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THREE RIVERS & WATFORD
SHARED SERVICES
JOINT COMMITTEE



AGENDA

Date: 28 May 2012

Time: 7.30 pm

Place: Committee Room 2
Town Hall, Watford

Members of the Committee:-

Councillors:-	To be confirmed
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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

Part A - Open to the Public

1 APOLOGIES FOR ABSENCE / SUBSTITUTE MEMBERS

2 ELECTION OF CHAIR

To elect a Chair of the Committee from among Watford members for the period ending 5 October 2012 in accordance with paragraph 9 of Schedule 1 to the 'Delegation and Joint Committee Agreement'.

3 DISCLOSURES OF INTEREST

To receive any disclosures of interest.

4 MINUTES

To confirm as a correct record the minutes of the Joint Shared Services Committee held on 5 March 2012.

Item	Page
5 NOTICE OF OTHER BUSINESS	
<p>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)).</p>	
6 ICT REQUIREMENTS SPECIFICATION	1 - 4
<p>This report provides an update on the ICT Shared Services Review.</p>	
7 REVENUES AND BENEFITS UPDATE	5 - 8
<p>This report gives an update on the revenues and benefits service.</p>	
8 NEW STAFF APPRAISAL PROCESS	9 - 14
<p>This report provides an update on the move to a new staff appraisal process.</p>	
9 CLOSING OF ACCOUNTS	
<p>Officers will provide an oral update on the progress being made to close the accounts for 2011/12.</p>	
10 PERFORMANCE MANAGEMENT	
<p>Members are asked to note the performance management information posted on the website.</p>	
11 EXCLUSION OF PRESS AND PUBLIC	
<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(s) 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(s) there would be disclosure to them of exempt information as defined under the respective paragraphs 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**12 DWP INSPECTION REPORT**

This report allows consideration of the findings of the DWP Inspection Team.

13 OTHER BUSINESS

If approved under Item 5.

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.

E-mail: elwyn.wilson@threerivers.gov.uk

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Agenda Item 6

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of Meeting: 28 May 2012

PART A	AGENDA ITEM
	6

Title: ICT REQUIREMENTS SPECIFICATION

Report of: Emma Tiernan – ICT Business Manager

1. **SUMMARY**

1.1 This report provides an update on the ICT Shared Service Review.

2. **RECOMMENDATION**

2.1 That the report be noted.

Contact Officer:

For further information on this report please contact:

Emma Tiernan – ICT Business Manager

telephone number: 01923 727442

email: emma.tiernan@watford.gov.uk

Report approved by:

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

Bernard Clarke, Head of Strategic Finance – Watford B.C.

3.0 DETAILED PROPOSAL

For Information

3.1 ICT Service Specification

- 3.1.1 At the Joint Shared Services Committee in March 2012 Members approved the recommendation to revise the procurement process in order to conduct tender exercises in parallel on both the Herts County Council (HCC) framework and the Government Procurement Solutions (GPS – formerly Buying Solutions) framework.

A capability assessment was conducted in early April 2012, whereby suppliers on both framework agreements were asked to express their interest in bidding for the IT services contract. Nine suppliers responded to this assessment including the single HCC framework supplier SERCO.

- 3.1.2 The Invitation to Tender (ITT) was advertised on 11th of May 2012 and is due to close on the 25th of June 2012. The same tender information has been supplied on both framework agreements in order to ensure a fair process.

The ITT documentation consists of a number of schedules that have required IT Officers to work with Legal, Procurement and other Council services in order to tailor the schedules to the needs of both Councils.

The original requirements specification document produced by Actica Consulting Ltd, which was approved by Members at Joint Shared Services Committee in March 2012 is included within the ITT, however it should be noted that the format differs slightly. Where appropriate, information from the requirements specification has been included within the schedules, with the remaining requirements included specifically within schedule 2.1.

It has been stated within the tender that the Councils reserve the right to not award the contract to any third party provider and to retain the service in-house.

All Joint Committee Members have been sent a hard copy of the ITT. Emma Tiernan and Howard Hughes (Procurement Officer, Watford) will be in attendance at the meeting to answer any detailed questions.

- 3.1.3 Avni Patel (Head of ICT) has been regularly attending Unison (WBC) and Local Liaison (TRDC) briefings where the ICT Service Review is a regular item on the agenda.

Unison and Local Liaison Committee were sent the TUPE staff transfer schedule and the evaluation (award) criteria and were asked to comment on these. They were also sent a list of all other tender schedules and

invited to request a full copy of these where they had a particular interest.

ICT staff have been kept up to date through regular departmental briefings, the most recent of which was held on the 8th of May 2012. These briefings will continue on a monthly basis.

Consultation with staff over Council's decision to invite alternative providers to bid for the ICT service began on the 30th of April, this will last for 42 days and end on the 8th of June 2012.

- 3.1.4 Evaluation criteria included has also been reviewed by all members of the IT Steering Group as well as the Head of Legal and Property Services.

Previous experience of all suppliers will be considered throughout the evaluation assessment. Suppliers have also been asked to submit site reference details and to comment on any existing relationships with either Council.

- 3.1.5 In addition to the standard request for the costs relating to the delivery of the ICT service, suppliers have been asked to include cost information for the following variation in services:

- Extended helpdesk hours
- Project and Consultancy day bundles
- Management of assets (hardware and software)
- Management of third party contracts

Due to these potential variations to the 'base contract' it will not be possible to assess the extent of the client function until the tender evaluation has been completed.

The evaluation scoring criteria is structured as follows:

- Technical Solution 30%
- Commercial/ Price 30%
- Service Delivery 40%

Whilst price is an important factor, it is recognised that service delivery to all users has to be pre-eminent due to the hidden cost of 'downtime'.

- 3.1.6 The ITT includes a document library, which has not been supplied to Members due to its volume, which contains several additional documents, which are required in order for suppliers to respond to the ITT in sufficient detail.

3.2 **Next Steps**

- 3.2.1 Evaluation and interview stages with appropriate suppliers will commence after the tender closing date. The composition of the evaluation team has yet to be finalised but will include at least two service users (one from each council), as well as ICT , procurement and finance representation.

A comparison of the SERCO bid will then be made with that of the preferred GPS supplier to assess the most economically advantageous tender.

- 3.2.2 Following on from the evaluation and interview stage, recommendations as to the future of the ICT Shared Service would be made to Joint Management board and then subsequently Joint Committee at the end of July 2012. (Dependent on the approval of an extraordinary Joint Committee meeting.)
- 3.2.3 It is expected that, should outsourcing be the approved way forward for the ICT shared service, it will be handed over to a new provider in early 2013. This timescale is based on estimated timescales for conducting due diligence as well as the transition to the preferred supplier and would be negotiated accordingly.

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 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.

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, i.e. to note this report

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

- 4.5.1 None specific.

Appendices

None.

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.

Invitation to Tender

Agenda Item 7

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of Meeting: 28 May 2012

PART A	AGENDA ITEM
	7

Title: REVENUES AND BENEFITS - UPDATE

Report of: Phil Adlard – Head of Revenues and Benefits

1. **SUMMARY**

1.1 This report gives an update on the revenues and benefits service.

2. **RECOMMENDATION**

2.1 That the contents of the report are noted.

Contact Officer:

For further information on this report please contact:

Phil Adlard - Head of Revenues & Benefits

telephone: 01923 278023

email: phil.adlard@watford.gov.uk

Report approved by:

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

Bernard Clarke, Head of Strategic Finance – Watford B.C.

3.0 **DETAILED PROPOSAL**

3.1 **DWP Inspection Visit**

3.1.1 Members were advised on 5 March 2012, that during that week, an inspection of the Benefits Shared Service would be conducted by Inspectors from the DWP. The purpose being to confirm the service is on track with improvements and identifying other areas in which we can improve.

3.1.2 Following that visit a draft report has been produced and has been the subject of a positive meeting between the Shared Service together with Dr Halls and the DWP staff on 1 May 2012 in which our action plan to meet the recommendations was discussed.

3.1.3 At the time of writing (15 May 2012) we have received the final revised report and are in the process of preparing our formal response of which the DWP staff have suggested that our Action Plan forms the major part.

3.1.4 The final report and our formal response will then be presented to the Secretary of State for Work & Pensions, who will make any directions that are necessary.

3.2 **Revenues & Benefits “E-Services”**

3.2.1 The Revenues & Benefits Shared Service has been working on a project to deliver a number of self-service options for customers to enable them to answer a number of their queries without the need to call on Revenues & Benefits or Customer Service staff.

3.2.2 The project will also enable Customer Service staff to handle more queries thereby releasing resources in the Revenues & Benefits Service. In addition, electronic claims will be introduced to encourage more accurate claims and speed up the processing of claims.

3.2.3 The project has faced a number of obstacles which has delayed the implementation of these e-services. In addressing these obstacles we have introduced sustainable improvements and avoided “quick fixes”. This has added to the delays.

3.2.4 To add to the delays, it has been acknowledged that corporately, more attention is needed to be paid, at this time of year, to the closing of accounts and the preparation of the Benefit Subsidy claims and the decision was made that it would be in the interests of both authorities that resources were diverted onto these tasks.

3.2.5 The input to the closing of accounts should be completed by 18 May 2012 after which, resources can be dedicated back to the project.

3.2.6 The revised “go-live” date for the e-services will as a result be delayed to 30 June 2012.

3.3 **Local Council Tax Support**

3.3.1 Both authorities will be required to devise and operate a scheme for offering support to Council Tax Payers from 1 April 2013 as the current Council Tax Benefit scheme will be abolished. An added consideration is that we will have to provide a scheme in light of a 10% -11% cut in grant.

- 3.3.2 The funding for this new scheme will be in the form of an “up-front” DEL (Departmental Expenditure Limits) grant which will pose a challenge if there is an increase in demand during the year.
- 3.3.3 The funding arrangements will also have an impact on the County Council and the Police Authority as precepting authorities and both authorities have committed to working with the County to deliver a county-wide scheme.
- 3.3.4 This will itself provide challenges. There is currently a scarcity of legislation to support the new scheme but the guidance from the DCLG is that certain groups such as pensioners and “vulnerable” claimants will have their current benefit awards protected. The consequence of this is that what starts as a 10% cut, effectively becomes a 20% cut when only applied to working age claimants.
- 3.3.5 Unfortunately, each district has its own demography such that Watford has a pensioner caseload of 38% whilst Three Rivers, 46% meaning the impact of any change at its most basic level will be felt more acutely by Three Rivers’ working age claimants and that a scheme that is appropriate for Watford may not be for Three Rivers.
- 3.3.6 Ultimately, the composition of a Local Scheme will be a decision that each individual authority will have to make and further, more detailed reports will be directed through individual reporting channels.

3.4 **Business Rates Retention**

- 3.4.1 In July 2011, the DCLG published proposals for a scheme of Business Rates Retention with the aim to give local authorities greater financial autonomy and strengthen the incentives to support growth. This was followed in December 2011 with the publication of the Local Government Finance Bill.
- 3.4.2 The Shared Service is taking part in a county-wide initiative to attempt to determine the impact of this scheme and the potential growth that can be realised.
- 3.4.3 We cannot accurately predict the financial consequences of this scheme at present and will not be able to do so until the baseline is determined.
- 3.4.4 The opportunity for both authorities will be that if there is an increase in business growth (increase in Rateable Value) then, within limits, that growth will be kept by the local authority.
- 3.4.5 More details are expected during the summer months but as with Local Council Tax Support Schemes, any decisions will be the matter for individual authorities.

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 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.

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, i.e. to note the report.

4.5 **Equalities, Staffing, Accommodation, Community Safety, Sustainability & Environment, Communications & Website and Customer Services**

4.5.1 None specific.

Appendices

None

Background Papers

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

Agenda Item 8

THREE RIVERS & WATFORD SHARED SERVICES JOINT COMMITTEE

Date of meeting: 28 May 2012

PART A	AGENDA ITEM
	8

Title: NEW STAFF APPRAISAL PROCESS

Report of: Terry Baldwin – Head of Human Resources

1. **SUMMARY**

1.1 This report provides an update on the move to a new staff appraisal process.

2. **RECOMMENDATIONS**

2.1 That the Committee reviews, make such amendments as it thinks fit and approves the plan

Contact Officer:

For further information on this report please contact:

Terry Baldwin – Head of HR

Telephone number: 01923 278133

email: Terry.Baldwin@watford.gov.uk

Report approved by:

Bernard Clarke, Head of Strategic Finance – Watford Borough Council

3. DETAILED PROPOSAL

3.1 Introduction

This paper updates the reports made to Shared Service Joint Committee in February 2012. Agreement was reached on the following:

1. That the list of essential and desirable characteristics for the appraisal reflect the councils' needs (Appendix 1)
2. That the new process should be launched from Q4 2012-2013
3. That the process should continue to roll out from Q4 annually to maintain the link between objective setting and business planning.
4. That a new competency framework should be developed to support the appraisal
5. That, with the support of ICT, a specification should be created and an options appraisal drawn up to establish what level of process automation could be achieved within the available budget

3.2 Update

Items 1 to 4 are still integral to the project. However Item 5 has been abandoned on the following basis:

- Recognition that our budget of £6k is unlikely to secure significant automation – entry level to a good package incurs a minimum cost of £15K
- Appraisal is not listed as a project for ICT, leading to doubts about their capacity to support it. Bearing in mind the limited automation we can afford, creating an ICT spec would not in any case be a good use of their resources

The revised plan is therefore to develop a high quality manual process which delivers all the essentials from the original report. From piloting the process in 2013 we can then assess the benefits of adopting some automation (in the form of editable PDFs or E forms, for example) for future years.

The downside of this approach is it does not reduce administration in managing the appraisal cascade or in training planning, and the manual workload we had hoped to reduce will remain. However, it reflects a realistic assessment of current resources and the primary drive of this project has always been to improve the quality and value of the appraisal discussion.

To broaden the basis of feedback, a staff survey was launched in April 2012. This has attracted an encouraging level of response – negating any perception that people are apathetic about appraisal as a process. This feedback will influence the final format/ content of the appraisal documents and the training and briefing to support it.

3.3 Plan – Next steps

- Work on format design will resume once the survey feedback is analysed
- Work on a new competency framework will begin shortly; the intention is for this project to be supported by a HR Business Partner. Because the competency framework will have functionality outside appraisal (it has the potential to support succession planning, skills auditing and salary planning, for example.) this will be treated as a separate but closely linked project.

The table below sets out a timeline for the development of appraisal and the competency framework. A further report will be presented in July which will include a proposal for format and content.

3.4

Time Line: Development of Appraisal and Competency Framework

Appraisal		Competency framework	
May	Report to SSMT Staff Survey	May/ June	Research and consult Focus Groups?
June	Survey feedback available Feedback to staff from Survey Article in All Aboard/ Wats up?	June	Article in All Aboard/ Wats up?
July	Draft format and process (excluding competency section) Comms support to develop format	July	Draft 1 to Leadership Team/ Management Board/ SSMT
End of July	Report/ proposal to Leadership Team/ Management Board/ SSMT		
August	Redesign/ Finalise Article in All Aboard/ Wats up?	August/ Sept	Redraft/ Finalise
Oct	Incorporate Competency framework Final appraisal document ready	Oct	Article in All Aboard/ Wats up?
Oct- Nov	User guides Design briefing and training Article in All Aboard/ Wats up?		
Dec / January	Training Sessions		
Feb	Launch in both councils		

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 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.

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

4.5.1 None specific.

Appendices

1. The Appraisal Process – Essential and Desirable.

Background Papers

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

Appendix 1: The Appraisal Process – Essential and Desirable

	Essential	Desirable
Format	Encourages a quality discussion and two way feedback between employee and line manager	
	Easy to understand	
	Supports discussion about objectives and behaviours	
Process	Able to be transmitted and stored electronically	On Line process
		On going process that facilitates updating and review throughout the appraisal year.
Reporting	Able to generate reports on appraisal returns	On line reports including: <ul style="list-style-type: none"> ▪ Training plans ▪ Satisfaction/ motivation scores ▪ Reports on competency frameworks ▪ Able to generate skills audits ▪ Able to support succession planning/ other forms of workforce planning
	Able to generate simple statistics – e.g. satisfaction and motivation scores	
Delivery	Managers and staff understand and engage with the process	
	Managers are trained to develop the skills and behaviours to support a high quality appraisal session	
	Performance review must occur more frequently than annually Process should build in a mid year one to one review	

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