONISATION OF ICT SYSTEMS

1.1 Background

- 1.1.1 The current status is there are 4 shared systems across both Councils, which are those systems for each of the Shared Services. For the out of scope services at both authorities some are provided by the same supplier. (more detail in appendix 1)
- 1.1.2 There are 6 business system contracts across both authorities with the same supplier.
There are 15 additional business systems in use at Watford Borough Council and an additional 7 in use at Three Rivers District Council.
- 1.1.3 Through the business case of Shared Services it was identified that the removal of key points of failure through the improvement of resilience was a key factor in Shared Services success.
- 1.1.4 Harmonisation of systems has already begun across Watford Borough Council and Three Rivers District Council in the shape of a shared Income Management and the procurement of the E-Petitions system. However there is the potential for other key systems across both Councils to also be aligned and realise the same benefits including resilience and cost savings.

1.2 Drivers

- 1.2.1 Potential drivers for the harmonisation of business systems across both authorities have been identified as the
- Existing common suppliers – Appendix 1
 - Expiry of contracts – Appendix 1
 - Suppliers de-supporting existing systems
 - Hardware replacement programme
 - Business continuity – defining the priority systems – Appendix 2
- 1.2.2. Suppliers do de-support systems, and we are given notice of this. There are currently no known timescales of de-supporting of existing business systems (other than for Income Management which is already in progress).
- 1.2.3 As the harmonisation programme progresses it would be prudent to review business system priorities if knowledge of de-support becomes known.
- 1.2.4 Hardware replacement programmes for both authorities will be an outcome of the external infrastructure review which is currently in progress and therefore identification of urgent hardware replacement may impact the priority and timescales of business system harmonisation.
- 1.2.5 As with de-support it would be prudent to review the priority of harmonisation in line with information received regarding critical hardware replacement.
- ### **1.3 Consolidation Advantages**
- 1.3.1 Overall capital replacement hardware programme may be reduced. Servers themselves would be consolidated, but potentially would need to be a higher specification in order to manage the requirements of virtualisation of the systems themselves.
- 1.3.2 Other associated hardware costs include the ongoing maintenance contract costs

could also be reduced.

- 1.3.3 It is proposed that the alignment of the systems will reduce the licensing requirements for the system software. Use of site licenses and single operating system and platform licenses could all be streamlined.
- 1.3.4 Reduction in the requirement for a wide range of skills across the applications analysts team. See appendix 3 – this is currently a work in progress, high risk areas of require resilience were identified early on in the inception of Shared Services for ICT and resilience building is currently an ongoing process and being developed primarily through shadowing exercises.
- 1.3.5 Upgrades could be aligned and reduced overall, therefore freeing up applications and infrastructure resource.

1.4 Harmonisation Process

- 1.4.1 Mapping of the existing business processes for each service involved and highlighting the differences. Consideration of the future needs of the services would also need to occur. If the system is to be shared in its entirety then agreement on the business processes between the relevant authority services would need to be sought.
- 1.4.2 An options appraisal for the harmonisation of business systems would consist of a standard process looking at (Sample appendix 4 – Example of system harmonisation project plan):
 - Do nothing
 - Existing systems and solutions in place at either authority
 - Alignment of business system and hardware only
 - Alignment of business processes, business system and hardware
- 1.4.3 Options for doing nothing are a standard part of an appraisal of this type. Looking at what the implications are e.g. advantages and disadvantages, costs, timescales, benefits, risks etc.
- 1.4.4 As there a number of systems in place potentially with established contracts then investigation of exploitation of existing systems would take place. E.g. Garages may not require a separate system, instead there might be potential to use an additional module within the Uniform system.
- 1.4.3 If business processes could not be aligned harmonisation of the system and hardware only would be considered. E.g. The hardware is shared, and the services use the same system however the databases are separate.
- 1.4.4 If business processes are aligned then full advantage of systems sharing can take place. E.g. Income Management. For both authorities as processes are aligned there will be one common system. As a result initial implementation costs, hardware, annual maintenance and licenses are all reduced.
- 1.4.5 Outline Timetable:

2011-2012 – Options appraisal for the alignment of Uniform systems

2011-2012 – Joint Committee should note the alignment of Proactive (TRDC – CSC) system with Watford Borough Council – Lagan system. Suitable options appraisal to be completed as part of this process to ensure that Lagan fits TRDC CSC business requirements. (this has already been identified in service plans)

2011-2012 – Options appraisal for the alignment of Three Rivers Housing system

2012-2013 – Implementation of agreed option for Uniform systems

2012-2013 – Implementation of the Three Rivers Housing system

1.5 Longer Term

- 1.5.1** As contracts come up for renewal SSICT would review the options for harmonisation as detailed above. This would also be the standard process for working with other Councils who may join as shared services grows.

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Appendices

Appendix 1 – Existing systems comparison across Watford Borough Council and Three Rivers District Council

Appendix 2 – Extract from business continuity plan – priority services

Appendix 3 - Current skills matrix for the Shared Services ICT applications team

Appendix 4 – High level project plan

Background Papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

- Shared Services Programme Detailed Business Case

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Appendix 1 – Existing business systems comparison and contract expiry information across authorities

| No. | Business Application | WBC | TRDC | Shared Services | Expiry Date |
|--|--------------------------------------|-----|------|-----------------|--|
| Watford Borough Council | | | | | |
| 1 | APLAWS /Maggpie | ✓ | | | 31/03/2011 |
| 2 | BACS - Connect IP | ✓ | | | 01/04/2011 |
| | Atrium | | | | 01/01/2015 Contract |
| | | | | | 01/04/2011 Support |
| 3 | Ebase - Eforms | ✓ | | | 30/11/2010 |
| 4 | ELMS Part of Radius Civica | ✓ | | | |
| 5 | EROS/Weberos/PostCode/LLPG/ICR/Adest | ✓ | | | 31/03/2011 |
| 6 | Gauge | ✓ | | | 01/03/2011 |
| 7 | Halarose (Eros): Avantguard | ✓ | | | 28/02/2011 |
| 8 | Idox DMS | ✓ | | | 24/02/2011 |
| 9 | Lagan | ✓ | | | 31/03/2011 |
| 10 | Macfarlane | ✓ | | | 01/07/2011 |
| 11 | Radius - Cash Receipting | ✓ | | | 01/04/2011 |
| 12 | Touchpaper | ✓ | | | 31/03/2011 |
| 13 | QMS | ✓ | | | 30/04/2011 |
| 14 | Orchard | ✓ | | | |
| Three Rivers District Council | | | | | |
| 15 | Albang BACS | | ✓ | | 01/06/2011 |
| | Capita Housing | | | | 01/04/2013 (6 month Notice period by 30 Sept 2012) |
| 16 | Capita REMIT | | ✓ | | 20/11/2010 |
| 17 | Northgate CRM Proactive | | ✓ | | 01/03/2011 |
| 18 | Solcase | | ✓ | | |
| 19 | Northgate - M3 | | ✓ | | 02/03/2011 |
| 20 | E-Shop Works | | ✓ | | 01/04/2011 |
| Both Councils have the same systems in use | | | | | |
| 21 | ESRI - GIS | ✓ | ✓ | | 31/03/2011 |
| 22 | Planning Portal | ✓ | ✓ | | 24/02/2011 |
| 23 | Public Access | ✓ | ✓ | | 24/02/2011 |
| 24 | Site Improve | ✓ | ✓ | | 16/12/2010 |
| 25 | Total Land Charges | ✓ | ✓ | | 24/02/2011 |
| 26 | Uniform | ✓ | ✓ | | 24/02/2011 |
| Watford and Three Rivers Shared Services Applications | | | | | |
| | Capita Academy R&B | | | | TRDC & |

Appendix 2 – Business Continuity Plans – Priority Services

| Priority 1 | Watford | Three Rivers |
|-------------------|------------------------|-----------------------------|
| | COA | COA |
| | Academy | Academy |
| | Uniform | |
| | Lagan | CSC - Proactive |
| | Cash Receipting Radius | Cash Receipting - AXIS |
| | WBC Website | Corporate Internet/Intranet |
| | | |

| Priority 2 | Watford | Three Rivers |
|-------------------|------------------------|---|
| | Touchpaper | Income Distribution - REMIT |
| | EROS | Loans Management system |
| | Gauge | Bank-line plus |
| | GIS | Northgate EH Module |
| | Resource Link | EHC Net |
| | Intranet | Integrated Planning management system - Uniform |
| | OMS - Legal Management | Express- Electoral register |
| | | Resource Link - Personnel system |
| | | Solcase - Legal Management system |
| | | Local Authority Claim Management system |

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SSICT, Joint Committee – 30th November 2010

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M1 Comments

| | A | B | C | F | G | H | N | O | P | Q |
|-----|-----------------------------------|-----------|-----------|-----------|-----------|-----------|---|---|---|---|
| 1 | Name of Analyst | A1 | A2 | A4 | A5 | A6 | | | | |
| 2 | Application System | | | | | | | | | |
| 84 | | | | | | | | | | |
| 85 | COA | | | | | | | | | |
| 86 | Password reset | Yes | yes | Yes | Yes | | | | | |
| 87 | Create user in Security Editor | Yes | | Yes | Yes | | | | | |
| 88 | Create user in efin | Yes | | Yes | Yes | | | | | |
| 89 | Create Role | Yes | | Yes | Yes | | | | | |
| 90 | Link user to role | Yes | | Yes | Yes | | | | | |
| 91 | Add email address | Yes | | Yes | Yes | | | | | |
| 92 | Add e-proc and e-analyser licence | Yes | | Yes | Yes | | | | | |
| 93 | Log support call with COA | Yes | | Yes | Yes | | | | | |
| 94 | Oracle account unlock | Yes | yes | Yes | Yes | | | | | |
| 95 | | | | | | | | | | |
| 96 | Gauge | | | | | | | | | |
| 97 | Reset Password | | | | | | | | | |
| 98 | | | | | | | | | | |
| 99 | Uniform | | | | | | | | | |
| 100 | Create User | Yes | yes | Yes | | | | | | |
| 101 | Edit Role | Yes | yes | Yes | | | | | | |
| 102 | Create Roles | Yes | yes | Yes | | | | | | |
| 103 | Add Codelists | Yes | | Yes | | | | | | |
| 104 | Set up permissions for a user | Yes | | Yes | | | | | | |
| 105 | Create Officer Code | Yes | | Yes | | | | | | |
| 106 | Customising Fields | Yes | | Yes | | | | | | |
| 107 | Customising Screen | Yes | | Yes | | | | | | |
| 108 | Customising modules | Yes | | Yes | | | | | | |
| 109 | Customising Officer Diaries | Yes | | Yes | | | | | | |
| 110 | Cronjobs | Yes | | | | | | | | |
| 111 | Deleting Case Record | Yes | | Yes | | | | | | |
| 112 | Create document templates | | | | | | | | | |
| 113 | Application document templates | | | | | | | | | |

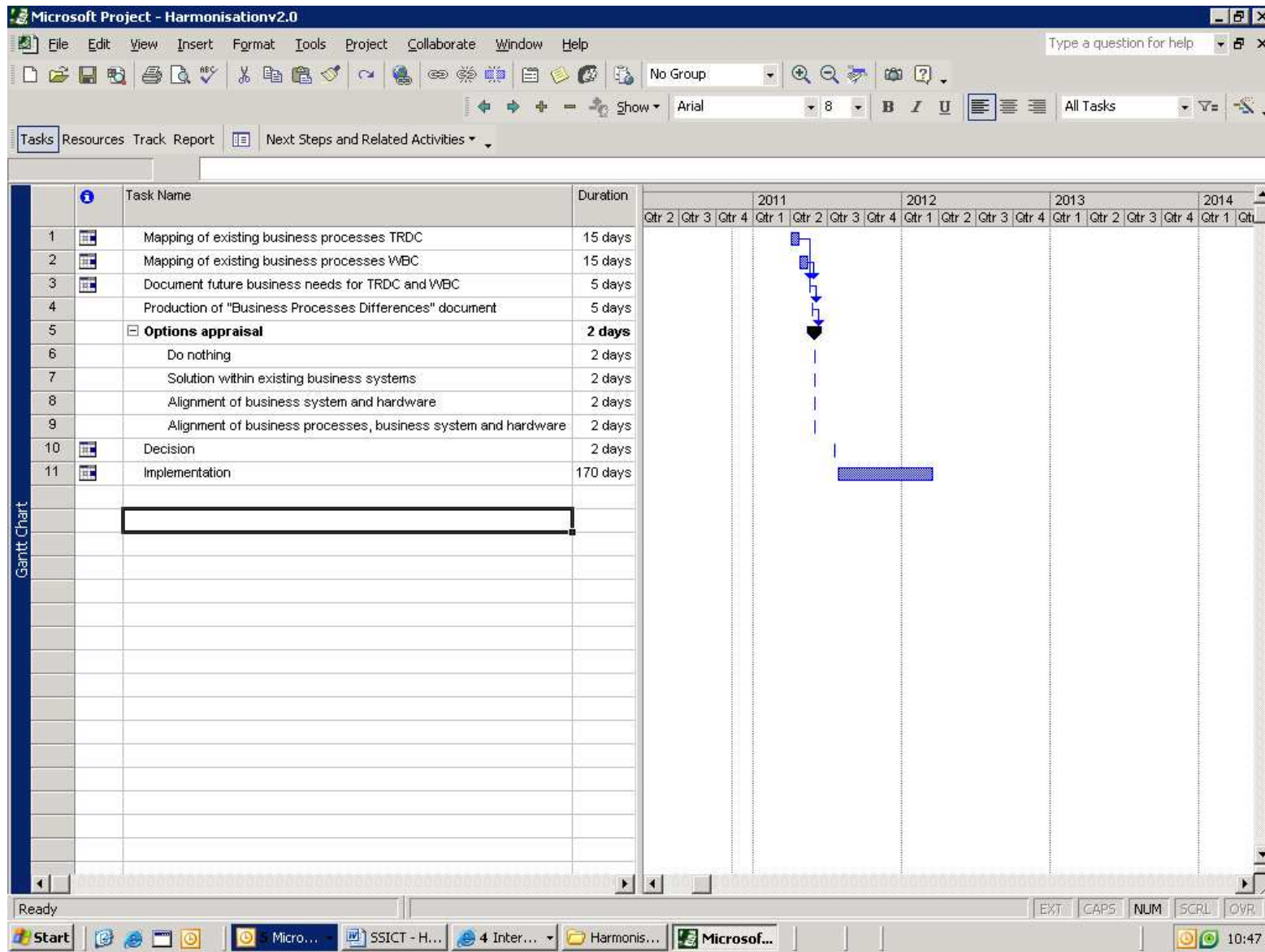
Applications Sheet2 Sheet3

Ready NUM

Start 3 Inter... 2 Micro... ICT Restr... SSICT - H... Microsof... 08:05

SSICT, Joint Committee – 30th November 2010
Appendix 4 – High Level Project Plan (Sample)

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UNI-form Hosting & Managed Services proposal

Watford Borough Council

Date: 11 February 2011

Version: 1.0

Author: Tim Eyles
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Commercial in Confidence

Document control

| Version | Changes | Author | Date |
|----------------|----------------|---------------|-------------|
| 1.0 | First Draft | Tim Eyles | 11 Feb 2011 |

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1. Summary

This working document has been prepared in response to Watford Borough Council's interest in changing the management of the UNI-form software environment from the existing implementation at the council's offices to a hosted and managed service model. The UNI-form software currently used by Watford is listed below:

- Gazetteer
- Planning
- Building Control
- Environmental Services
- Licensing
- Total Land Charges
- Estates Management
- Connectors
- IDOX Public Access modules

The hosted option is currently preferred as it supports a wider range of business drivers including:

- Making best use of the system to derive service and cost efficiencies
- Ensure the availability, reliability and continuity of service
- Provide a foundation for future service improvements
- Supports effective systems management
- Potential shared service scalability

There are a number of managed services we have recommended for use by Watford, these include:

- **Managed Hosting Service**

The UNI-form Managed Hosting service would provide Watford with the ability to handover IT system housing, maintenance and management to IDOX. IDOX would provide the hardware on which to run UNI-form and make the applications available via the Internet or via a Citrix connection (e.g. for UNI-form desktop).

For the end user, there should be very little impact when transitioning from the local implemented system to the hosted environment as their UNI-form desktop icons will point to underlying software managed and served from an alternative location.

- **Upgrade & Patch Management Service**

This service provides a fully managed technical upgrade and patch management service. It will ensure Watford remain at the most up to date versions of software to gain the benefits provided by newer versions of UNI-form. Watford will be kept in step with general improvements and legislative changes.

- **System Supervisor Service**

This flexible service would assist Watford Council with the day to day UNI-form administration tasks and delivers full application support to users and managers, allowing them to focus on their own jobs and responsibilities. In addition this could fill any system supervisor gap within the authority. IDOX will require further discussion to produce a full specification of the required System Supervisor role at Watford.

1.1 Cost Summary

The following is a summary of the costs attached to the managed services described in this document. This is based on either a 3 or 5 year model with opportunities for review. IDOX have also taken into consideration Watford's existing annual support and maintenance payments.

| Service | Annual Cost |
|---|-----------------|
| Hosting Service | £60,000 |
| UNI-form Upgrade & Patch Management Service | £28,800 |
| System Supervisor Service | £60,000 |
| Estimated Total Annual | £148,800 |

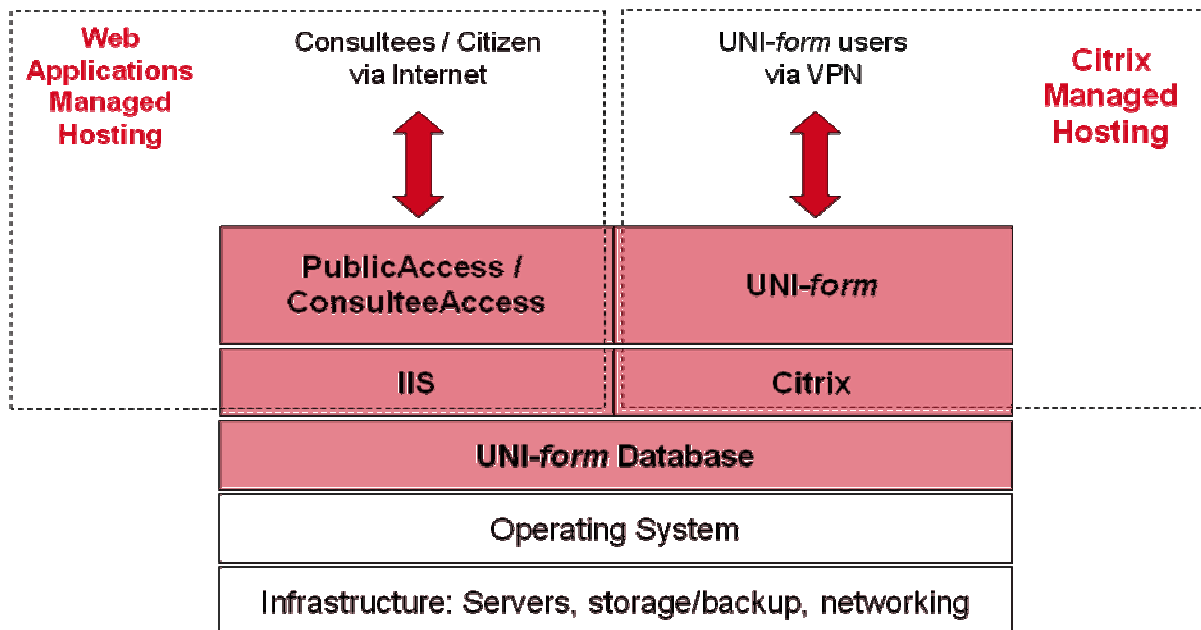
2. Managed Hosting

Managed Services is now a reality in Local Government as authorities look for new ways to improve service, de-risk their operations and make efficiency savings. IDOX propose to host Watford Councils full *UNI-form* environment to help the authority realise these benefits.

In simple terms the *UNI-form* Managed Hosting service would provide Watford with the ability to handover IT system housing, maintenance and management to IDOX. IDOX would provide the hardware on which to run *UNI-form* and make the applications available via the Internet or via a Citrix connection (e.g. for *UNI-form* desktop).

2.1 Architecture

The following diagram is provided for information and illustrates the difference between the hosting requirements for Web applications and that required for the desktop provision of *UNI-form*.



2.2 Hosting Services

The following sections of this document describe the services included within the IDOX Hosting proposition. It is possible to pick and choose individual services or elements in order to provide a tailored service. The key highlights of our managed service provision are listed below:

- 24-hour operating system monitoring and support to ensure uninterrupted system reliability
- Hardware maintenance and management
- Support desk to respond rapidly to technical and other issues
- System maintenance by experts who fully understand the software and infrastructure
- Secure servers dedicated to running *UNI-form*

- Robust failover redundancy and full backups to protect against failure
- Thin-client solution to support home working
- The ability to increase capacity without hardware expansion considerations or limitations
- Single point of contact and responsibility for all service issues
- Agreed service level agreement

2.2.1 Virtual Database Administration (DBA)

UNI-form software is underpinned by an Oracle database. With the development of UNI-form and the demands on the Oracle database, the Oracle Database Administrator (Oracle DBA) role has become an essential requirement in the development and maintenance of the UNI-form database. The UNI-form Virtual DBA service offers the following services:

- Monthly Oracle database checks via remote access provided by the customer. (It is necessary for this to be available at short notice and to meet the IDOX recommended method for remote access for sites which are not hosted)
- Increased response times to database errors through automatic alerts and the dedicated team of DBA's.
- Enhanced provision of IDOX support through increased knowledge of Watford's database and set-up.
- Increased performance and reliability of the UNI-form database due to the reduction in potential downtime.
- Increased cost efficiency together with continuous support. The UNI-form database is often the only Oracle database within a local authority which reduces the need for an on-site DBA.

2.2.2 Infrastructure Management

- Hardware provision
- System backups
- Backup restore tests
- Component failure replacement
- Hardware/communications monitoring
- Helpdesk support

2.2.3 Server Administration

- Operating System patches
- Security
- Anti-virus
- User account management
- Windows
- Citrix
- Internet Information Services (IIS)

2.2.4 Software Management and Licensing

- Assessment of Windows, Citrix, IIS and Oracle software upgrades

- Installation of Windows, Citrix, IIS, Oracle software upgrades
- Software License management
- Citrix licences
- Oracle licences
- Anti-virus licences
- Operating System licences

2.3 Exclusions

The following items are not included within the IDOX Managed Hosting offering:

2.3.1 Microsoft Office

The licenses required to use Microsoft Word and Microsoft Access with UNI-form are not included. Microsoft Word is also presented through Citrix in order for letter template generation and editing to work. Microsoft Access can be installed at the authority as connection over to the database can be achieved via the VPN.

2.3.2 Customer Infrastructure Problems

The resolution of local infrastructure problems (such as Internet connection, VPN or Citrix problems) are not included as part of the support service. The standard service includes help for up to 2 hours in defining the VPN connection, however beyond that additional technical help would need to be purchased to assist with the resolution of infrastructure issues at the authority's offices.

2.3.3 Connectivity and Bandwidth

The provision of internet connectivity for the purposes of hosting is not included. Some authorities do not have a direct connection to an Internet ISP and instead have local arrangements with other authorities within a county. This may cause difficulties in supporting an external hosting environment. The number of products and users supported affects the bandwidth required into the council offices so this should also be considered if there are already known bandwidth issues.

Watford will need to review their Internet bandwidth allocation into their offices to ensure that sufficient bandwidth is available in order to receive the service. Each Citrix connection user for UNI-form will require approximately 100K to be allocated. Sites should consider partitioning their bandwidth allocation to ensure that appropriate bandwidth is guaranteed for the Managed Hosting service if they are hitting bandwidth limits.

2.3.4 Implementation Services

The Managed Hosting fees do not include the installation of new software products into the hosting environment. This would be quoted separately depending on the situation. For example, for any UNI-form products the standard installation charge for that product would apply. IDOX simply install into the hosted environment rather than onsite at Watford.

2.3.5 Free Trial/Acceptance Testing

There is no free trial or free acceptance testing phase in the implementation. The Managed Hosting fees start on the day the UNI-form is installed and made available to the client (whether over the Internet for Web Application or Citrix/VPN for the back office. There is scope for provision of a UNI-form demonstration system so that Watford could assess connectivity performance.

2.3.6 Performance Guarantees

The service level agreement does not offer any guarantees regarding the performance of the hosted applications. As part of the monitoring we will be assessing the on-going performance and load of the servers and address issues where necessary, however given the delivery of the applications via the Internet no guarantees can be provided.

2.3.7 Disaster Recovery

The service does not include any provision for a full disaster recovery solution. Should the IDOX hosting centre suffer a major incident out of its control (Force Majeure) and the hosting service is lost then IDOX will attempt to restore the service as quickly as possible. A full disaster recovery solution can be defined for Watford, however given the stand-by nature of the hardware and accommodation required the cost may be prohibitive. The existing backup and resilient service proposed would be sufficient to manage most eventualities and equals or exceeds that of most local government implementations.

2.4 Cost

The annual cost to Watford Council for the services described in section 2 would be £60,000. This pricing assumes a maximum of 60 concurrent licences.

3. UNI-form Upgrade and Patch Management Service

This UNI-form Upgrade and Patch Management Service is a technical managed service and includes all patch installations and upgrades for the following software implementations over a calendar year, this represents the full implementation of UNI-form software a Watford Council:

- UNI-form
- UNI-form Connectors
- Total Land Charges

New implementations of the above software or the implementation of new products and the resourcing thereof would need to be assessed on a case by case basis and would attract an additional cost.

If appropriate, this service can be requested for modification by either party using an agreed change control process at any point during the lifetime of an agreement.

3.1.1 Service Management and Provision

The following sections outline services provided to address the requirement to maintain the different IDOX software implementations at a supported version and cater for the implementation of any critical patch releases. Although provision is made for regular intervals at which software upgrades and patches are released, the service is only necessary if patches or upgrades are available at any given time.

The assumption by IDOX is that all non production systems can be upgraded during normal working hours. Live production systems would be upgraded and patched out of normal working hours.

For the provision of this service for implementations which are not hosted by IDOX it is assumed that Watford will arrange for adequate access to be given to IDOX Support staff to allow service targets to be achieved.

The following sections of this document describe which services are included for each IDOX application covered by this managed service.

3.1.1.1 UNI-form

- Up to two major upgrades per calendar year, a major upgrade is defined as a UNI-form release which has a full number increment. For example 7.7 to 8.0 or 8.0 to 8.1. Such upgrades would also ensure that all prior patches were rolled up into the new version.
- Implementation of all appropriate UNI-form patch releases every quarter
- The provision of fast track process to implement initially in either Test or Trial, and then in Live within 2 weeks of release, a patch release agreed between IDOX and Watford to be business critical. The remaining instance (Test or Trial) to be patched within 3 weeks of release. This includes any patches related to the resolution of Watford's high priority support calls.

3.1.1.2 UNI-form Public / Consultee Access

- Up to two major upgrades per calendar year, a major upgrade is defined as a UNI-form release which has a full number increment.

- Implementation of all appropriate Public Access patch releases every quarter
- The provision of a fast track process for the implementation of PA/CA patch releases which address faults found within the system that have previously been reported through the standard support channels and agreed between IDOX and Watford to be business critical.

3.1.1.3 UNI-form Connectors

- Up to two major upgrades per calendar year, a major upgrade is defined as a UNI-form release which has a full number increment. For example 7.6 to 7.7 or 8.0 to 8.1.
- Implementation of all appropriate UNI-form connector patch releases every quarter
- The provision of a fast track process for the implementation of UNI-form connector patch releases which address faults found within the system that have previously been reported through the standard support channels and agreed between IDOX and Watford to be business critical.

3.1.2 Delays

There may be scenarios where issues beyond the control of IDOX will affect its ability to deliver to the service levels agreed for this managed service. Examples of such scenarios are outlined below:

- Technical issues outside the control of IDOX relating to Watford's technical infrastructure
- Failure to test critical patches implemented to test in an agreed timescale
- Postponement or cancellation of agreed dates to install patches or apply upgrades

3.1.3 Configuration Management

In addition to the requirement to manage the technical delivery of UNI-form upgrades, IDOX recommend maintaining a configuration document which outlines all current versions and system usage. This document would need to include details regarding specific software use and versions.

As part of this service IDOX propose to review and update this document on a quarterly basis.

The scope of this service would include:

- Creation of a suitable template with the agreement of Watford
- Initial review and capture of all systems and version information
- Creation of initial document version
- Change control
- Quarterly review and update of configuration document (however updates could be made on an ongoing basis). This would collate the results of changes due to upgrades, patches and support call resolutions in the preceding period.

3.1.4 Cost

The annual cost for the service described in Section 3 of this document would be £28,800.

4. System Supervisor Service

IDOX proposes a System Supervisor service to assist the Watford Council with day to day UNI-form administration tasks. This is a flexible service which delivers full application support to users and managers, allowing them to focus on their own jobs and responsibilities. As part of the service IDOX staff perform system supervisor functions either onsite or remotely, depending on the level of service required/agreed and the nature or urgency of a particular task.

Based on discussions with Watford Council, IDOX's proposal includes a comprehensive service to fulfil the supervisor requirements of all departments and business areas where the UNI-form suite is in use, including TLC in Land Charges. The aim is to deliver a high quality service to the authority, with the objective being to reduce resource impact on departmental and ICT staff and minimise the system management input required from 3rd party organisations.

Focus is on delivering all relevant application supervisor functions required by the user departments, with a minimum of input from staff and disruption to workloads and other priorities. The UNI-form suite is designed to be simple to use and to provide efficient support for its associated business processes. The supervisor service is designed to ensure that it performs, and is used, to the best of its capabilities. In addition pro-active system management can deliver continuous improvement, minimise the impact of issues, whilst at the same time remove the risk of system stagnation and prevent the encroachment of bad practice.

IDOX recommends that Watford put in place a structure to manage, direct and monitor the service, through a relationship management model. By engaging with the IDOX service team to prioritise work, provide a liaison between business areas and IDOX, and review performance during the course of the contract period, the authority can monitor the service's delivery of what's been asked for and can measure its success. There is a risk with any externally-provided service that its efforts are misdirected through the lack of a co-ordinated approach. Sensible communication and task/activity recording will increase the focus of the service and deliver more certain outcomes to the user departments.

The sections below describe the scope of the service that IDOX recommends for Watford, the benefits of this approach, and details of how the service would be structured and costed.

4.1 Tasks included within the service

The service is flexible, the authority being free to decide which type of activities it would require. The full service recommended under this proposal includes the following key areas of activity:

- System Security – Create and maintain user accounts, password management, corporate security policy enforcement within the UNI-form suite, agreeing and setting permissions and access levels, assisting with security audits.
- System Management – Review usage levels (against concurrent licence provision) to ensure that the authority has appropriate license numbers, both at the given time, and in relation to any anticipated extended usage.
- System Configuration – Maintain code lists, initial values, screen and module configuration (tab and field management, mandatory data entry, etc). Propose and implement relevant improvements to system configuration to deliver greater automation, data consistency and ease of use for staff.
- Document Templates – Maintain and update existing templates, creation of new templates, applying enhancements (eg. map inclusion, complex conditional commands to reduce template numbers or template selection), working with users to improve workflow and efficiency through advanced use/automation of templates.

- Reports – Work to departmental and management requirements to write, generate and distribute reports and data analysis. This can include monitoring performance against service targets and objectives, providing officers with reports highlighting their performance, workload and task prioritisation, as well as performing checks on data quality and consistency. Statutory returns, as provided within UNI-form, would also be run, both for pre-submission accuracy checking, and for final submission.
- Process Documentation – Contribute to the user departments' procedure document library of best practice, where it applies to use of the UNI-form system. Such documentation is invaluable for ensuring consistency of data entry, continued high quality use of the system and for allowing new staff to make effective use of systems more quickly.
- Testing – Assist with the co-ordination of testing new releases/patches etc. Test new features, processes, templates etc, against the Watford system. This would include working with users to understand their needs, presenting planned changes to them and assisting their adoption of them. It would also include liaising and co-ordinating with IDOX colleagues responsible for carrying out upgrades as part of the technical managed service described above. Final acceptance would require sign-off by Watford representatives, whether the relationship manager, end users or both.
- User Support – Aid staff in their general use of UNI-form. Many support calls relate to a lack of user knowledge and their need for assistance in making proper use of the software. A supervisor service can resolve most of these issues without the need to raise support calls. Many support calls actually reflect training or knowledge issues. The IDOX supervisor service offers a continuous review for identifying and addressing training needs to overcome such issues.
- Support Liaison – Where support calls do need to be raised, the IDOX supervisor service can oversee the Helpdesk's investigation and, where necessary, act for the authority in providing further information if needed. When resolved IDOX supervisor staff can apply the fix or communicate the appropriate advice.
- Training Needs Review – Perform an on-going training needs analysis, reporting requirements and recommendations to management. This would encompass new starters, refresher courses for existing users, as well as training on any new UNI-form modules or systems. Delivery of training courses would not be included within the scope of the supervisor service - the IDOX Account Manager would then be engaged to agree any resulting training requirements with departmental management.

4.2 Benefits

- **Fixed-price**
 - IDOX is able to provide the authority with a comprehensive yet flexible service at an agreed price.
- **High Quality**
 - IDOX supervisor staff are ex-Local Government UNI-form supervisors, with extensive experience in all elements of the system, across all relevant authority functions.
 - IDOX staff work with the UNI-form system every day, resulting in their skills and knowledge staying fresh.
 - IDOX staff receive regular training on new system releases and features and are able to communicate the benefits of these enhancements to customer users and managers.
 - IDOX supervisors have full internal access to the company's knowledge base and collective staff experience.
 - Pro-active process improvement – experienced IDOX supervisor staff are able to identify, recommend and implement benefits and efficiencies to service areas through better system use. Greater automation can be achieved through proper configuration and use of UNI-form, and by

applying best practice IDOX business domain experts can help to deliver a more streamlined workflow within whole departments or individual functions.

- Change control – few authorities maintain a comprehensive record of their system build and configuration as it evolves over time. Across a wide deployment, as found at Watford Council, the need for well-managed change control is key to ensuring that risk occurring through change is understood and minimised.

- **Efficient**

- In most instances IDOX supervisors can complete tasks more quickly and to a higher standard than internal staff due to deeper system knowledge and experience.
- By having experience of both UNI-form and the business functions it supports, IDOX supervisors are able to ‘talk the language’ of both ICT and the user departments. This serves to smooth the traditional issues encountered when trying to translate management and user priorities or requirements into technical solutions.

- **Flexible**

- Drawing on a resource pool the IDOX service is able to cope with the inevitable peaks and troughs of demand for supervisor work.
- An onsite supervisor is provided on a regular basis (ie. a set amount of time per week), supported by additional off-site resource. This provision can be tailored to suit the user departments’ needs at a given time. On- or offsite work can be interchangeable, allowing for service needs and priorities to be met in the most appropriate way and within the timescales required.
- The supervisor service is not restricted to a single dedicated IDOX resource. This allows for different specialists and experts to deliver specific items of work to the authority as and when the need arises. An IDOX Senior Delivery Manager would be responsible for reviewing necessary items of work identified by IDOX Supervisor staff, as well as requests from users, and assigning them to the most appropriate resource to ensure an efficient and high quality delivery.
- There are no issues with the service stopping or slowing during leave or sickness periods. Appropriate staff resources are available in sufficient depth to ensure a consistent level of service to the authority.

4.3 How would the service work in practice?

IDOX recommends that Watford put in place a structure to manage, direct and monitor the service by engaging with the IDOX service team to prioritise work, provide a liaison between business areas and IDOX, and review performance during the course of the contract period. The specific activities carried out by this relationship management role, as well as their frequency and the level of detail covered, would need to be agreed as part of the service structure. A contract management approach of this kind would ensure that the authority had appropriate overview/control of the use of the resource level provided by IDOX to deliver the service.

Two basic types of activity make up the work that the supervisor service will deliver; planned and un-planned. It is expected that the majority would be planned in advance by the service management team (IDOX, the users and the relationship manager in between), for the next period. Typically this might be 4-8 weeks ahead, with the aim being to tie in departmental requirements for enhancements or other changes, software releases, legislative change and other factors, into a coherent programme of work. A master log of work planned, and any

dependencies etc, would need to be maintained to provide a clear picture of what outcomes could be expected by the user departments, and when. This would also aid prioritisation and bring together a cross-departmental view of what was planned, including other key factors such as annual leave amongst relevant authority staff and busy/critical periods within specific business areas (eg. when statutory returns are generated).

Un-planned work would need to be fitted into the main programme, taking short-notice requests from users and prioritising them for inclusion. Once agreed by the service management team, activities would be allocated within IDOX to the appropriate resource and the necessary Watford staff and managers would be kept informed so as to allow for any necessary internal resource to be made available or for any relevant preparations to be made.

Individual work items would be recorded on the master log, and a service brief would be drawn up between the service management team and the relevant end user or manager. This is standard IDOX service delivery practice and ensures that all work is properly specified in advance and signed off upon completion. It also provides change management and timesheet audit information which would form part of the service review structure.

IDOX staff carrying out supervisor work would engage directly with appropriate authority staff and managers. Clear communication is the key to providing a good service and IDOX acknowledges the importance of regular dialogue between those requesting work and those delivering it. Through the Supervisor Service IDOX would seek to become part of the wider Watford team, developing a good understanding of what the authority and individual business areas require so as to deliver a high quality focused service.

4.4 Service Schedule

In order to deliver the full list of services described above, across all of the user departments/functions, IDOX would expect to deliver an average of 1.5 days of system supervisor activity per week, made up of a mix of on- and offsite delivery as deemed appropriate.

Actual work schedules and frequency would be flexible and subject to agreement between the IDOX Senior Delivery Manager and the authority's service management structure. The types and mix of activities undertaken, and the IDOX resources assigned to deliver them, would be dependent on the work volumes, priorities and planned programmes/projects at any given time.

IDOX is able to offer flexibility in the way the service resource is allocated over time. Watford would be able to choose how much time was used from the overall pool at a given point, to meet specific needs, urgent priorities, busy periods, etc. The authority might prefer to ring-fence supervisor time within time periods (eg. per week, month or quarter) or for separate business areas to ensure fair value was realised across the relevant user departments. Alternatively, the service for the entire year could be taken as a single resource pool and allocated as needed. Call-off from the resource pool would be monitored as part of the service management function so that all stakeholders would be aware of the rate and purposes of usage, resources remaining within the current period, etc.

4.4.1 Modules and Systems covered by the service

The following UNI-form main modules and their respective sub-modules would be covered under this service:

- Gazetteer
- Planning
- Building Control
- Environmental Services
- Licensing
- Total Land Charges
- Estates Management

- Connectors
- IDOX Public Access modules
- Integration Applications (eg. UNI-form Connectors, NLIS Gateway, GMS Exchange etc, for configuration changes where these are possible - upgrades and other technical work would be covered under the Upgrade and Patch service)

4.4.2 Estimate of Activity Volumes

Without a requirements specification from Watford only a rough estimate of the breakdown of work types can be given at this stage. However, based on our experience of UNI-form system management at other authorities, it is possible to classify the key tasks (as described above) and put an indicative volume of time against each, over a typical month and therefore per annum. IDOX would welcome input from the authority into this analysis to help us arrive at a more accurate estimate of what we would expect the proposed volume of resource to comprise.

| Activity | Days per month | Days per annum |
|-----------------------|----------------|----------------|
| System Security | 0.5 | 6 |
| System Configuration | 1 | 12 |
| Document Templates | 1 | 12 |
| Reports | 1 | 12 |
| Process Documentation | 0.5 | 6 |
| Testing | 0.5 | 6 |
| User Support | 1 | 12 |
| Support Liaison | 0.5 | 6 |
| Total | 6 | 72 |

4.5 Service Review

It is proposed that the effectiveness of the service be reviewed periodically. With appropriate relationship/service management in place this will be an on-going exercise, with weekly communication and, it would be expected, monthly planning of activities and priorities. Further to this operational monitoring, Watford may wish to undertake a management review of the service on a quarterly, half-yearly or at least an annual basis. This would allow all stakeholders to understand how the service is performing, if the desired outcomes are being achieved, and if the management processes are working well. IDOX would input into the reviews and work with the authority to deliver improvements should they be required.

4.6 Exclusions

The service is designed to be as comprehensive as possible, to give the user departments confidence that it will meet their needs during the term of the contract, be capable of delivering both planned and short-notice requirements and offer a pro-active as well as a reactive approach to system management. To that end there are very few exclusions identified here, although further discussion on the scope of the service will be required to ensure that it is structured to meet management expectations.

- ‘Service over-spend’. The scope of the service is generally unrestricted in terms of the types and mix of activities that IDOX will carry out for the authority. However, the amount of resource committed to the service is limited within the fixed price model under which it is proposed. This proposal estimates that 1.5 days per week, or 75 per annum, is sufficient to deliver a full service as outlined above. If the work and the resource is properly managed by both organisations IDOX believes this to be an appropriate scale of operation to achieve the level of service it expects to have to deliver. These assumptions about the types of task that will be required, and the relative quantities of each during an average year, need to be reviewed by Watford as part of the exercise to define the scope of the service.
- Training. Training courses, whether identified as required by IDOX or the authority, would be delivered at an additional cost, as is currently the case with internal system supervision. As an option, IDOX would be able to include provision for a pool of annual training, at a reduced day rate, for call-off during the year.
- LLPG Custodian function. Although the service would support the use of the UNI-form Gazetteer Management System (GMS) to the extent that it would support the other user areas, this proposal does not include carrying out the tasks undertaken by the authority’s Gazetteer Custodian.

The key to the scope of the IDOX service is:

If it’s not specifically excluded, it’s included, with the only limit being that of the total resource level provided for within the fixed price model.

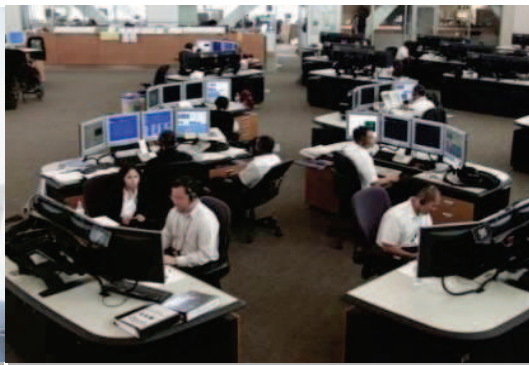
4.7 Cost

The annual cost to Watford Council for this service would be £60,000.

This is based on the equivalent of 75 resource days per annum, at the reduced daily rate of £800.

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Potential options for Watford Borough Council to share their Lagan CRM



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March 2011

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Document Control

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| Version | Date | Description of Change |
|---------|----------|-------------------------|
| v0.1 | 21/03/11 | First issue for comment |
| | | |
| | | |

Distribution

| Name | Role |
|-------------|---|
| Emma Haynes | Business Manager ICT Shared Service, Watford and Three Rivers Councils |
| | |

1. Introduction

1.1 Purpose And Scope of Document

Watford Borough Council (WBC) are existing users of Lagan CRM, having originally purchased the software in 2005. The Council works in strategic partnership with Three Rivers District Council (TRDC) and share services under this partnership, including ICT.

TRDC are looking to replace their existing CRM system in FY11/12, and this document describes some potential options for WBC to share the existing Lagan CRM deployment with TRDC. These sharing options can provide significant savings for both the WBC and TRDC across a number of potential areas including:

- Licensing
- Annual Support and Maintenance
- Procurement
- Hosting
- Administration

At present, no specific requirements have been provided to Lagan, and so the objective of this document is to provide a background for further discussions on this topic. WBC are a long-standing and valued customer, and we very much recognise the current tough financial climate faced by Local Government. We hope that the options described in this document demonstrate tangible ways in which Lagan could 'play our part' in addressing those challenges.

We look forward to discussing these options further with the Council.

2. Sharing Options Overview

2.1 Separate Lagan CRM installations for each council using Watford BC server infrastructure

This option is based on the TRDC Lagan application residing on the WBC infrastructure as a separate instance dedicated to TRDC. This primary benefit of this option is that it offers TRDC complete control of its own application, but without the need to support the associated infrastructure or introduce potentially complex security solutions as would be required for a fully shared instance i.e. the separation is physical rather than logical. The required Lagan skills could be provided for both implementation and ongoing configuration and development from within the current team at WBC, thereby reducing the need for separately staffed and trained resources to support TRDC.

From a commercial perspective, Lagan would regard the installation as one shared instance, and would therefore offer a concession on the production application server licence(s) that would otherwise be required for TRDC.

The Lagan Application Server licences are priced per Core, with a minimum of two 'per Core' licences being required. Software run in a virtual OS environment is licensed based on the number of virtual processor cores used by that virtual OS environment, rather than all the physical processor cores in the server.

The specific licence savings for this option would therefore depend on the target architecture, but are in the range of £15k - £25k. Furthermore, by enabling WBC and TRDC to share a Lagan installation in the manner described here, the council's will both be able to benefit from reduced support and maintenance charges, i.e. WBC will be able to off-set their current Annual Support Fee (ASF) by securing a contribution from TRDC. The current ASF is £25,924, suggesting mutual savings in the region of £13k if the fees are split 50/50.

One further option that could be included in the scenario is the ability to share contact centre resources, such that customer advisers/agents can raise and track cases on behalf of both WBC and TRDC. This could be supported either through use of a specific user portal for this purpose, or a 'Lagan to Lagan' adapter to move cases between systems according to the designated fulfilment rules.

2.2 Combined installation using the WBC Lagan CRM application and server infrastructure

This scenario is similar in many respects to the option at 2.1, but is based on WBC sharing the existing Lagan application residing on the WBC infrastructure. In this scenario the two Councils would share a single database, share a Gazetteer, and operate under common administration. The instances of Lagan would be separated logically such that classifications and processes are set up to reflect TRDC operating practices, and the Lagan Enhanced Security feature would be used to "separate" the

council's data, and manage the appropriate access permissions. Again this offers the Lagan application to TRDC without the need to support the associated infrastructure, with Lagan skills being provided for the single shared environment within the team at WBC.

The headline license and ASF savings are identical to the savings for the option at 3.1, since from a sizing perspective there are no additional application server licences needed to support the additional circa 20 contact centre seats required for TRDC. This scenario would mean the ability to share contact centre resources, such that customer advisers/agents can raise and track cases on behalf of both WBC and TRDC is intrinsic to the deployment i.e. there would be no need to implement a 'Lagan to Lagan' adapter to move cases between systems according to the designated fulfilment rules.

Whilst there would be some operational and cost-efficiencies through the use of shared components and resources, this scenario would represent a more tightly integrated approach to the CRM deployment. This may not be an issue for either WBC or TRDC, but would create additional activities should it subsequently be decided to fully separate both Councils' instances to effectively purge TRDC data from the WBC Lagan instance.

2.3 On Demand

The scenarios described in options 2.1 and 2.2 relate to an on-premise deployment, which is the Lagan deployment option most frequently adopted by Councils. It involves the procurement of relevant software licences and services and is based upon the Council providing the required server and networking infrastructure, and supporting this on an ongoing basis.

As an alternative to this approach, Lagan also offers an innovative approach to the provision of a Customer Services solution through the provision of an On Demand service. It is effectively a "piped-in" Lagan application environment which includes hosting, installation services, standard storage facilities and standard support for an annual charge. From a feature perspective, Lagan OnDemand still supports the citizen response management business processes such as answering citizen questions, handling requests for service and managing follow up queries, but is more homogenised in its approach to support individual council requirements. It includes a searchable Knowledge base, and the ability to manage service requests (including SLA's) for as many different service request types as needed.

A number of service request type templates are used to present each service request to the end user ranging from the simple to the sophisticated. For example, a template is included that provides a powerful GIS enabled mechanism to pin point the location that the service request relates to. Lagan OnDemand also provides the ability to monitor the efficiency and performance of the operation across all associated departments, giving key insight into the top concerns of their citizens, together with a number of pre-configured enterprise reports that can be customised if required. Finally, Lagan OnDemand provides a range of social networking features to enable communication within one council alone, and/or between councils that are working in

partnership with each other such as WBC and TRDC. Features include fully functional Forums, Wiki and RSS Reader.

Lagan OnDemand may be a viable option for TRDC as a stepping stone towards an on-premise deployment, particularly as it enables the solution to be deployed in very rapid timescales. It also represents the 'entry level' for a Managed Service option, which is described in the next section.

2.4 Managed Service

This fourth option can be thought of as an extension to the Lagan OnDemand scenario, in that the application would still be 'piped in', but WBC and TRDC would have more flexibility in regard to the nature of the configured solution. This option has been made possible through Lagan's recent acquisition by KANA. KANA has had a long standing capability to provide a Managed Service offering to its customers, and it is used today by well-known companies such as Carphone Warehouse, enabling them concentrate on their core business, using business insight from statistical analysis to optimise their use of the KANA applications.

End-to-end hosted managed services include application management, application administration, and a Continuous Improvement program within a fully secure IT infrastructure. These services are based on the Information Technology Infrastructure Library (ITIL) framework.

In this deployment model, the Council licences the software in the traditional way, but Lagan fulfils the ICT elements required to host and support the application. This enables a 'staircase of value' concept starting with a SaaS approach (i.e. Lagan OnDemand) that can be thought of as low touch from a supplier perspective, which can then be complemented with a menu of options enabling the Council to build the required service, ultimately leading to a high touch relationship with Lagan in the 'fully optioned' scenario. Service options available include:

Service Level Management

Planning, coordinating, monitoring, and reporting on Service Level Objectives (SLOs), along with ongoing evaluation of service quality versus contractual agreements.

Incident Management and Investigation

Support services to restore normal performance and minimize adverse impact on business operations, root cause analysis, and initiation of actions to improve/correct the situation.

Change Management

Application changes and upgrades, help with approval process, and determination of which changes should be deployed to the production environment to minimize disruption.

Release Alignment

Application functionality, skills assessments, role definition, mentoring planning, designing, building, testing, and deploying hardware and software components, along with preparation and coordination of new releases.

Capacity Planning

Resource, performance, demand and load management, capacity modelling and application sizing, and demand-based planning to support SLOs.

Application Administration and Continuous Improvement

Completion of core administrative functions within the application suite, regular reports related to application performance, and guidance on best practices and optimization strategies.

3. Indicative On-Premise Costs for TRDC

| Licences | Licence Fee (one-time) | Support Fee (annual) |
|--|------------------------|----------------------|
| Lagan ECM Server Production | No Charge | No Charge |
| Lagan ECM Server Non-Production | £2,500 | £575 |
| 21 x ECM Production Licences for Contact Centre Staff | £15,750 | £3,622 |
| 2 x ECM Non-Production Licences for Contact Centre Staff | £376 | £86 |
| 10 x Scripting Workflow Production Licences | £1,500 | £345 |
| 2 x Scripting Workflow Non-Production Licences | £76 | £17 |
| 1 x Configuration Studio Licence | £4,000 | £920 |
| Licences Totals | £24,202 | £5,565 |
| Services: | Price from Lagan | Delivered by: |
| Project Initiation Services | £3,400 | Lagan/WBC |
| Technical Workshop | 0 | WBC |
| ECM User Training | 0 | WBC |
| Business Configuration Training | 0 | WBC |
| ScriptFlow Training | 0 | WBC |
| Implementation Support and Project Management | £4,300 | Lagan |
| Skills Transfer | £5,950 | Lagan |

| | | |
|--|----------------|-------|
| Security Configuration | £4,250 | Lagan |
| LLPG Property Load | £5,100 | Lagan |
| Services Totals | £23,000 | |
| LICENCES AND SERVICES TOTALS (ONE-TIME) | £47,202 | |
| SUPPORT PER ANNUM | £5,565 | |

Notes:

1. Assumes dedicated Lagan instance for TRDC on WBC infrastructure.
2. Lagan does not anticipate being party to any eventual charging arrangements between WBC and TRDC in the event of the above services and general support being provided by WBC; accordingly whilst these elements will attract no charge from Lagan as reflected above, it may be that TRDC will incur a charge from WBC.
3. To ensure a pragmatic and cost-effective approach to services we would be happy to discuss further the service components with a view to determining the most appropriate split of Lagan/WBC delivered services to TRDC.
4. It is assumed that a common reporting tool based on an existing WBC application will be used.
5. Prices exclude reasonable expenses which will be charged as incurred and VAT which will be added in accordance with prevailing legislation.
6. All prices are indicative and do not represent a formal commitment by Lagan.

4. Managed Services Costs

The prices for Managed Services the option are based on the following high level profile. Some of these 'anchor' points are beyond the scope of the licence pricing provided elsewhere e.g. integrations, self service etc, but are felt to be representative of the likely profile that TRDC will be aiming at. We would be pleased to provide any specific licensing costs aligned to this option as and when the detailed requirements for TRDC can be provided.

- 21 concurrent agents (agent facing)
- 20 back office agents (named)
- self-service traffic for 84,000 residents
- Dual redundancy hardware
- Full blown LAGAN ECM deployment

- 6 points of integration
- Dedicated connection (pipe) between our dc and the Watford/Three Rivers

PRICE OPTION 1: Full Managed Services:

- Monthly Price including site-to-site VPN = £9,713
- One-Time Set-up Fee = £7,562 GBP

Prices stated are based on provision of the following environments:

PROD Environment (dedicated):

2x WEB/APP Servers (dual redundancy)
2x DB Server (virtual) + back-up

TEST Environment (dedicated):

1x WEB/APP Server
1x DB Server (virtual)

DEV environment (dedicated):

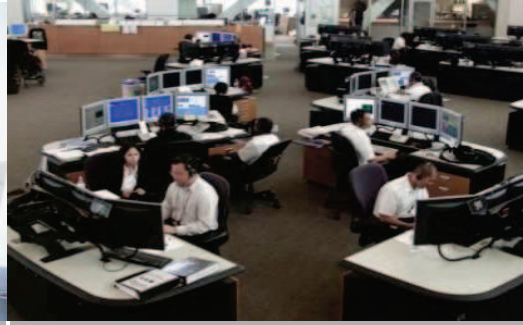
1x WEB/APP Server
1x DB Server (virtual)

PRICE OPTION 2: Lightweight Managed Services:

- Monthly Price including site-to-site VPN = £6,358
- One-Time Set-up = £6,395

The reduced prices for this option are based on removal of the following 4 items from the service offering to hit this price point.

1. DEV Environment (moving from 3 tier above to 2 tier), although obviously we'd still have dual redundancy
2. Application Management (customers responsibility)
3. CSI (quarterly recommendations on how the client can improve their use of the solution)
4. Baseline Reporting (customers responsibility)



This document defines the scope (business processes and features), project implementation, hosting and support arrangements and price of Lagan OnDemand.

Provide Service

Lagan OnDemand supports your citizen / customer response management business processes such as answering citizen / customer questions, handling requests for service and managing follow up queries.

Search the Knowledge Base. The Knowledge Base is a centralized location where Lagan OnDemand users (employees or citizens on the web) can go to get answers to Frequently Asked Questions. The FAQs are created and managed by the organisation's chosen knowledge administrator(s) using the Lagan OnDemand system. The Knowledge Base provides the ability to keep parts of each FAQ private to organisation employees without having to create separate FAQs.

Submit a Service Request. Lagan OnDemand enables organisations to manage their service requests from creation through to fulfillment (Perform Work) through the system. The system enables organisations to configure as many different service request types into the system as they wish, each with their own specific attributes (e.g. fields and target response time / Service Level Agreement or SLA). Further, the system is shipped with a number of pre-configured service request types that organisations can choose to use as a starting point if they wish. Lagan OnDemand also comes with a number of service request type templates that are used to present each service request to the end user. These range from the simple – a template that simply presents the organisation-configured data fields - to the sophisticated – a template that additionally provides a powerful GIS enabled mechanism to pin point the location that the service request relates to.

On submission, service requests are automatically routed to the organisation-configured responsible department / team.

For those citizens / customers who choose not to receive email updates, Lagan OnDemand also supports the handling of citizen / customer enquiries on the progress of previously raised service requests with the Search for a Service Request function.

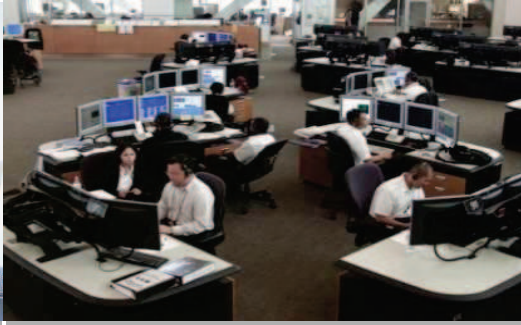
Perform Work

Lagan OnDemand supports the fulfillment / resolution of service requests created by the Provide Service feature. Security governs which service requests users have access to. Sorting functionality enables users to prioritize the fulfillment of service requests that are nearing their target response date / time (calculated automatically and based on the associated response time / SLA). Workflow functionality enables multiple users to work on service requests off the same queue without conflict. Drill down functionality enables users to get a complete view of the service request. Work orders can be printed and, when completed, located accurately on the system with bar code readers for subsequent update. Notes, photos and files can be added to service requests by any authorized users.

Monitor

Lagan OnDemand provides the ability to monitor the efficiency and performance of your operation across all affected departments. Additionally our clients have found that the Monitor function gives them key insight into the top concerns of their citizens / customers, the "citizen / customer pulse" is easily identified with the out-of-the-box metrics provided by Lagan OnDemand. Lagan OnDemand comes with a number of enterprise reports including those that enable you to:

- Report on the top 10 knowledge solutions that satisfactorily answered questions
- Report on questions that could not be answered allowing the required answers to be provided
- Monitor each department's ability to meet their outstanding service requests within their target response times
- Report historically on the performance of each department in their ability to meet their target response times
- Lagan OnDemand also comes with an integrated report writer which enables the customer to create additional reports as required.



Finally, Lagan OnDemand also provides a dashboard which visualizes the performance of your organisation as a whole and also by department.

Collaborate

Lagan OnDemand provides a range of social networking features to enable communication within your organisation, between your organisation and Lagan and between organisations that are working in partnership with each other. Features include fully functional Forums, Wiki and RSS Reader.

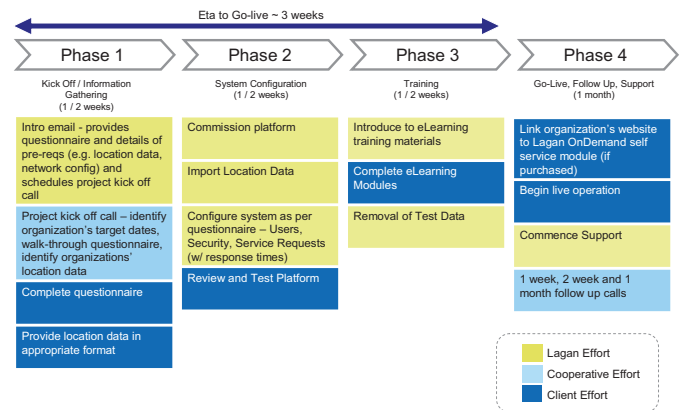
Get Help

Lagan OnDemand provides two mechanisms to enable a user to “get help”. The first is the On-line Help facility which provides a description of each of the features within Lagan OnDemand. The second is an eLearning capability which is pre-loaded with courses that not only enable users to get trained to use the system but also enable them to go back for refresher-training improving productivity. The platform provides social networking / collaboration features allowing users to provide feedback on course material.

The eLearning platform also can be used by organisations to develop and host their own courses for both employees and their citizens / customers.

Project Implementation

Base-line System implementation Services are defined as follows; these services are included in the monthly licensing fee.



Please note:

- Additional services and product options may affect this implementation timeline.
- Additional services over and above those listed here must be agreed in advance and will be charged at the prevailing daily rate (plus expenses where applicable).

Hosting

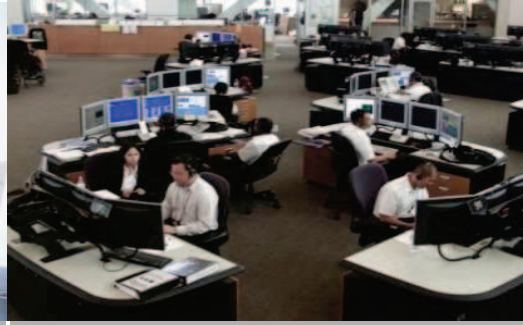
Lagan OnDemand is hosted through partners that:

- Are highly resilient and secure
- Provide 99.95% up-time commitments (SLAs)
- Are SAS-70 Type II Tier 4 compliant data center
- Lagan current hosting partner is Amazon EC2
- Optional live Disaster Recovery configuration
- The base price for Lagan OnDemand includes all hosting related costs (transactional and data storage costs) for a typical use of the system. Specifically, the base price includes 5GB of storage plus an additional 500Mb per user.

Security

Lagan OnDemand provides a number of critical security features including:

- Network encryption of all traffic (HTTPS – SSL 3.0 / TLS 1.0)
- Surge prevention for public Internet-facing traffic



- The option to implement IP range filtering for internal traffic
- Retention of encrypted backups with automatic replication of data
- Stringent human control procedures that require multi-factor authentication to access customer systems
- Option of dedicated VPN access, if required

Support

The following table documents the support options available with Lagan OnDemand.

| Features | Standard Support | Premier Support |
|-------------------------------|-------------------------------|------------------------------|
| Case Limit | Unlimited | Unlimited |
| Online Customer Portal | ✓ | ✓ |
| Support Services Availability | 12/5 ¹ | 24/7 ² |
| Location | UK | UK |
| Toll-Free Access | ✗ | ✓ |
| Assigned Representative (SAO) | ✗ | ✓ (75+ Users) ³ |
| Health Check (Annual) | ✗ | ✓ (75+ Users) ³ |
| Priority Case Queue | ✗ | ✓ |
| Response Time | ✗ | 2 hours |
| Live Phone Support | ✗ | ✓ |
| Price | Included in price of solution | Price available upon request |

¹ Excluding US public holidays

² Available for critical issues only

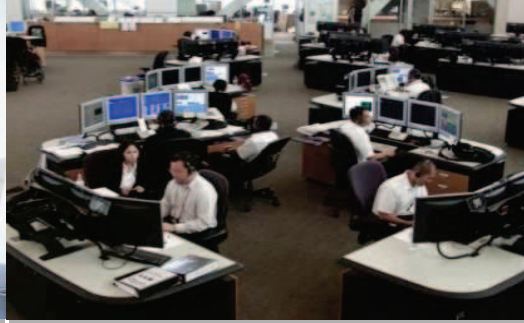
³ Assignment of a Premier only designated analyst will be made with purchase of 75 + licenses



Pricing

| Category | Item | Charging Basis |
|--|--|-----------------------------|
| Business Process | | |
| | Provide Service – <i>Search the Knowledge Base</i> | Included |
| | Provide Service - <i>Submit a Service Request</i> | Included |
| | Perform Work | Included |
| | Monitor | Included |
| | Collaborate | Included |
| | Get Help | Included |
| | Citizen / Customer Self Service (Knowledge Base and Service Request) | Additional charge per month |
| Features | | |
| Provide Service - <i>Submit a Service Request</i> | <ul style="list-style-type: none"> • Ability to easily configure an unlimited number of service request process types • Service request type configuration includes specific data entry fields and response time / SLA • Shipped with a number of pre-configured service request types that organisations can choose to use as a starting point if they wish • Ability to record against location data (property, intersection, street, geocode) • GIS integration (open street map, Google Maps¹) • Intake wizard including information review and print • Tracking | Included |
| Provide Service - <i>Search the Knowledge Base</i> | <ul style="list-style-type: none"> • Ability to configure unlimited number of FAQs • Provides the ability to keep parts of each FAQ private to organisation employees without having to create separate FAQs • Powerful learning search mechanism • Seamless linking from knowledge solution to service request | Included |
| Perform Work | <ul style="list-style-type: none"> • Automatic routing of service requests to departments • Users manage cases in assigned work queue • Automated case history tracking • Add note / file / ad-hoc task to a case • Bar-coded cases for ease of field worker update • Case search • Automated citizen / customer notification on case creation and case closure | Included |

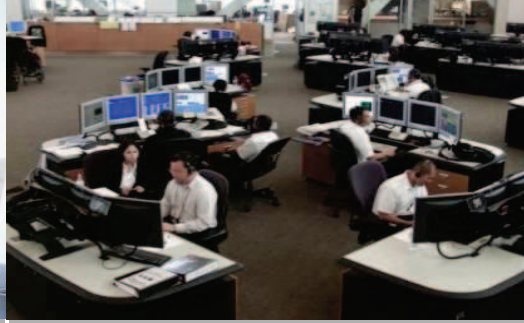
¹ The ability to use Google Maps depends on the customer complying with Google's license policy which may incur an additional cost.



| Category | Item | Charging Basis |
|---------------------------------|---|--|
| | <ul style="list-style-type: none"> Email escalation based SLA Other mature case management capabilities such as queue reallocation, case linking and SLA suspend | |
| Monitor | <ul style="list-style-type: none"> Drill down visual dashboards provides holistic and department performance view Drill down Pre-Built operational performance reports Knowledge Base Metrics e.g. Point of Contact Resolution Point-density GIS report All based on real-time data Exportable report data Access to reporting database with 3rd party tool of choice | Included |
| Collaborate | <ul style="list-style-type: none"> Lagan OnDemand Support Community Access Internal Wiki & Forum for intra-departmental discussions RSS Reader | Included |
| Get Help | <ul style="list-style-type: none"> eLearning OnDemand courses eLearning management system Online Help Documentation | Included |
| Citizen / Customer Self Service | <ul style="list-style-type: none"> Citizen / Customer ability to find answers to their questions from the Web Citizen / Customer ability to report incidents and request services from the Web | As for "Citizen / Customer Self Service" above |
| Integration | <ul style="list-style-type: none"> Location batch one-way integration (property, intersection, street, geocode) GIS (open street map, Google Maps) GeoRSS enables service request data to be shared with other apps Knowledge base one-way integration² | Included |
| Administrative | | |
| | Hosting | Included |
| | Installation Services | Included ³ |
| | Support – Standard | Included |
| | Support – Premier | Price available on request |
| | Storage | Included; 250Mb per user |
| | Storage – Additional | Additional charge per month for |

² Requires implementation services not included in base price.

³ See Implementation Services and Timeline section for details.



| Category | Item | Charging Basis |
|----------|--------------------------------|----------------|
| | | 10Gb |
| Pricing | | |
| | Price per named user per month | On application |
| | Minimum Users / Price per year | On application |

Roadmap

Other items being considered for inclusion in Lagan OnDemand in the future are:

- Citizen / Customer Mobile (iPhone)
- Work Remotely (mobile)
- Hosted Call Center
- IVR

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THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13 June 2011

PART A

AGENDA ITEM

9

Title: Update on Proposals for Harmonisation of Terms and Conditions of Employment

Report of: Head of Human Resources

1. SUMMARY

- 1.1 The Harmonisation (terms and conditions of employment) project was set up to deliver consistent terms and conditions of employment across Watford and Three Rivers on a cost neutral basis in order to be fair to all employees, remove inequalities and be better placed for the possible future expansion of the shared service approach.
- 1.2 A set of harmonisation proposals in line with the original project objectives and with a strong emphasis on fairness and equality among staff whilst being mindful of the current climate in terms of people, finance and public perception were reviewed by senior management teams in both Watford and Three Rivers. The proposals were agreed by Committee and put to employees in both Councils during a consultation period from December 2010 to March 2011. The proposals were also discussed with representatives from Unison in both Councils and with staff representatives in Three Rivers
- 1.3 The purpose of this report is to inform the Shared Services Joint Committee of the outcome of the consultation period and to seek approval to implement the proposals contained within this report.

2. RECOMMENDATIONS

- 2.1 That Joint Committee Members note and approve the contents of this report.

Contact Officer:

For further information on this report please contact:

Terry Baldwin – Head of Shared HR Service

telephone number: 01923 278133

email: terry.baldwin@watford.gov.uk

Report approved by:

Tricia Taylor – Executive Director Resources – Watford Borough Council

David Gardner – Director of Corporate Resources & Governance – Three Rivers DC

3.0 DETAILED PROPOSAL

The proposed changes relate to the areas within the scope of the harmonisation project as follows :

- Annual leave
- Pay protection
- Paternity
- Bank holidays for part time employees
- Honoraria
- Overtime
- Compassionate / Bereavement / Dependency / Special leave
- Dress code
- Smoking
- Disability leave
- Flexi time / TOIL

3.0.1 Please note that Three Rivers employees whose terms and conditions of employment are protected by TUPE (Transfer of Undertakings Protection of Employment) regulations i.e. Refuse, Recycling, Grounds and Environmental Maintenance are not in-scope and are therefore unaffected by any of these proposals. As a separate strand to the project is a feasibility report into the cost of harmonising these work groups with the rest of Three Rivers. This aspect of the project is on-going and a report on the findings will be submitted to Three Rivers Management Board for consideration in due course. It is likely that the report will be submitted towards the end of the summer period.

3.1 Annual leave

3.1.1 Watford currently operate a leave scheme which increases leave entitlement according to pay grade and according to length of service up to 10 years Watford service.

3.1.2 Three Rivers have a two tier scheme of 28 days or 30 days after 5 years local government service (plus 8 employees currently receive either 34 or 31 days due to a protection arrangement). The protection arrangement dates back to 1981 when Three Rivers also awarded additional annual leave according to pay grade and after 10 years Three Rivers service.

3.1.3 There are concerns about the fairness and legality of a scheme which awards additional leave according to pay and after 10 years service and Watford Leadership team and Three Rivers Management Board have already agreed that these concerns must be addressed.

3.1.4 The main concerns around current annual leave arrangements are inequalities within shared service teams, the fairness of the Watford scheme in relation to lower paid staff (whose need for proper rest, work/life balance and childcare provision are no different to those of higher paid staff) and the potential risk around in-direct age or sex discrimination by having to work 10 years to benefit from the maximum annual leave entitlement under the scheme.

3.2 To achieve harmonisation it was proposed that Watford adopt the Three Rivers

annual leave model i.e. 28 days rising to 30 days after 5 years local government service. However, during consultation with staff and Union representatives, this became the main point of contention. The proposed changes adversely affected 265 Watford employees. In addition, Unison advised that if Watford were to pursue harmonisation with Three Rivers they (Unison) would enter into a dispute and would advise members not to agree to any contractual change. In light of this feedback the Leadership team in Watford considered an alternative proposal and agreed **not** to harmonise with Three Rivers regarding annual leave.

- 3.2.1 Watford Leadership Team have reviewed the various options available and now recommend a scheme of 28 days rising to 33 days after 5 years service for all employees including Chief Officers and new starters. No additional leave for 10 years service. Discussions were held with Unison in Watford with a view to obtaining a collective agreement. Unison acknowledged the change in proposal by Watford Leadership Team and asked if the reduction in leave could be phased for all over a 2 year period. This was agreed. Unison will ballot members for their response and if this is positive, will enter into a collective agreement with management. Unison is aware this is the final offer from management. There are no changes proposed for Three Rivers employees other than to discuss the personal protection arrangement for the 8 members of staff outlined above in 3.1.2.
- 3.2.2 **Annual Leave and Shared Services**
The leave scheme set out in this report will go some way to reducing the differential between Watford and Three Rivers maximum leave entitlements which will benefit current and future shared service teams. All Heads of Shared Services believe this difference in annual leave entitlement for employees is manageable.
- 3.2.3 Employees positively impacted : **170** WBC employees would be better off initially, with a split of 130 employees better off and 40 better off initially but no change in the long term.
- 3.2.4 Employees for whom this represents no change : This proposal would represent no change for **162** WBC staff although of these 131 would be worse off in the long term. The extent of the impact on those 131 staff who would be worse off in the long term is as follows:
3 Chief Officers worse off by 7 days
128 staff worse off by 2 days
- 3.2.5 Employees adversely impacted : A total of **122** Watford employees would be adversely impacted. The extent of the impact on those 122 staff who are immediately worse off is as follows :
4 Chief Officers worse off by 7 days
2 Chief Officers worse off by 5 days
116 staff worse off by 2 days
- 3.2.6 The proposed implementation date for these proposed changes is 1 April 2012 meaning that employees continue to benefit from the existing leave arrangements during 2011/12.
- 3.2.7 New recruits would be recruited onto current leave schemes and moved to the new scheme with effect from 1 April 2012.

- 3.2.8 There are proposed transition arrangements for employees in either Council whose leave would reduce. These are set out below :

| Current entitlement | Leave entitlement year 2012/13 | Leave entitlement year 2013/14 |
|---------------------|--------------------------------|--------------------------------|
| 35 days | 34 | 33 |
| 38 days | 35 | 33 |
| 40 days | 37 | 33 |

- 3.2.9 **Extra Statutory Days** - At the moment Watford employees have to fix 3 of their leave days to the Christmas period. This was included as part of another consultation process and the majority of staff (over 200) wanted to keep the existing arrangement and Watford employees will continue to fix 3 days leave for the office closure at Christmas. Some shared services remain open during the Christmas period and if Watford staff wish to come in, they have been allowed to do so, retaining the flexibility of when to take their leave entitlement.

3.3 **Bank holidays for part time employees**

- 3.3.1 The current Three Rivers approach causes inequalities among Three Rivers part timers.
- 3.3.2 It was proposed that Three Rivers adopt the Watford approach whereby part timers only receive pro-rata of their entitlement not more by virtue of their working pattern. There was no significant feedback against this proposal and therefore it is now recommended to adopt the Watford approach. This proposal will affect approximately 40 out of 57 Three Rivers part time employees but not significantly - only by a few hours leave at most (to which they are not strictly entitled anyway).
- 3.3.3 This recommendation will achieve harmonisation with Watford, remedy inequalities within shared services and among Three Rivers part time employees.

3.4 **No smoking**

- 3.4.1 This proposal deals with the minor disparities between the two approaches as a shared service / work site issue. There is no disagreement to this proposal.
- 3.4.2 It is recommended therefore that Three Rivers shared service employees based at Watford (Human Resources / Revenues and Benefits) and Watford shared service employees based at Three Rivers House (ICT / Finance) will be made aware of the policies in place at both sites and the need to adhere to whichever one applies to them depending on where they work.

3.5 **Dress code**

- 3.5.1 Watford do not currently have a 'dress code'. Three Rivers has a dress code statement which is as follows :

“Unless a uniform or clothing is provided, we expect you to dress in line with Health and Safety requirements and an office environment or in an appropriate manner to the job you have to do and the environment in which you have to do it. Inappropriate items of clothing, would be for example, jeans, shorts, trainers or any item of clothing displaying a slogan.”

- 3.5.2 This is not prescriptive enough to be potentially discriminatory and allows for services to retain separate 'uniform' arrangements i.e. CSC, Refuse and to retain other established norms in certain areas i.e. play workers. It also allows staff to dress appropriate to the task for example when needing to carry out dirty work or work in contaminated areas.
- 3.5.3 Unison raised this proposal during consultation however, they did not provide any alternative proposal to consider. Therefore it is recommended that Watford adopt the Three Rivers dress code 'statement' to achieve harmonisation and remedy inequalities within shared services.
- 3.6 **Pay protection**
- 3.6.1 The current Three Rivers pay protection policy (applicable to non shared service employees only) is :
- "Salary (including any market factor) is frozen at the existing level, without the addition of National pay awards, annual increments or performance related pay uplift, until the pay level for the new post catches up with pay level for the employee's old post. Therefore the length of pay protection may vary from person to person depending on the difference between the old pay grade and the new and the level of any uplifts being applied to pay scales at that time."
- 3.6.2 There is a risk to Three Rivers of an equal pay challenge (since Shared Services) due to there now being different pay protection arrangements for shared and non shared service Three Rivers employees.
- 3.6.3 The harmonisation working group also considered 'indefinite pay protection' for an employee who is no longer undertaking duties commensurate with that level of pay to be unfair and carry the risk of an equal pay challenge.
- 3.6.4 There was no adverse feedback from Unison, staff representatives or employees to this proposal and it is therefore recommended that Three Rivers adopt the Watford policy of 1 year only – representing no change for Watford employees.
- 3.6.5 This recommendation would achieve harmonisation between Three Rivers and Watford whilst retaining some protection to staff in future pay reduction situations. This recommendation would also eliminate any risk of any equal pay challenge and reduce Three Rivers future costs.
- 3.7 **Paternity pay and leave**
- 3.7.1 Currently Three Rivers give one week paternity leave at full pay plus a further week at statutory paternity pay rates. Watford provide two weeks paternity leave at full pay.
- 3.7.2 To achieve harmonisation it was proposed that Three Rivers adopt the Watford paternity pay policy. No adverse feedback was received from Unison, staff representatives or employees to this proposal. It is therefore recommended that Three Rivers adopt the Watford paternity pay policy.
- 3.7.3 This recommendation would remove inequalities within shared services and impact positively (albeit on a very limited number) of Three Rivers employees. For example, in the last financial year only one Three Rivers and one Watford

employee took paternity leave.

- 3.7.4 No additional salary costs would be incurred as agency backfill would not normally apply in paternity situations. There would be very little to be gained by reducing paternity benefits down to the Three Rivers level.

3.8 **Overtime**

- 3.8.1 Watford BC and Three Rivers DC have the same overtime arrangements for part time employees (not applicable until 37 hours worked) and employees on scp 28 and below (overtime rates of x 1.5 for Mon-Sat or x 2.0 for Sun based on hourly rate)
- 3.8.2 There are different arrangements in each Council for staff paid scp 29 and above. Watford give plain time at hourly rate. Three Rivers apply overtime rates i.e. 1.5 or 2.0 times but capped at scp 28.
- 3.8.3 There was no significant feedback raised during consultation and therefore it is recommended that the Watford overtime scheme is adopted to achieve harmonisation and remove inequalities within Shared Services.
- 3.8.4 This recommendation therefore has no impact on any Watford employee and no impact on any Three Rivers employee who is paid on scp 28 or below.
- 3.8.5 This recommendation would represent an estimated £5K annual reduction in Three Rivers overtime costs.

3.9 **Honoraria**

- 3.9.1 Both Watford and Three Rivers award honoraria payments from time to time although Watford do not have a policy or any written guidance in place. As there were no adverse comments received during the consultation period, it is therefore recommended that the new draft policy (revision of the current Three Rivers policy) is adopted by both Councils.
- 3.9.2 This would achieve a harmonised approach between Watford and Three Rivers with more guidance to Heads of Service / Section Heads at the application stage, improved consistency of application and improved monitoring within each Council.

4.0 **Special leave**

- 4.0.1 Both Watford and Three Rivers already have policies in place which cover requests for time off due for compassionate, bereavement or emergency dependency situations.
- 4.0.2 As there were no adverse comments received during the consultation period, it is therefore recommended to adopt one new policy covering all such requests).
- 4.0.3 This would achieve a harmonised approach between Watford and Three Rivers and assist Shared Services Managers with one approach for all their staff. The policy aims to improve consistency and monitoring without making any fundamental changes to current practice in either Council.

4.1 Flexible working

4.1.1 Both Watford and Three Rivers already have flexible working policies in place and operate similar flexible working practices.

4.1.2 As there were no adverse comments received during the consultation period, it is therefore recommended to adopt one improved harmonised policy which captures the current practice in each Council but puts the emphasis back on the need for flexible working to be service not employee driven. This new draft policy would achieve a harmonised approach for Watford and Three Rivers and remove any perceived inequalities arising from different policies and guidance within shared services

4.2 Disability leave

4.2.1 Currently Watford operate a disability leave scheme. Three Rivers do not have anything documented to capture the approach that may be taken in such circumstances.

4.2.2 As there were no adverse comments received during the consultation period, it is therefore recommended Three Rivers adopt the Watford written policy / guidance. This will achieve harmonisation and remove any perceived inequalities within shared services.

4.2.3 This recommendation also supports the two ticks accreditation and makes no real change to what would happen in practice.

4.2.4 Disability leave only applies to those employees who meet the Disability Discrimination Act (DDA) definition and there would be very little to be gained by reducing this benefit to achieve harmonisation.

5. IMPLICATIONS

5.1 Policy

5.1.1 The policy has been subject to consultation and any comments have been addressed. Implementation of these new policies, is in line with established policy and procedure in both Councils.

5.2 Financial implications for Three Rivers DC

5.2.1 The proposals for overtime would represent savings of approximately £5,000 per annum as from 2011/12 and the proposals for pay protection would provide savings to Three Rivers in the long term the proposed policy is more cost effective than the current.

5.2.2 There no further financial implications for Three Rivers arising from the proposals contained within this report.

5.3 Financial implications for Watford BC

5.3.1 Financial costs are incurred in relation to annual leave only where backfilling or agency cover is required to cover the absence due to annual leave. This is the case for Watford Environmental Services Loaders and Drivers and Parks and

Cemetery Operatives. The estimated additional agency spend to cover the additional levels of annual leave is £10k per annum. This will be built into the budget process for 2012 onwards.

5.4 **Legal Issues** (Monitoring Officer)

5.4.1 Both Councils are under a legal duty to promote equality.

5.4.2 For Three Rivers there is concern that the current pay protection arrangement (applicable to non shared service employees) carries the risk of an equal pay challenge.

5.4.3 An annual leave scheme which awards leave according to length of service (of more than 5 years) must be kept under constant review and may leave Watford (or Three Rivers in relation to the 1981 agreement) open to a potential risk of equal pay claims or claims of indirect sex or age discrimination under the Equality Act 2010.

5.4.4 In relation to some of the non-contractual policy areas contained within this report where changes are being recommended the consultation undertaken demonstrates good practice rather than a mandatory requirement.

5.4.5 In order to ensure that any contractual changes (arising post consultation) are legally compliant and implemented in accordance with good employment practice, it is planned to make changes by a variation to the employment contract, preferably through collective agreement with Watford UNISON for Watford employees and Local Liaison Committee for Three Rivers employees.

5.4.6 If collective agreement cannot be reached then individual agreement to a variation of the employment contract will be sought. Please also refer to Section 5.4 Risk Management.

5.5 **Equalities**

5.5.1 Two of these draft proposals will have either a positive or negative effect on a particular group of staff i.e. the paternity proposal will impact positively on Three Rivers District Council male employees and the bank holidays for part timers proposal will impact negatively on predominantly female Three Rivers District Council employees.

5.5.2 However, all of the proposals are designed to address inequalities caused either through unfairly structured policies or through the joining of two sets of employees within shared services.

5.5.3 The current inequalities among the existing Watford employees due to the structure of the current annual leave scheme is set out in the current Watford annual leave scheme equalities data.

5.5.4 Under the current scheme, lower paid Watford employees receive significantly less annual leave than higher paid staff and their costs associated with less annual leave (such as childcare costs) remain higher as a % of salary than that of their higher paid colleagues. It is also likely that the majority of employees in this bracket are unable to access flexible working as they are likely to be employed in front line / operational activities meaning there is less scope for flexibility of when

work is carried out.

5.6 Risk Management

5.6.1 A significant number of Watford BC employees will be adversely affected by the proposed changes to the annual leave scheme. This may have a negative impact on employee morale, motivation and satisfaction levels and subsequently performance levels both now and in the future when the changes are implemented and as phased reductions occur.

5.6.2 If it is agreed to make the recommended changes to annual leave and agreement cannot be reached (either collectively or individually) with employees then in order to implement the proposed changes the Council would need to do so by way of a variation of individual employees' contracts. If employees do not consent to such a variation there is a potential for breach of contract or constructive dismissal claims from employees.

5.6.2.1 Breach of contract claims are dealt with either by the High Court or County Court or by an employment tribunal (but to take a claim to an employment tribunal the employee must have left employment).

5.6.2.2 Constructive dismissal may be claimed where the employee feels that the effect of the changes is intolerable to the extent that there is no alternative but to resign. The employee must be able to show that the breach of contract is significant enough to go to the very root of the contract and involve some major change to one of the key terms of employment, introduced without the employee's agreement.

5.6.2.3 The extent of this risk will largely depend on how likely it is that an employee would choose to resign over the proposed reduction in annual leave entitlement.

5.6.2.4 The potential for industrial action has been greatly reduced by Watford reviewing the proposal for annual leave and recommending an improvement to the original proposal. In the current climate and taking into account the changes that have been agreed recently with Herts County Council, Industrial Action is considered as a moderate to low

5.6.3 Potential risks of not proceeding

5.6.3.1 Existing inequalities within shared service teams in relation to annual leave, paternity and bank holidays for part timers would be unresolved at this time.

5.6.3.2 The position for future Watford / Three Rivers shared services would not be improved.

5.6.3.3 The Watford annual leave scheme would need to remain under annual review to assess the potential for challenge under the Equality Act 2010.

5.6.3.4 The following table gives the risks if, at a later stage, these proposals are agreed, together with a scored assessment of their impact and likelihood.

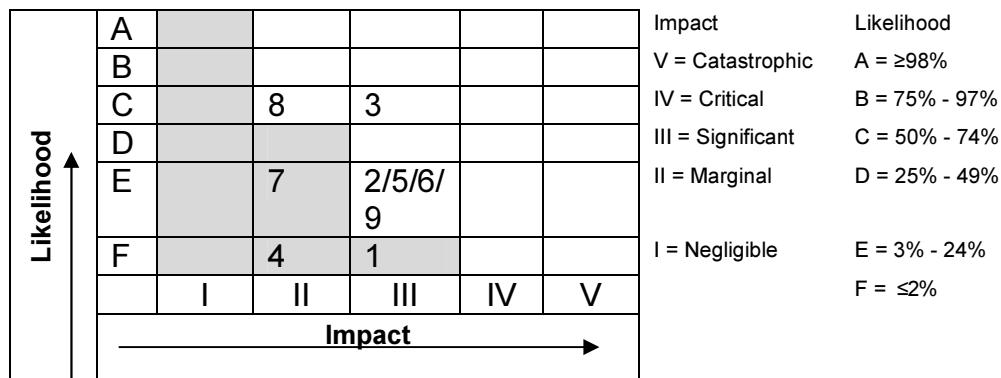
| Description of Risk | | Impact | Likelihood |
|---------------------|--|--------|------------|
| 1 | Breach of contract or constructive dismissal claims from Three | III | F |

| | | | |
|---|--|-----|---|
| | Rivers DC employees arising from a failure to gain collective or individual agreement to vary the employment contract | | |
| 2 | Breach of contract or constructive dismissal claims from Watford employees arising from a failure to gain collective or individual agreement to vary the employment contract | III | E |
| 3 | Negative impact on Watford employee morale, motivation and satisfaction and subsequently performance levels at implementation stage and as phased annual leave reductions occur | III | C |
| 4 | Negative impact on Three Rivers employee morale, motivation and satisfaction and subsequently performance levels at implementation stage and as phased annual leave reductions occur | II | F |
| 5 | Industrial action in Watford over proposed changes to annual leave scheme | III | E |

5.6.4 The following table gives the risks that would exist if, harmonisation issues are not addressed, together with a scored assessment of their impact and likelihood:

| Description of Risk | | Impact | Likelihood |
|---------------------|---|--------|------------|
| 6 | Equal pay challenges in Three Rivers DC arising from current pay protection arrangements | III | E |
| 7 | Existing inequalities within shared service teams in relation to annual leave, paternity and bank holidays for part timers would be unresolved at this time which may lead to a negative impact on employee morale, motivation and satisfaction and subsequently performance levels | II | E |
| 8 | The position for future Watford / Three Rivers shared services is not improved | II | C |
| 9 | The potential for challenge under the Equality Act 2010 remains in relation to the Watford annual leave scheme | III | E |

5.6.5 The above risks are plotted on the matrix below depending on the scored assessments of impact and likelihood. Risks are tolerated where the combination of impact and likelihood are plotted in the shaded area of the matrix. The remaining risks require either monitoring or managing, in which case a treatment plan is prepared.



5.7 Staffing implications

- 5.7.1 Staff in both Watford and Three Rivers have been kept up to date regarding the progression of the Harmonisation project via intranet and staff publications.
- 5.7.2 Formal consultation consisted of group staff briefings in which over 200 employees attended the briefings, in addition to written information being provided on Watford and Three Rivers intranets. Collective consultation was also conducted with Unison and staff representatives.
- 5.7.3 Staff one to one meetings to discuss individual issues with their manager and HR, accompanied if they wish by a staff representative (either union or Three Rivers DC non union) or work colleague were agreed and carried out where requested.

Background Papers

- Draft harmonised honoraria policy
- Draft harmonised special leave policy
- Draft harmonised flexible working policy
- Extract from Watford disability leave policy
- Current annual leave schemes and current position
- Current Watford annual leave scheme equalities data

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THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13 June 2011

PART A

AGENDA ITEM

10

Title: **Harmonised Grievance Policy and Procedure**

Report of: Head of Human Resources

1. SUMMARY

- 1.1 As part of the process of harmonising terms and conditions of employment, a revised Grievance Policy and Procedure has been developed for staff in Watford Borough Council and Three Rivers District Council.
- 1.2 The purpose of this document is to ensure that all employees who have a grievance have access to a procedure which can help them to resolve the issue as quickly and as fairly as possible.
- 1.3 The policy, which complies with ACAS guidelines, has been agreed by Management Board at Three Rivers and the Leadership Team at Watford. It has also been accepted through consultations with Unison, both Councils and staff representatives at Three Rivers.

2. RECOMMENDATION

- 2.1 That the Joint Committee agrees the Harmonised Grievance Policy and Procedure for staff in Watford Borough Council and Three Rivers District Council.

Contact Officer:

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GRIEVANCE POLICY & PROCEDURE

Watford Borough Council and Three Rivers District Council believe in encouraging communication between employees and management to promote good employee relations and to ensure that a motivated workforce continues to provide an effective service for our customers. However, it is recognised that occasionally employees may have a concern, complaint or problem relating to their employment or to their relationships with managers or colleagues within the workplace. It is our aim to ensure that all employees who have a grievance have access to a procedure which can help them to resolve the issue as quickly and as fairly as possible.

1. SCOPE OF THE POLICY

- 1.1 This policy shall be applied fairly, consistently and equitably for all employees irrespective of race, gender, disability, age, offending past, caring or dependency status, religion or belief, sexual orientation, or gender identity and it is incumbent on those involved in managing grievance cases under this policy to ensure that this is the case.
- 1.2 This procedure applies to any grievance of an employee working within either Council and relating to their employment which must be lodged within 3 months of the date on which the alleged action occurred. Issues that may cause grievances include:
 - Terms and conditions of employment
 - Health & safety
 - Work relationships
 - New working practices
 - Working environment
 - Discrimination
- 1.3 Where a grievance is shared by more than one employee, the grievance may be presented by one or more representatives of that group or by their trade union representative/s. However, all aggrieved employees must be named and clear written authority for the chosen representative/s to act on behalf of the named individuals must be provided.
- 1.4 This procedure does not cover:
 - A complaint about the basis of pay or salary grading of that employment, those being matters covered by other procedures in the relevant conditions of service;
 - A complaint about selection for redundancy, or disciplinary or capability issues, or other procedures which have their own appeal processes. The grievance procedure may not be used to delay or hinder the application of the Council's disciplinary or capability procedures or to dispute the outcome of such hearings;
 - Policies of the Council, including establishment, staffing reviews and service reorganisations;
 - Decisions under any procedure which states that the employees have no right of appeal (for example ex gratia claims)
 - Collective disputes which are more properly dealt with between the Council and the Trade Unions/staff liaison structures;
 - Matters outside the control of the Council, e.g. national conditions of service, pension regulations, income tax, statutory sick pay, etc.

2. ACCESSIBILITY

- 2.1 If any aspect of the Grievance Procedure causes difficulty on account of any disability, or if assistance is needed because English is not the first language, this issue should be raised with Human Resources, who will make any appropriate arrangements.

3. RIGHTS OF EMPLOYEES

- 3.1 Employees have the right to be represented or accompanied at each formal stage of the Procedure by a trade union representative, staff representative or by another employee of the organisation ("the representative"). Employees must be informed of this right by their Manager in advance of any grievance meeting.
- 3.2 The representative may address the hearing in order to:
- Put the case forward and sum up the case.
 - Respond on the employee's behalf to any view expressed at the hearing and ask the witnesses any questions.
 - However, the representative has no right to answer questions put to the employee directly.
- 3.3 It is the employee's responsibility to contact their chosen representative and to ensure that the representative is willing and available to represent them. The aggrieved employee may offer an alternative date for the hearing if it is reasonable and falls within 5 working days of the proposed date, if their colleague or trade union representative is unavailable on the original date.

4. TIME FRAMES:

Every effort should be made for all grievances to be progressed and dealt with as quickly as possible and that **each** stage in the procedure is dealt with within 10 working days. The circumstances of individual cases may cause them to over-run, (e.g. the need for an investigation during the formal stage hearing), meaning time limits may need to be modified in consultation with both parties. A reasonable delay may occur, if for example, one party to the grievance is on annual leave or away due to sickness absence.

5. PROCEDURE

5.1 Informal Process:

Most grievances should be resolved through informal discussion and the normal management channels without the need to invoke the formal grievance procedure.

- 5.2 An employee should raise their grievance **orally** with their immediate line manager or supervisor, (unless the supervisor/ line manager is the subject of the grievance in which case the employee should raise the grievance with the next layer of management above). The supervisor/ manager receiving the concerns should endeavour to resolve the issues promptly. This may include discussing concerns, in confidence, with those involved; making informal enquiries as appropriate and attempting to resolve the matter quickly and fairly. A suggested resolution should be discussed with the employee as soon as possible and it may be helpful to confirm the discussion in an e-mail. Where the matter cannot be resolved informally, either because it is too complicated or the result of the informal process is not satisfactory to the employee, it should be dealt with under the formal stage of this procedure.

- 5.3 Where applicable, options such as mediation should be considered, particularly where it is evident that there has been a deterioration in working relationships. Mediation is particularly encouraged during the informal process where it can be most effective. If mediation has not been considered, or if it has been offered and not taken up this will be taken into account at the formal stage. For managers wanting to use this service or to find out more about mediation, please contact HR.

5.4 We acknowledge that it can be difficult for all parties concerned when going through a Grievance process and therefore all employees can seek support through this process by:

- Using the Employee Assistance Programme (where appropriate) or
- Seeking advice from their Trade Union or Staff Representative.

6. FORMAL STAGE

6.1 Step 1:

If it is not possible to resolve the Grievance informally, employees should raise the matter formally and within a maximum of 3 months from the alleged incident, with the next level of management within the service, who is not the subject of the Grievance or with Human Resources. This should be done in writing as a statement of the case, using the grievance form attached (Appendix A), and should set out:

- What the grievance is.
- What steps have been taken to resolve the grievance and the reasons they have not been satisfactory or met expectations.
- What steps would they like management to take to deal with their grievance i.e. how do they believe this matter should be resolved? (Please note that the outcome that they are seeking may not always be achievable).

Further details of what this should include can be found in Section 11.

6.1.1 Where their grievance is against their line manager/supervisor then they should approach the next level of management (i.e. their manager's manager). However, if they have grounds to believe that this manager may not be impartial they can take their grievance to HR, together with valid reasons why they believe that the manager is not impartial. Consideration may be given to the appointment of an alternative officer to deal with the grievance.

6.2 **Step 2:** On receiving a formal grievance, the Manager should consult with Human Resources in order to arrange an initial hearing. The employee who has lodged the grievance should be advised, in writing, by the Manager within 10 working days of receipt of the grievance, how the matter is to be dealt with and who has been appointed as the Hearing Officer.

- The Hearing Officer will invite the aggrieved employee to a Hearing, giving at least 10 working days notice, and inform them that they have the right to be accompanied, either by a work colleague, a trade union representative or Staff Representative. The Hearing Officer will be supported by a member of HR.
- The Hearing Officer will also notify the employee against whom the grievance is raised and provide them with full details of the nature of the grievance. That employee will also be invited to the Hearing and be informed that they have the right to be accompanied by either a work colleague, a trade union representative or staff representative.
- If applicable, the line manager who heard the informal grievance may also be invited as they will be required to explain to the Hearing officer what steps they took to resolve the grievance informally.
- ACAS Guidance reminds managers that a Grievance hearing is not the same as a disciplinary hearing, and "is an occasion when discussion and dialogue may lead to an amicable solution".

- Due to the complexity or sensitivity of the matter, the Hearing Officer may need to adjourn a hearing in order to instigate an investigation or obtain further information or evidence.
- If after the adjournment, the Hearing Officer is in a position to inform the aggrieved employee the basis on which the grievance is accepted or rejected, on the same day, they will do so verbally and confirm the decision in writing. Otherwise, they will inform the aggrieved employee, in writing, within 10 working days of the Hearing. The letter should also include information on the Right to Appeal and could be copied to the line manager, if appropriate.
- The Hearing Officer will also inform the employee about whom the grievance is against the outcome of the grievance and any impact it may have on them.
- If the outcome of the grievance is unsatisfactory to the aggrieved employee, then they have the right to appeal and may take the matter to the next stage of the procedure.

7. WITNESSES:

- 7.1 Witnesses for either party may be called to support the case. The responsibility for arranging the attendance of witnesses will fall upon the party concerned. If a member of staff is being called as a witness, management need to ensure that their staff member is available to attend.
- 7.2 A witness should only be present for the part of the proceedings in which she/he is giving evidence or being questioned. Only one witness should be present at a time.

8. APPEAL STAGE:

- 8.1 If the aggrieved employee feels that the grievance has not been satisfactorily resolved, they must inform the Head of Human Resources, in writing, within 10 working days of receipt of the Hearing Officer's letter, that they wish to appeal against the decision. They must indicate their grounds of appeal, in a constructive manner and set out how they wish their grievance to be resolved.
- 8.2 An appeal hearing will be arranged, within 10 working days of receipt of the appeal letter (or as soon as practicable). The employee will have the right to be accompanied by a trade union representative or work colleague. The manager who hears the appeal will normally be a more senior manager than the Manager who heard the grievance and will be accompanied by an HR representative. This should be the same format as the formal hearing, however, the Manager who heard the grievance should be in attendance to present the reasons why they came to their decision.
- 8.3 The Appeal Hearing Officer's decision is final and will be confirmed in writing within 10 working days. The aggrieved employee will also be reminded that this is the final stage of the grievance procedure.

9. GRIEVANCE INVESTIGATIONS

In exceptionally rare cases of a complex or sensitive nature, it may be considered necessary, for an investigation panel to be formed to conduct a detailed investigation of the grievance. For example, this will be in cases where there may be more than one employee with a grievance against a manager or if an employee has a grievance against more than one person or if the grievance crosses over to other policies or procedures, such as harassment or capability. This will involve fact-finding interviews and examination of relevant documentation. The panel will consist of an independent manager and an HR representative. The panel will interview the aggrieved employee as part of the investigation and the employee will have the right to be accompanied at that interview by a colleague or local trade union representative.

The panel will also interview any parties or witnesses to the grievance, who will also have the right to be accompanied. A written record of all interviews will be made, however the detailed investigation notes will not be circulated to the complainant and the person being complained against unless and until the grievance proceedings lead on to a subsequent disciplinary action or some other circumstance which dictates that access should be given to the original material.

A report of the findings will be forwarded to the formal grievance panel, the aggrieved employee and the person who the grievance is against, (if applicable). The investigating panel (or a representative of the panel) may be asked to attend the formal grievance meeting to present their findings/recommendations. All parties will then have the opportunity to ask questions of the investigation panel.

The employee will be informed of the progress of the investigation within five working days. Thereafter, notification should take place fortnightly. Any delay due to witnesses or other related parties being on annual leave or sick leave should be communicated to the aggrieved employee and representative and the HR Business Partner dealing with the Grievance case.

10. FAILURE TO ATTEND A GRIEVANCE MEETING

10.1 If an employee is off sick for more than a week prior to the arranged Hearing date, then advice from the employee's GP or Occupational Health should be sought to ascertain whether the employee is fit to attend the Hearing. If they are not fit then the hearing should be re-arranged for a time when the employee returns to work. If the grievance issue is the reason for the employee being off, then further advice should be sought from Human Resources and Occupational Health.

10.2 Failure of any of the parties to attend a grievance meeting due to unforeseen circumstances (e.g. unforeseen transport problems or unexpected sickness) will result in the meeting being rearranged. If the any of the parties are not available for a second time, it may result in the meeting going ahead in their absence. They will have the opportunity of providing a written statement or being represented by a nominated representative.

11. DOCUMENTATION:

All documentation relating to the grievance including a statement of the case* and any supporting statements will be submitted to the relevant parties 5 working days before the meeting or appeal hearing, including names of any witnesses either party wishes to call.

* The supporting statement of the case from **either party** should cover:

- The background to the case (the issues and the people involved).
- The essential elements of the grievance (with supporting documents as appropriate).
- Steps taken to resolve the grievance to date.
- A statement of what is required to settle the grievance from the point of view of the complainant, or representative (as appropriate).

It is up to the complainant to produce the supporting documentation, with the support and guidance of their representative.

12. RECORDS:

Records will be kept detailing the nature of the grievance raised, the Council's response to the grievance, any action taken and the reasons for this action. The records will be kept confidential and retained in accordance with the Data Protection Act 1998.

13. CONFIDENTIALITY:

The grievance procedure will be carried out in confidence, unless otherwise agreed by the parties involved, e.g. where a manager may need to discuss issues resulting from the case with a third party. All parties will be expected to respect the confidentiality of the process.

If confidentiality is found to have been breached by any of the involved parties, this may lead to disciplinary proceedings being taken against them.

14. SPECIAL CIRCUMSTANCES:

14.1 Grievances raised during Disciplinary or Performance Proceedings

The Grievance Procedure cannot be used for appealing decisions made in Disciplinary, Performance or Pay & Grading processes, as these have separate appeals procedures. However if staff have a complaint regarding the way these procedures were handled, they may raise their concerns as a grievance. If necessary the Disciplinary or Performance procedure may be suspended for a short time whilst the grievance is considered or investigated.

14.2 When the Grievance is against the Managing Director / Chief Executive:

If a grievance is against the Managing Director of Watford Borough Council or Chief Executive of Three Rivers District Council, this should be put in writing and addressed to the Head of HR. All attempts will be made to resolve the issue informally, however, if informal attempts have been tried and failed or are considered inappropriate then the grievance should be referred to the Council's Monitoring Officer or Section 151 Officer for investigation. This would then be covered by JNC guidelines.

14.3 When the Grievance is against an Elected Member:

If a grievance is against an Elected Member of either Watford Borough Council or Three Rivers District Council, this should be put in writing and addressed to the Monitoring Officer of the Council concerned and this will be dealt with under the Member's Code of Conduct.

Other Policies to refer to: Stress Management Policy and Guidelines
 Employees Code of Conduct
 Disciplinary Policy and Procedure
 Harassment and Bullying Procedure

| SUMMARY OF THE FORMAL GRIEVANCE PROCEDURE | | | |
|--|---|---|--|
| Step | Action To Be Taken | Person Responsible | Time Limit |
| 1: Statement of Grievance using the attached form | The employee must set out the grievance in writing and submit it to management. | Employee | A grievance must be lodged within 3 months of its occurrence. |
| 2: Hearing | Management will invite the employee to a formal Grievance Hearing, giving at least <u>10 working days notice</u> , to discuss the issue (both parties should take all reasonable steps to attend). The employee has the right to be accompanied and will be able to present their case. The line manager that heard the informal grievance may be asked to present their case., The Hearing may need to be adjourned if further investigation is required. | Hearing Officer and HRBP | 10 working days from the receipt of the grievance in writing (unless an extension is agreed) |
| | <ul style="list-style-type: none"> The Hearing will be adjourned while the Hearing panel will make a decision on the evidence they have received and heard. The Hearing Officer will then write to the employee, within <u>10 working days of the hearing</u>, informing them of the decision and offering them the right to appeal. | | |
| 3: Appeal | <ul style="list-style-type: none"> If the employee wishes to appeal they must notify the Head of Human Resources, in writing, within 10 working days of receipt of the grievance outcome. An appeal hearing will be arranged, <u>within 10 working days from receipt of the appeal</u>. A Corporate Director or nominated Head of Service (not previously involved) will hear the case. After the meeting the complainant will be informed of the final decision, in writing, and reminded that this is the final stage of the grievance procedure. | Employee Appeal Hearing Officer and HRBP | 10 working days from receipt of the appeal in writing. |

Appendix A

GRIEVANCE NOTIFICATION FORM

Notice of a Grievance

Name:

Department:

Address:

Section:

Job Title:

Post No.:

Details of Grievance (other than a grievance about issues not subject to this procedure)

(Please continue on a separate sheet if necessary)

Appendix B

Guidance for Managers – How to conduct a Grievance Hearing:

- 1 Under the formal part of this procedure, the employee will be advised, in writing, of the time, date and location of the Hearing and provided with a copy of the Grievance Procedure. The employee should be given at least 10 working days notice of the hearing date and this letter should be written by the Hearing Officer, in consultation with HR.
- 2 The employee will also be advised of their right to be accompanied at the Hearing by a Trade Union Representative or work colleague. Should the employee wish to be accompanied he/she should confirm the identity of the representative to Human Resources, in order that all appropriate details are forwarded to that person in reasonable time, including a copy of the Grievance Procedure.
- 3, The grievance hearing should be conducted as follows:-
 - (i) The Hearing Officer will introduce those present and explain why they are there, explain the purpose of the meeting and how the meeting will be conducted.
 - (ii) (If applicable) The Investigation Officer will be invited to present their report and findings. The aggrieved employee will be invited to ask questions of the Investigation Officer, as will the Hearing Panel.
 - (ii) The Hearing Officer will invite the aggrieved employee to state his/her case i.e. the circumstances that have led to the grievance, the nature of the grievance and why he/she feels aggrieved. The aggrieved person may do this personally, or the employee's representative may do this on their behalf. This could be done in the presence of the person whom the grievance is against. (if applicable).
 - (iii) The aggrieved employee will refer to any documentation on which they are seeking to rely. The Hearing Officer will refer to any written evidence that has been gathered in the course of an investigation, including witness statements.
 - (iv) (If applicable) The person whom the grievance is against may ask questions of the aggrieved employee and any witnesses called.
 - (v) The Hearing Officer and HR Representative may ask questions of the aggrieved employee and any witnesses called.
 - (vi) At each stage of the Hearing and before any witnesses are released, the Hearing Officer will give those present the opportunity to ask questions and make any comments.
 - (vii) (If applicable) The person whom the grievance is against will put his/her reply in the presence of the complainant and call any witnesses as necessary.
 - (viii) (If applicable) The aggrieved employee may ask questions of the person whom the grievance is against and their witnesses. The Hearing Officer and HR Representative may also ask questions of the person whom the grievance is against and their witnesses.
 - (ix) The aggrieved employee will have the opportunity to sum up if so wished.
 - (x) (If applicable) The person whom the grievance is against will have the opportunity to sum up if so wished.

the case and make a decision. The aggrieved employee may be recalled to clear points of uncertainty on evidence already given. If recall is necessary, both parties will return regardless of which party is concerned with the points in doubt.

5. The hearing may be reconvened and the decision, together with the reasons for that decision, be given to the aggrieved employee. The decision will be confirmed in writing, within 10 working days of the hearing and giving the right of appeal.

Notes:

1. The Hearing Officer may alter the sequence of events if they consider that this would help conduct the hearing better, particularly if the Investigation Report has been circulated before the hearing.
2. The line manager may be asked to present what had happened at the informal stage and how they sought to resolve the issues.
3. Documentation (including the Investigation Report) should be circulated to all parties a minimum of 5 working days before the Hearing date.

Agenda Item 11

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 13 June 2011

PART A

AGENDA ITEM

11

Title: PERFORMANCE MANAGEMENT

Report of: Director of Corporate Resources & Governance – Three Rivers D C

1. **SUMMARY**

1.1 This report provides an update on the performance of the shared services.

2. **RECOMMENDATIONS**

2.1 That the Committee notes this report.

Contact Officer:

For further information on this report please contact:

David Gardner – Director of Corporate Resources & Governance – Three Rivers D.C.

telephone number: 01923 727200

email: david.gardner@threerivers.gov.uk

Report approved by:

Tricia Taylor – Executive Director – Watford B.C.

3. DETAILED PROPOSAL

3.1 Members are referred to:-

<http://www.trw-sharedservices.org.uk/ccm/portal/>

The section on performance management has been populated with the latest performance indicators. Budgetary control information and out-turn figures for 2010/11 will be posted to the website as soon as they are available.

Heads of service will report exceptions to the meeting.

4. IMPLICATIONS

4.1 Policy

4.1.1 The recommendations in this report are consistent with the policies of Three Rivers District Council, Watford Borough Council and the Joint Committee.

4.2 Financial

4.2.1 The accounts for 2010/11 are being finalised and will be posted on the website as soon as they are available.

4.2.2 On completing the final accounts the first budget monitoring report for the current year will be prepared. This, too, will be posted to the website.

4.2.3 Committee members will be informed when these actions have been completed.

4.3 Legal Issues (Monitoring Officer)

4.3.1 None specific to this report.

4.4 Risk Management and Health & Safety

4.4.1 There are no risks associated with the decision members are being asked to take.

4.5 Equalities

4.5.1 *Relevance Test*

Has a relevance test been completed for Equality Impact?

No

There is no proposed change to the shared services.

4.6 Staffing, Accommodation, Community Safety, Sustainability & Environment, Communications & Website and Customer Services

4.6.1 None Specific

Appendices

None

Background Papers

No background papers were used in the preparation of this report.