

Worcestershire Hub Scrutiny Task Group Meeting

Wednesday 24 March 2010, 2.00pm – Notes / Action sheet

Members

Worcestershire County Council

Bob Banks (lead)
Nathan Desmond
Lucy Hodgson
Stephen Peters

District Councils (co-optees)

Laurie Evans (Wychavon District Council)
Jinny Pearce (Redditch Borough Council)
Roger Sutton (Malvern Hills District Council)
Kit Taylor (Bromsgrove District Council)
Geoff Williams (Worcester City Council)

Item 2: Rob Adams (Wychavon District Council) and Paul Cummings (Malvern Hills District Council)

Officers

Scrutiny: Suzanne O'leary, Overview and Scrutiny Manager, Emma James, Overview and Scrutiny Officer, Annette Stock, Policy & Review Officer and Emma Breckin, Performance Improvement Officer (Scrutiny Liaison Officers)

Item 2 - Nick Jefferies, Head of Revenues and Benefits Shared Service

Item 3 – Rachel Hill, Head of Customer Services for the Worcestershire Hub

Available papers

Item 2 – scrutiny report and presentation handouts

Item 3 -

- presentation handouts
- Diagram of South Worcestershire Shared Service Partnership Governance arrangements
- Worcestershire Hub governance : paper to Worcestershire Hub Board (July 2009)
- Membership of Worcestershire Hub shared Service (WHSS) Management Board
- Worcestershire Hub Shared Service: paper to Joint Committee recommending establishment of the WHSS management Board (Nov 09)

	Action
<p>1. Welcome/Apologies The Chair welcomed everyone to the meeting.</p> <p>Apologies were received from Beverley Nielsen and David Thain.</p> <p>Bob Banks declared a personal interest, as a member of the Worcestershire Hub Board. Lucy Hodgson declared a personal interest in relation to her district councillor role with Worcester City Council, as she was the Cabinet Member with responsibility for Customer Care and Citizens' Engagement, and also a member of the Hub Shared Service Management Board.</p>	<p>Circulate additional papers</p> <p>Include item on all future agendas</p>
<p>2. South Worcestershire Revenues and Benefits Shared Service Joint Scrutiny Cllr Rob Adams – Wychavon District Council Cllr Paul Cumming – Malvern Hills District Council Geoff Williams – Worcester City Council Nick Jefferies – Head of Revenues and Benefits Shared Service</p> <p>Cllrs Adams, Cumming and Williams gave a presentation on the remit and findings of this recent scrutiny (handouts circulated) During the scrutiny, changes were constantly taking place, due to the nature of</p>	

the service transformation, and the unprecedented effects of the recession. The service transformation was not yet complete.

It had proved useful to focus on the business case, and whether it was fit for purpose. It was accepted that people often don't want change. There was a view that finances had appeared to be the main driver for the project and that this had the potential to cause tension with other aspects of the service.

It was felt that the financial benefits had come to fruition (efficiencies of £150,000 for Malvern Hills District Council and £420,000 for Wychavon District Council)

The recession had placed the service under enormous pressure, testing the resilience of the business case - there was a clear view that without the shared service, the service would have been much worse affected. It was difficult to assess the appropriateness of staffing levels, as these had been based on 2006 levels. It was important to have sufficient resilience and capacity to absorb certain pressures.

Regarding performance, clear improvements had been achieved in the first few months, as indicated in the table. There was a clear need for customer satisfaction, and quality of experience

In looking at governance arrangements, it was felt that the committee minutes were not widely distributed, and that the Head of Service should have been in post prior to the start of the service transformation.

No real evidence of any service inequity had been identified.

Lessons for future joint scrutiny of shared services (page 24 of report refers)

- it is a complex task
- financial side may be well developed – need to check that the service development is also well developed
- service level expectations should be clear to service users
- useful to look at two levels (joint expectations at 'higher' level' and the expectations of each district
- need to make sure costings are really well informed, robust and up to date

Questions following the presentation

- the terms of reference had been tight, in awareness of the fact that the shared service was being rolled out, and that this process would be the main focus of the scrutiny
- the scrutiny had not consulted the districts which were not part of the shared service, because it would not have been comparing 'like with like'
- the scrutiny had not looked at the fact that there were different bodies on the Worcestershire Hub, to on the Shared Service
- customer surveys had not been included as part of the scrutiny. The Head of Service (HOS) planned to monitor satisfaction, but had been held back by a busy workload
- overall, the scrutiny team felt the system was working well, as shown by the results
- it was clear that the housing associations supported the scheme
- the HOS pointed out that it was important to keep in mind what the

changes meant for the customer - it was only when the recession hit, in 2009, that the customer became aware that the district revenues & benefits services had been transformed to a shared service

- Cllr Adams was convinced that the three local authorities which formed the shared service would not have coped as well without it; something which the HOS passionately agreed with. He felt that the resulting bigger staff team meant pooled resources, and greater flexibility to deal with priority cases as well as peaks and troughs of demand
- the HOS commented that the onset of recession could not have come at a worse time for the service transformation, and pointed out that the impact of the recession affected comparisons made. (By contrast colleagues in Herefordshire had felt much less of an impact from the recession.)
- when asked what would he have done differently, the HOS suggested bolstering staff numbers – however, staff were only fully fledged after 12 months, and contractor staff were rare and expensive
- when asked about the perception that the authorities outside the shared service 'were doing fine', the HOS felt there was an element of truth in this – however, the shared service had achieved savings of £1.2 million, which included a loss of 27% of the workforce, and that without the increased demand brought by the recession, the shared service would be doing very well
- the HOS saw the three main drives to create the shared service as 'save money', 'increase resilience' and 'maintain or improve service'
- when the HOS was asked whether he felt the success of the shared service would have been possible without the Hub – he advised that this was a difficult question to answer. The Hub had been the catalyst for change, and he felt the interface was holding up 'pretty well', given the tough times and changes.

3. **Information Review**

Worcestershire Hub Governance

Rachel Hill – Head of Customer Services for the Worcestershire Hub Shared Service (HCS)

The HCS had been asked to clarify governance arrangements for the whole Worcestershire Hub. To talk through the arrangements, which were recognised as being complex, various information was circulated, including a presentation, structure charts and a bundle of information (as listed on page 1 of notes).

Forward to members not present

Worcestershire Hub

The Worcestershire Hub Board met fairly infrequently (once or twice a year). It did not have decision making powers, although it could make endorsements, which would then be taken back to the district councils. As the direction of the Hub developed, the Chief Executives and Leaders panel had become the natural reporting route, and more recently this was now used.

The Worcestershire Hub Joint Committee did not formally report to the Board, although it did have contact and there were also a number of common representatives.

Worcestershire Hub Shared Service

The Project Board (set up in late 2008 to establish the shared service) worked extremely well. It included officer and member representatives, and engaged other people relevant to specific projects.

A Management Board, of officers and members had been established in November 2009 (chaired by Cllr John Waring), which met every six weeks. The more flexible model of a management board had been chosen over a joint committee.

The establishment of the shared service led to changes in elements of the previous funding arrangements between the county council and the district councils.

At the time of the establishment of the South Worcestershire Shared Service Joint Committee, the only participating service was revenues and benefits. However, more services had since been added, and the nature of the Committee had evolved, becoming increasingly strategic.

A strategic group of officers had been providing various papers to the Chief Executives and Leaders' panel, which culminated into a business case.

Regarding the shared service, each local authority had delegated responsibilities to the Joint Committee. However for the wider Hub, there were no delegated responsibilities.

Main points from discussion

- there was a clear view from members that the governance arrangements were overly complex and layered. When asked, the HCS tended to agree, because although the original set-up may have been suited to the original operation, the service had since developed, especially with the addition of the shared service
- members suggested that as the Joint Committee appeared to work well, that a simpler solution could be to include in its membership someone from the shared service – this would then remove the need for a Shared Services Management Board, and remove a level of complexity from the governance arrangements
- there was surprise that the Hub Board did not meet very often – however the HCS advised that she reported to the Joint Committee on a regular basis, and that there were clear routes to look at issues from the districts
- members felt it important for them to know which of the forums were responsible for which decisions, for example which forum would respond to adverse performance? From the current arrangements, they did not feel able to pinpoint where strategic decisions were taken, and where operational decisions were taken
- members discussed the fact that some councils only had one hub contact number (Malvern), whereas others had several (shared service) – the HCS advised that the decision had been taken to have specific service numbers as this allowed better focus on getting the right people to answer calls
- there were customer service centres in all the county's main towns, so that visitor access was equal across the county
- the HCS was sure that the district councils which did not form part of the revenues and benefits shared service would have experienced similar increased demand, which they would have handled in a different way. For example, she was aware that that the revenues and benefits service at Redditch BC had struggled
- whilst accepting the unprecedented impact of the recession on

revenues and benefits call volumes, some members asked whether there had been a lack of preparedness? How quickly were the changes in performance information as a result of the recession acted on, and why had this not triggered earlier action? The HCS confirmed that the Hub team had been working to address the issues, but did not believe that anyone could have foreseen the recession. More staff had been recruited as soon as possible, and earlier than planned as part of the 2006 business case. However, it had not been possible to hire staff in May because of a recruitment freeze which had been advised by Human Resources, in order to minimise staff redundancies as the shared service was formed

- members asked when they would be given more performance information which had been previously requested, specifically broken down for each district. The HCS advised that district Hub managers would be able to provide information on call handling – however she was unsure this would tell members what they were looking for, and that it may be a deeper question than looking at figures

The HCS advised that she was able to provide information regarding the County Council's funding contribution. For the shared service, funding was set out in the service agreement and original business case (and legal agreement). Subsequently, in 2008, a proposal was presented to the Chief Executives and Leaders panel to realign funding, to reduce some of the funding from Worcestershire County Council to the Districts to enable the County to fund the telephony centre, with effect from April 2009

Hub staffing had increased through the year. However in the main these formed part of the original plan and budget, and the operation was still within budget for staffing over the course of the year.

It was agreed that it may be helpful to have a task group on session on hub performance

Agenda
planning

Information requested

- funding information, for both the county and district contributions
- breakdown of calls for each district including response times, average call handling times, volumes for each service area, abandoned calls (broken down for services where known?)
- details of which Council was using the Hub for what services
- copies of minutes for bodies referred to (Joint Committee, Worcestershire Hub Board, Strategic Management Group, Operational Management Group, Chief Executives & Leaders Panel?)

RH /
Scrutiny
offs

Hub Visit Reports

Members provided verbal feedback on their visits to various customer contact centres, using the completed feedback forms of which everyone had been provided with copies. The remaining visit feedback forms would be added to the evidence base.

A summary of all points is attached for the Task Group.

Members discussed the variation in opening hours and in the out of hours advice/provision from the different hub centres. The shared service was open until 8pm, whereas many of the other centres closed at 5pm. It was suggested

that for those which didn't, it would be helpful to use an answer phone message which suggested alternative contacts.

4. **Next steps**

The next task group meeting was Wednesday 14 April, 10.30am, at County Hall. This would include taking forward the 'mind map' exercise.

EJ/JW to progress

The meeting ended at 4.35 pm