

BABERGH AND MID SUFFOLK DISTRICT COUNCILS

From: Head of Corporate Resources	Report Number: JSC 13
To: Joint Scrutiny Committee	Date of meeting: 2 October 2012

SHARED REVENUES PARTNERSHIP - REVIEW OF END OF FIRST YEAR OF OPERATION

1. Purpose of Report

- 1.1 To consider and scrutinise the Head of Shared Revenues Partnership (SRP) report on the first year of operations of the newly established partnership.

2. Recommendations

- 2.1 That the Committee scrutinises the Head of Shared Revenues Partnership (SRP) report on the first year of operation of the newly established partnership.
- 2.2 That any issues that require further consideration and/or actions are referred to the SRP Joint Committee.

The Committee is able to resolve this matter.

3. Financial Implications

- 3.1 None from this report. The SRP Business Case indicated savings of £4m over 10 years. Savings were achieved in 2011/12, with further savings envisaged in 2012/13 and 2013/14.

4. Risk Management

- 4.1 The following risks were included in the report to Members in September 2010, when approval to establish the SRP was given. These are reviewed and managed on an ongoing basis:

Risk	Consequence of risk	Risk Controls	Probability of risk occurring*	Impact of risk, if it occurred #	Actions to mitigate risk
Lack of ownership	Ineffective & incompatible action / Investment.	Project governance. Communication	C	2	Secure funding Establish Joint leadership/Committee
Legal challenge/ Contractual impediment	Partnership implementation stopped or delayed	Legal workstream. Due diligence	E	1	Robust legal documentation & process

Risk	Consequence of risk	Risk Controls	Probability of risk occurring*	Impact of risk, if it occurred #	Actions to mitigate risk
Ineffective HR consultation	Staff/ union concerns, legal challenges	Staff briefings, Unions aware	D	2	Robust consultation & detailed implementation plan
Ineffective change management	ICT/key staff recruitment/ other project delay or Performance dips	Strong project governance,	D	2	Robust implementation plan, Good communications
Savings not realised or delayed	Project becomes not affordable or implementation scaled back	Strong project governance, Robust implementation plan	D	2	Contingency, Cautious financial forecast
Reduced performance	Poorer Customer experience, loss of subsidy	Robust Performance targets & implementation plan	E	2	Adequate staff capacity,
Changes in political leadership	Potential reduced support for project or changes required	Establish Joint leadership/ Committee	C	3	Councillors own governance arrangements. Aim to minimise risk
Implementation of common ICT system is too challenging	Time delays affecting standardisation and savings realisation	Strong project management	B	2	Clear and timely decision on 4 th partner and adherence to overall SRP timetable

* taking account of controls (Scale A-F: A- Very likely, F - almost impossible)

taking account of actions (Scale 1 – Catastrophic4 - Negligible)

4. Consultations

4.1 With Ipswich Borough Council. They are happy to support the scrutiny by Babergh and Mid Suffolk but do not wish to scrutinise the SRP from their own perspective at this point in time.

5. Equality and Diversity Impact

5.1 None in relation to this report.

6. Shared Service / Partnership Implications

6.1 Establishing the SRP has been a very significant undertaking. Each partner and the SRP staff have made a huge and very positive commitment to making it a success.

7. Key Information

7.1 Attached is the Head of Service report on the first year of operation of the SRP, which was considered by the SRP Joint Committee in June 2012. This sets out key information on establishing the SRP and also covers important aspects of the first year's operations, including:

- Establishing a single workforce in one location
- Migrating to a single ICT platform
- Performance
- Customer Service
- Support Services
- Fourth Partner

7.2 The associated appendices provide more comprehensive information in relation to specific areas, including lessons learnt on ICT migration and the financial outturn for the year. Also attached is the SRP Annual Finance Report for 2011/12.

7.3 The SRP Joint Committee Members are:

Mid Suffolk - Derrick Haley and Marilyn Curran

Babergh - Tony Bavington and Brian Riley (previously John Hinton)

(These Members have been invited to attend the Joint Scrutiny Committee meeting).

8. Appendices

Title	Location
1 - Head of SRP Report to the SRP Joint Committee - June 2012 (including appendices)	Attached
2 - SRP Annual Finance Report 2011/12	Attached

9. Background Documents

9.1 None.

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COMMITTEE: Shared Revenues Partnership

DATE: 13 June 2012

SUBJECT: Head of Shared Revenues Annual Report

Short description of report content and the decision requested:

This report provides a summary of the first year of the Shared Revenues Partnership (SRP)

List of Appendices included in this report:

- a) *Appendix 1 – lessons learnt from SRP implementation*
- b) *Appendix 2 – lessons learnt from the ICT migration*
- c) *Appendix 3 – performance summary for 2011 /12*

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This report was prepared after consultation with:

Internal consultees

SRP Operational Managers

SRP Performance and Relationship Manager

SRP Project Manager

SRP ICT Implementation Manager

SRP Officer Board

External consultees

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(papers relied on to write the report but which are not published and do not contain exempt information)

OTHER HELPFUL PAPERS

(papers which the report author considers might be helpful – this might include published material)

1. Introduction

1.1 This report will review :-

- The drivers for setting up the revenues and benefits shared revenues partnership and any lessons that can be learned from the process of establishing the partnership.
- The business case objectives behind the formation of SRP and the extent that these have been realised.
- The performance of the shared revenues partnership during the first year.

2. Background

2.1 The financial pressures in the public sector continue to increase with significant cuts in funding. In order to prepare for the inevitable future cuts to grant, it was identified that transformational change would be required.

2.2 Initially four authorities in Suffolk (St Edmundsbury and Ipswich Borough Councils and Babergh and Mid Suffolk District Councils) joined together to consider whether they could deliver their Revenues and Benefits service more cost effectively if they did so jointly. The authorities came together because they were all looking independently to change the way in which they delivered their Revenues and Benefits service, in order to reduce the cost of the service whilst maintaining or improving the quality of service delivery.

2.3 An options appraisal was undertaken and the options were considered by the respective councils during January 2010. Although four options were set out, two were discounted (“do nothing” and “outsource”) due to their failure to deliver significant savings and in the case of outsourcing, the length of time required to procure an outsourced service provider.

2.4 The remaining two options – join an existing shared service as full partners and creating a new shared service were explored further by the SRP Project Board and taken back to the individual councils for consideration. The preferred solution chosen by all four councils was to create a new shared service.

2.5 The business case for the four authority model was produced but in April 2010 St Edmundsbury withdrew from the proposed partnership. The financial case was amended to reflect a three authority partnership and it was agreed that it was still financially viable to continue with a shared revenues partnership.

- 2.6 The business case defined that the SRP would undertake all work in respect of the Council's Revenues and Benefits service including:
- Billing collection and recovery of Council Tax
 - Billing collection and recovery of NNDR
 - Housing and Council Tax benefit administration, assessment and payment
 - Benefit Fraud investigation and interventions (this later changed see section 10)
 - Billing, collection and recovery of benefit overpayments
 - Performance management and monitoring
 - Compilation of all government returns relating to the service
 - Scanning and indexing of all documents sent to the service
 - Service specific reconciliations, system controls and system administration
 - Training

3. To what extent has SRP realised the key drivers and business case objectives?

- 3.1 The next section will examine each key driver and business case objective.
- 3.2 Deborah Carr was appointed as project manager for SRP in September 2010 and she ably managed the project until her departure in September 2011
- 3.3 Prior to her departure she held workshops to capture the lessons learnt from managing such a transformation project and the summary of the work can be found in Appendix 1.

4. The Shared Service will be set up on 1 April 2011

The Partnership Agreement took effect from 1 April 2011 delegating the functions as listed in Schedule 2 to the Shared Revenues Partnership Joint Committee.

5. Governance – The SRP Joint Committee and Officer Board

- 5.1 The Joint Committee is an administrative arrangement under which each authority exercised its powers under Section 101 of the Local Government Act 1972 to delegate certain functions to the Joint Committee to be exercised on its behalf.
- 5.2 Each of the partner authorities has appointed two councillors to the Joint Committee
- 5.3 During the first year the Joint Committee met on 7 occasions. For continuity the venue has been in Grafton House with Ipswich Borough Council providing the committee support.
- 5.4 The first year has seen an effective and supportive Joint Committee providing direction for the Revenues and Benefits service during this challenging period.
- 5.5 The SRP Joint Committee continues to meet on a bi-monthly basis.

- 5.6 The SRP Officer Board consists of the Head of Service, the three Section 151 Officers and Jonathan Owen, Director of IBC.
- 5.7 The Officer Board meets on a monthly basis and concentrates on the operational service provided by SRP on behalf of the three local authorities. It examines budget, performance and future initiatives and provides a mechanism to exchange relevant corporate information regarding the three local authorities.

6. “There will be a single workforce on 1 April 2011 moving to single terms and conditions”

- 6.1 The vision for the Revenues and Benefits Shared Service is that all Revenues and Benefits staff will work for one employer.
- 6.2 SRP does not have the authority to employ staff and therefore Ipswich Borough Council became the host employer
- 6.3 All Mid Suffolk and Babergh staff were transferred to Ipswich Borough Council on 1st April 2011 under TUPE using the Economic Technical Organisation (ETO) reason and workforce changes to adopt a single scheme of Terms and Conditions.
- 6.4 The whole process was meticulously orchestrated by Mid Suffolk, Babergh and Ipswich Borough Human Resource teams. All staff were given the opportunity to attend staff briefing sessions and to meet with their HR teams on an individual basis. Frequently asked questions were compiled and issued to all staff. Unison representatives from all three councils were engaged throughout the process.
- 6.5 There are still staff that have elected to remain on their former terms and conditions (TUPE allows this). SRP currently has 14 Babergh staff and 15 MSDC remaining on their former terms and conditions. The impact of staff remaining on their existing terms and conditions include differences in the standard working week; holiday calculations, rates of pay and pay protection.

7. Working from one location

- 7.1 One of the key features of the SRP business case was that there would be one headquarter location for SRP staff, with limited “touch-down” space provided at each council’s offices for visiting officers.
- 7.2 Of the three councils, only Ipswich Borough was able to accommodate the entire SRP work force and therefore was selected as SRP headquarters.
- 7.3 The chosen date to move Babergh and Mid Suffolk staff into Grafton House was 4th April 2011, being the Monday following 1st April, the date of the formation of the Shared Revenues Partnership and the TUPE of staff.
- 7.4 The first floor of Grafton House was prepared and staff attended induction sessions to facilitate a smooth transfer.

- 7.5 The ICT work stream worked hard to establish ICT connectivity to enable Mid Suffolk and Babergh staff to work in Grafton House. This was working to schedule until a problem was identified with the fibre optic link to Babergh. This was further exasperated by the discovery of issues with ducts in the Hadleigh area near to Babergh's offices.
- 7.6 It was imperative that the ICT should be fully functional before moving Babergh and Mid Suffolk staff into Grafton house and reluctantly the decision was made to delay the move of staff until 16 May 2011.
- 7.7 This was obviously upsetting for staff that also now had to deal with the recruitment process. However the eventual move to Grafton House was a great success. The first floor of Grafton House was equipped with 116 work stations with dual screens. With an element of hot desking this was sufficient to accommodate the 137 SRP staff. All staff were working by midday on the day of the move. The ICT leads from the three authorities demonstrated true partnership working and the facilities team in Grafton House were extremely supportive. This all contributed to a successful move.
- 7.8 Staff were naturally apprehensive moving into a new work environment. For many Mid Suffolk and Babergh staff they had worked in the same office for many years. Prior and after the move staff meetings were held giving everyone the opportunity to share their concerns and to address issues. Existing IBC staff volunteered to be "buddies" to the new staff arriving in the office. A great deal of preparation went into the move, with seating plans drawn up and circulated; identity badges issued before the move; travel options circulated and visits arranged. This all helped to allay fears and helped the integration of the team.
- 7.9 SRP and the three ICT teams have yet to reach a final solution regarding the access to legacy systems in Babergh and Mid Suffolk. The IT teams are looking to provide the most cost effective and efficient method of access by SRP staff to the third party applications that are hosted in BDC and MSDC.

8. Home working

- 8.1 An Equality Impact Assessment (EqIA) and an Environmental Impact Assessment (EIA) were completed during the evaluation of the SRP business case. It was identified in both assessments that the introduction of home working for SRP would help to alleviate many of the issues.
- 8.2 The SRP business case was also based on an element of staff being enabled to work from home to reduce the SRP desk requirements to 85, thereby minimising the recharge for accommodation
- 8.3 Ipswich Borough Council IT team have identified a home working solution that has satisfied the Code of Connection (CoCo) and Government Connect Secure Extranet (GCSx) legislation. In addition home working telephony has been implemented to allow home workers to receive and make calls in a seamless manner.

- 8.4 The home working solution has now been rolled out to 35 members of SRP staff. This has reduced the number of work stations for SRP in Grafton House to 96. There are further plans to reduce to the business case level of 85 by September 2012
- 8.5 Home workers have been provided with wide screens and training has been delivered to both home workers and their managers. Ipswich Borough Council has produced a home working policy and procedure to support this initiative.
- 8.6 Home working has already shown to provide benefits to both the employee and SRP in the following ways:-
- Improved business efficiency – SRP has reduced its accommodation costs
 - Higher quality and quantity of work due to improved morale and less interruptions
 - Reduced travelling times and costs for reimbursement
 - Environmental benefits from reduced travel requirements
 - Contingency for staff when staff are prevented from getting to work (ie bad weather or other barriers to travel)
 - Improved business continuity provision
- 8.7 No SRP member of staff works exclusively from home. The expectation at the moment is to attend the office one day per week.

9. Staff Structure for the Shared Revenues Partnership

- 9.1. Prior to SRP the back office activities of the three authorities utilised 132.8 FTE staff including temporary or vacant posts.
- 9.2. The structure for Shared Revenues Partnership now consists of 105.5 FTE a reduction of 27.3 (20%).
- 9.3. The number of staff were based on transactional volumes and comparison was made to the Worcester shared service.
- 9.4. The key features of the structure are:-
- Clear reporting lines
 - Tiers are kept to the minimum
 - Team leader to full time equivalent staff is on average 1 : 7
 - Administration staff will undertake additional administration tasks to allow trained officers to concentrate on the more complex work.
- 9.5. The first draft of the structure was shared with staff during October 2011. Following staff feedback, the structure was amended and the final structure was endorsed by the Joint Committee on 17 February 2011.
- 9.6. All posts had a new job description and were evaluated under the IBC process. Where possible the job descriptions were generic to allow flexibility within the SRP.
- 9.7. The HR work stream produced guidance for the ring fencing exercise, working with both Unison and staff.

- 9.8. The SRP appointments started with the appointment of the Head of SRP to take effect in January 2011. The next tier of the SRP structure was delayed until 1st April 2011 following legal advice.
- 9.9. An extensive recruitment exercise took place with all positions filled by the end of July 2011.
- 9.10. The recruitment of the Operational Managers, Performance and Relationship Manager and team leaders consisted of a psychometric test, presentation and interview. Officers were given a technical test and interview.
- 9.11. During this period there was a great deal of uncertainty for staff and with the time spent on the actual recruitment process it had a detrimental impact on performance. Steps were taken to minimise the impact on both staff and performance by having an intensive recruitment timetable (4 months); arranging interviewing skills courses for all staff, staff briefings and written responses to frequently asked questions.
- 9.12. Following the recruitment process, SRP staff moved into their new teams and are now working together across the three local authority databases, sharing skills, knowledge and good practices.
- 9.13. SRP managed to minimise redundancies and, in the end, only two SRP and one fraud member of staff were made redundant. The cost of £73,246 was in line with the business case and shared across all three authorities in the proportions set out in the Partnership Agreement.
- 9.14. The SRP structure was based on streamlining functions, and maximising technology and the introduction of automation. Much of this will be achieved in phase 2 of the ICT implementation and therefore during the first year additional staff were utilised to assist with the ICT migration and provide additional support until further efficiencies are implemented. This approach will continue during 2012/13 to minimise impact on performance.

10. Fraud

- 10.1. Housing Benefit Fraud Investigation Services were initially proposed to be included within the SRP operations but after careful consideration the SRP Project Board agreed that the services should be excluded from the SRP arrangements and delivered by the Internal Audit and Counter Fraud Partnership (existing partners being IBC, SCDC, and WDC).
- 10.2. The fraud work stream has constructed a suitable cost-effective model and appropriate structure to deliver the Benefit Fraud Investigation Services for the SRP and, in addition, to deliver the appropriate corporate fraud work for IBC and also, if called upon, for BDC and MSDC.
- 10.3. A report was taken to the SRP Joint Committee on 17th February 2011 recommending that the benefit fraud investigation staff currently employed by Babergh and Mid Suffolk should join the existing Audit and Counter Fraud Partnership operating between Ipswich Borough Council and Suffolk Coastal District Council under TUPE arrangements.

- 10.4. Although not a part of SRP the fraud service continues to enjoy a close working relationship with SRP and provides an effective service.
- 10.5. The fraud performance is discussed at SRP's Officer Board and the fraud business plan for 2012/13 has been shared and agreed by the three authorities.

11. ICT – single ICT Platform

- 11.1. One of the key principles underlying the SRP business case was the need to establish a single ICT platform to optimise performance, cohesion and efficiency. Ipswich used a Northgate system and Babergh and Mid Suffolk used the Civica Open Revenues system.
- 11.2. The chosen system was assessed through an open and comprehensive procurement process and clear tender evaluation. It was not restricted to the two systems that were currently used by the three partners, as independent legal advice received was that this would not be permitted under the OJEU procurement rules.
- 11.3. The procurement timetable was extremely challenging with the publishing of the OJEU notice on 24th October 2010 and the decision to be made by the SRP Joint Committee on 17th February 2011.
- 11.4. During this period ICT suppliers gave presentations at Grafton House and reference site visits were made. We endeavoured to involve a wide range of staff across the three authorities in the procurement process. Revenues and Benefits Managers attended the reference site visits along with ICT representatives, while the presentations in Grafton house were attended by team leaders, system support and fraud officers across the three authorities. In addition staff were encouraged to visit their counterparts to view the functionality of their system.
- 11.5. The procurement exercise was efficiently controlled by IBC Procurement Team. The Revenues and Benefits functions were evaluated by the SRP Head of Service, the Ipswich Revenue and Benefit Manager and the Senior Revenues Manager at Babergh. The ICT evaluation was completed by ICT managers and practitioners from the three councils. The three fraud team leaders evaluated the fraud section of the tender.
- 11.6. Northgate Revenues and Benefit (NRB) was the preferred supplier because of its additional functions that would enhance our customer's experience and provide further opportunities to make additional financial savings. Key benefits included customer self-service, mobile working and home working. The NRB approach delivers the required advantages of a shared service without the risk and expense involved in the one database approach. The Northgate solution retains each authorities data integrity and allows the correct balance between individual and shared requirements and can easily accommodate leavers and joiners. This approach also allows for improved resilience as if one database goes down, users can still work on the remaining databases. This proved to be invaluable at year end annual billing.

12. ICT – migration to Northgate Revenues and Benefits

- 12.1. It was always recognised that the ICT migration timetable was going to be extremely challenging
- 12.2. The key driver was to have the migration completed to enable 2012 billing to take place on a common system.
- 12.3. Kevin Ling was appointed into the role of ICT Project Manager, with the responsibility of co-ordinating and managing the day to day activities for the ICT migration. Kevin meticulously managed this project and his involvement was fundamental to the successful migration.
- 12.4. As expected there were areas where the migration proved to be difficult. There was the need for Mid Suffolk and Babergh’s council tax reference numbers to be changed that required a “look up” table to be created to allow payments to be taken for both old and new numbers. The interfaces back to the legacy Babergh and Mid Suffolk systems were more complicated than first anticipated and the housing rent interface especially proved to be particularly challenging. In fact the decision was made to migrate with a “work around” to this interface pending a final solution to be developed. It was always recognised that there would be a number of manual corrections and updates required and this still continues as individual errors are identified.
- 12.5. The Civica system for Babergh and Mid Suffolk closed down week commencing 21st November 2011 with the two councils going live week commencing 12th December 2011 in accordance with the project implementation plan. The migration was also completed within budget.
- 12.6. All efforts were made to minimise the impact on the residents of Mid Suffolk and Babergh. The two customer service teams worked tirelessly keeping the customers informed.
- 12.7. The first phase of the NRB implementation was always to migrate the data from Babergh and Mid Suffolk to NRB. The second stage is now to implement the added value aspects of NRB such as automation, online facilities that will enhance the customer’s experience and remove some of the processing pressures of SRP staff. The details of the benefits that will be delivered in phase 2 are included in the SRP Business Plan for 2012 /13. Also included are the migration “snags” that remain to be addressed.
- 12.8. Following the migration various workshops were held documenting the lessons learnt and the details can be found at Appendix 2.

13. SRP Performance during 2011/12

- 13.1. One of the drivers for SRP is to improve performance levels to give direct benefits to its customers and the partner authorities. In the business case it was identified that the ways to achieve this included:-

- Better performance, resulting in increased speed of processing and improved accuracy for housing benefits.
 - Better performance, resulting in increased and earlier collection of council tax that will help to keep down future years' council tax bills.
 - Resilience, which will ensure that the service will be more able to absorb the peaks in workload without the deterioration in the service to the customer, thereby giving consistency of delivery throughout the year.
 - Specialist teams, which will give added expertise and resilience. This will ensure that there is consistency in the delivery of the service and the speed of response to customers, irrespective of when and how the contact is made.
- 13.2. It was always recognised that SRP's first year would be difficult and that mechanisms would need to be implemented to minimise the impact on performance. This took place with mixed success.
- 13.3. Appendix 3 gives a full picture of the year's performance across the three local authorities and the collection rates of neighbouring authorities. IBC's performance has benefitted by the stable year compared to BDC and MSDC who has been subjected to the migration exercise. We are proactively working on improving the performance across all three authorities. SRP's Business Plan for 2012/13 describes the improvements that will be implemented.
- 13.4. For Ipswich Borough Council the Council Tax and Business Rate collection showed an improvement to that of 2010/11. However for both Babergh and Mid Suffolk councils there were dips in the collection rates. This is partly due to the migration, the subsequent three week down time and the subsequent delay in issuing reminder bills. Some large empty business properties have also had a detrimental impact on Mid Suffolk business rate collection, but this is outside the control of the SRP.
- 13.5. Collecting council tax and business rates in the present financial climate is always going to be difficult but SRP, as demonstrated in the targets for next year, will be driving out efficiencies and striving to make improvements.
- 13.6. The benefit performance fluctuated throughout the year with the migration down time and the subsequent data cleansing work having a detrimental impact on performance in the last quarter. Mid Suffolk in particular has had the biggest drop in performance due to the incompatibility of the data transferred from NRB to the Capita rent system. This involved a large amount of manual correction and we are currently working on improving MSDC 's processing times.
- 13.7. This year has seen a change in the way DWP supplies Local Authorities with DWP / HMRC data. "Atlas" – Automatic Transfer to Local Authorities – was a central government initiative where data would automatically "drop" into Local Authorities benefit system with no manual intervention. Unfortunately this has not gone to plan and as a result there has been a significant number of duplications and errors that has caused much distress to our customers. SRP has now introduced a work around to minimise the impact but Atlas continues to cause problems. There has been no easement in the requirements to manually process these changes and no benefit from the supposed automation routines as yet.

- 13.8. The data in Appendix 3 depicts the rising caseload in Ipswich Borough Council and Mid Suffolk (Babergh has actually seen a slight decrease). In fact over the last two years the caseload in the Borough has increased by 10%. The associated work that comes with such an increase has been absorbed by SRP.
- 13.9. Mid Suffolk, in particular, has benefitted by the enhanced technology introduced by SRP. At long last Mid Suffolk has an electronic work flow and document management system and staff dealing with MSDC work no longer have to manage with paper files. MSDC staff now work from dual screens to assist performance. All MSDC council tax bills now contain a bar code to support MSDC's transition to a cashless office. Auddis has also been introduced for MSDC and IBC, the first step towards paperless direct debits.
- 13.10. All three councils have significantly benefitted in the joint procurement with Colchester of the printing and mailing contract. Not only does this give SRP financial savings but also a more efficient, and customer focussed service.

14. Customer Service

- 14.1. The SRP aspires to standardise customer services across the councils over a period of time where such an approach is acceptable to them. There remains very different approaches in the "front office" and an aspect of the business plan was to leave customer service "as is" in the first instance and review again at a later date.
- 14.2. Customer contact has increased in all three local authorities. It is difficult to demonstrate whether this is due to the introduction of SRP, the increasing caseload or other influencing factors. Certainly the three week system down time for MSDC and BDC, resulted in an increase in customer contact and any delay in processing also results in more customer contact. Disruption to the normal recovery cycles as the data migration was undertaken led to a corresponding lull and peak in contact about local tax arrears. There was also an incident at billing where a small number of BDC and MSDC households received two bills that generated an increase in customer contact.
- 14.3. There have also been some significant welfare reform changes that have had a detrimental impact on our benefit customers, resulting in more customer contact. An example of this is the under 35 housing benefit changes which restricted the amount of benefit that could be paid to these customers to that of a single room rent figure previously limited to under 25 year olds.
- 14.4. The customer remains at the centre of SRP's delivery and together with the three customer service teams we are working to address issues and to implement improvements. We now have scheduled monthly meetings and there is a real desire to work together to assist our customers through our own change programme and the welfare reform changes.

15. Support Services

- 15.1. The SRP business case allowed for the support services to be provided by an assumed host. Costs outside that allowance would be a matter for each authority to deal with and savings beyond that in the business case may be possible for each authority.

15.2. The support services relevant to SRP are :-

- Financial services
- ICT services
- HR services
- Internal audit
- Procurement
- Legal services
- Business support services
- Office accommodation

15.3. Ipswich Borough Council was selected as the host authority and took responsibility from the outset for ensuring that the whole range of support services are made available to support the SRP.

15.4. The original business case recognised the need for the host authority to “upsize” its support services with the remaining local authorities to drive out their own support costs.

15.5. For Mid Suffolk and Babergh it has been a challenge to reduce their support costs to the required level and there still remain some residue costs within each authority.

16. Fourth Partner

16.1. The original business case for the Revenues and Benefits Shared Service was based on a four council partnership achieving savings of £7.6m over 11 years.

16.2. St Edmundsbury Borough Council withdrew from the proposed partnership and since their withdrawal there have been dialogues with other potential fourth partners.

16.3. It is recognised that a four partner shared service would not have to mirror the current arrangements and further exploratory work continues.

17. Budget

17.1. The SRP business case forecast £4m saving over 10 year. The budget for 2011/12 was based on the business case, updated for latest information on staffing and other costs. The separate budget paper for 2011/12 details the financial achievement of SRP to operate well within budget in its first year.

18. Environmental Impact Assessment

18.1 The EU Directive on Environmental Impact Assessment (EIA), as amended, requires that a formal assessment – including public consultation – is undertaken for specified types of projects before they can go ahead. Direct and indirect environmental impacts should be identified and quantified. Where these are negative, action to mitigate these impacts should be identified.

18.2 There has been an environmental impact particularly regarding office accommodation, working practices and officer travelling patterns. These have been minimised by the optimisation of technology, home working and location.

19. Equalities and Diversity Implications

- 19.1 Under the general equality duty as set out in the Equality Act 2010, public authorities are required to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation as well as advancing equality of opportunity and fostering good relations between people who share a protected characteristic and those who do not.
- 19.2 The protected grounds covered by the equality duty are: age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation. The equality duty also covers marriage and civil partnership, but only in respect of eliminating unlawful discrimination.
- 19.3 The law requires that this duty to have due regard be demonstrated in decision making processes. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can demonstrate that they have had due regard to the aims of the equality duty."
- 19.4 The results of the SRP Equality Impact Assessment completed in September 2010, identified that the potential areas for discrimination are age, gender and disability.
- 19.5 Work has been completed to minimise the impact by our continued approach to flexible working practices and the roll out of home working.

20 Conclusions

- 20.1 The Shared Revenues Partnership has achieved many of the key drivers and business case objectives in 2011/12, but there still remains a considerable amount to complete during 2012/13.
- 20.2 SRP will be implementing initiatives to improve performance and to enhance the customer experience. This is detailed in the business plan for 12/13. This will need to be balanced with the need to prepare for the forthcoming Welfare Reform changes.

21. Recommendations

- 21.1 The Joint Committee adopts the report summarising the first year of Shared Revenues Partnership.

SRP Lessons Learnt



Project Area	Subject	Date	Success / Improvement/ Issue	Lessons Learned	Recommended Solution
1	Communication	12/10/10	Q&A Cards ~ The decision to use cards as way to take all questions did not work out as expected. Staff asked a number of important HR related questions during break times forcing the need to deliver a HR related question and answer session.	The session was in danger of leaving a lot of staff feeling that the session did not meet their needs. The HR presentation was the section that relayed information that should have answered the questions like 'what will happen to me and will I still have a job'.	In HR related matters, staff need the hands on approach and the opportunity to ask questions as they arise. The question cards were really useful for the questions that staff did not want to broach in the open arena. The programme on the 14th and 21st October was amended to meet the need to ask questions. This approach will also be used at the scheduled Counter Fraud Staff Briefings in December. We will continue to use Q&A cards as an avenue for staff to jot down the questions they don't wish to ask in an open forum. the cards are put into a box and unless a personal answer is required can be anonymous.
2	Communication	08/11/10	FAQ document was collated by the Project Manager. Each subject area was answered by individual workstreams and numbered accordingly. When the documents were brought together the numbering did not take into consideration the answers that referred readers to a previously answered question on the same subject (e.g refer to question 2). The document was forwarded to staff who commented on the numbering.	The FAQs held the answers to over 100 questions posed by staff at a series of staff briefing sessions. Subjects included many sensitive questions related to the TUPE process, the Draft structure and working at Grafton House. Focus was on the need to get the document out quickly as the previous FAQ doc took a number of weeks following approval from project team and project board. More care and consideration from the project team should have been taken to proof read the document prior to its dissemination.	FAQ documents and any other with sensitive staff information should be proof read by the project team before sharing with staff.
3	Communication	16/02/11	Staff were invited to name the SRP by sending in their nominations to the project manager. The prize was a family ticket to see a show at the Regent. Following the launch, around 22 staff sent in their ideas for new names with over 36 suggestions made.	The project board was tasked with shortlisting the suggestions down to four then the Joint Committee were asked to pick their favourite. Once this work was completed and the decision was made, IBC's comms team identified that the name was not suitable for use with a local authority service area. The project board agreed to shelve the competition to a later date	If the partnership is to pursue a new name in the future, the partnership's comms teams are to come up with some potential names for the partnership - staff could vote for the winner.

Project Area	Subject	Date Identified	Success / Improvement/ Issue	Lessons Learned	Recommended Solution	
4	Communication	HR Q&A Sessions	07/03/11	HR were invited to planned induction sessions for all SRP, however an oversight meant that SRP staff attending the first session were not notified of this.	We were advised that the staff at the first session were not given adequate time to consider questions for HR so left the session feeling rather annoyed. In subsequent sessions, HR were bombarded with questions and in some case treated quite badly by staff wanting answers to questions that HR staff were unable to answer.	Provide staff with enough time to consider questions on behalf of themselves and their colleagues. It would be useful to note at the beginning of a session that you will endeavour to answer all questions however may need to seek clarification on some and feed back.
5	Recruitment	P45's	01/04/11	As part of the TUPE process staff at Mid Suffolk and Babergh were sent their P45s from their departing authorities.	Although staff were aware that they would no longer be employed by their old authorities, they advised that they were not aware that they would receive their P45s as part of the process.	Ensure that all details of the TUPE process are shared with staff to reduce anxiety and eliminate surprises.
6	Communication	Amount of FAQs	01/04/11	Over 300 FAQs were received from staff from Sept 2010 to April 2011. Due to the amount of staff involved in the process, we recorded questions at staff briefings/ inductions as well as those sent to managers to ensure that all staff, even if they were not in attendance gained the same information	Answering the questions took up a vast amount of Officer resource and became increasingly harder to control as time went on. Assumptions were that staff would read the old FAQ's before asking further questions, this didn't always happen and in some cases the answers were not specific enough so the questions posed word submitted again but reworded. HR Officers found that they were duplicating information	Publish the MOST frequently asked questions only and ensure a process for delivering one to one sessions is set up for staff to pose their more personal questions.
7	Communication	FAQs	07/04/11	Not specific enough for all staff/ not being read by staff before asking further questions.	The completed FAQs were sent out with the regular staff briefing notes however it was felt that staff were not reading them prior to sending further questions. The project manager received vast amounts of duplicated questions that had previously been answered and distributed. Staff identified that in some cases a generic answer to a question did not satisfy their specific needs.	To develop a shared reference area for staff at the earliest opportunity. This could act as the first point of call for any queries and an avenue for logging and storing FAQs and other information Some staff gained specific information related to their circumstances via one to one sessions and emails.
8	HR	Changes to the HR4U system	12/04/11	As part of the process of setting up the SRP, HR colleagues developed a new structure within the HR4U system.	As part of the set up, IBC staff were provided with a new staff number and a new account with HR4U. All of the information relating to the old staff numbers was archived. There was no prior warning of this happening so for all IBC staff, their historical information re leave, sickness and training was no longer available.	Pre warn staff to take a note of their information about to be archived.

Project Area	Subject	Date Identified	Success / Improvement/ Issue	Lessons Learned	Recommended Solution	
9	Recruitment	SRP / Counter fraud posts	13/04/11	SRP posts opened up to CF staff and Vice versa	The decision to open up the posts across the SRP and CF teams generated a vast amount of extra work and officer time across the project teams.	More focused recruitment phases, if posts are not filled initially, they can be opened up to staff across the partnership support services.
10	Recruitment	Generic interview questions across levels	10/05/11	Generic questions used for both SRP and Counter Fraud posts. This meant that staff that were applying across service did not have to attend two interviews	Negative ~ Questions were seen as a negative by some members of the interviewing panels in terms of them not being specific enough to bring the best out in people. Further to the above, it was felt that the model answers were not broad enough - candidates provided good answers to questions that were not included in model answer lists.	Possible solution is to have sub questions that are more specific to a candidates first choice job.
11	Recruitment	Generic interview questions across levels	10/05/11	Generic questions used for both SRP and Counter Fraud posts. This meant that staff that were applying across service did not have to attend two interviews	Positive ~ All staff on a level playing field from the start which enabled a smoother matching process.	
12	Communication	Staff emails	01/06/11	Information - particularly around recruitment is sent out to staff in various formats to provide updates.	Information developed by Communications workstream and once agreed is sent out to ops managers for distribution to each authorities staff. Depending on availability of Ops managers, some staff would receive the information straight away, others the next day etc. Staff would talk to each other and become anxious that all were not receiving information at the same time.	One contact for sending out information. This is now in place within the SRP but did require some assistance from IT to enable large emails to be sent from an individual account.
13	Recruitment	Level 3 tests	01/06/11	SRP staff were given the opportunity to pick three job options in order to provide them with the best chance of securing a post. As part of the process, staff were also advised that the interview process would involve a technical test/ presentation or written test.	As the process moved forward, we identified that staff would potentially have to complete two tests, one for their first option and another for their second (e.g. first choice Revenues officer = technical test, second choice training officer = presentation) This information was communicated to staff which promoted a higher level of anxiety within the office. Management received feedback from staff re their concerns at an all staff briefing.	Applications focused on one job preference
14	Recruitment	Level 3 Tests	01/06/11	Following on from above - staff were advised that they were expected to sit their first test prior to interview and the second test after interview.	Due to the timescales for completing interviews and tests, this did not allow enough time for staff being interviewed towards the end of the recruitment programme causing further anxiety.	as above

Project Area	Subject	Date Identified	Success / Improvement/ Issue	Lessons Learned	Recommended Solution	
15	Homeworking	Homeworking	03/06/11	Homeworking was offered to all staff at a time dictated by the restack within Grafton House.	The date to start rollout of homeworking, for most, was a short while after the move, during the time period of technical tests/ interviews and prior to the outcome of interviews. Although many staff signed up to work from home, it was thought that some were unsuitable, former MSDC staff were unable to take part due to paper based working and others did not have access to computers and/ or broadband. Training and testing of the equipment worked well however there were issues that still needed ironing out. It was clear that the initial timescale for 30 people to home work by the middle of June would not be reached.	Ensure the timetable for rolling out a large piece of work like this, encompasses enough time for the systems to be fully tested.
16	Communication	Counter Fraud Staff	29/06/11	The SRP regularly sends out briefing notes to staff, as a support service, the counter fraud staff were not always included in the mail outs.	Counter fraud staff are not part of the SRP but would hear information from SRP staff which generated a level of anxiety and the thought that CF staff were being deliberately excluded from information.	Counter Fraud manager to develop a staff briefing note for the area and include any relevant SRP information.
17	Recruitment	Letters to unsuccessful staff	20/07/11	The staff that were unsuccessful in the level 3 recruitment identified that it would have been nice to have received a letter from the head of shared service, offering better luck in the next level and that they would have liked to receive this at the same time that their successful colleagues were receiving their contract letters.	In hindsight this is a good idea, however as the drop down staff from level two were not sent a letter, we were unable to do this for level 3. The project has prided itself throughout the recruitment exercise in following the same procedure through each level.	Consider 'pep talk' letters for unsuccessful staff at each level
18	Communication	Days following recruitment outcomes	20/07/11	Staff unsuccessful at level 3 shared that the hours and in one case, day after the results of the interviews were shared, felt that they were being ignored by their team leader/ ops manager.	The different needs of staff were acknowledged. Many staff contacted the project manager, as the neutral person within SRP, to share their feelings and views.	Develop a process for contacting staff coping with unexpected news after interviews. Consider the different needs of staff some may wish to be left alone others need acknowledgement from their managers. The process should take both into account.

Project Area	Subject	Date Identified	Success / Improvement/ Issue	Lessons Learned	Recommended Solution
19 Recruitment	Level 4 Information	21/07/11	Staff applying for level four posts shared that they were not privy to the same levels of information as that supplied to level 2 and 3 staff.	Due to a number of resource reasons, the project did not send out a staff briefing note to advise on the successful officers. Level four staff felt that they were unable to determine who dropped down from level 3/ who they were competing against for jobs. Information that the other levels were aware of via briefing notes. It is important to note that 3 unsuccessful staff members advised that they were happy that the notification of successful officers was delayed as it gave them time to refocus and consider their options.	Add in timescales for feedback and outcomes to future recruitment timetables to ensure that the information provided to staff is consistent across all levels.
20 Recruitment	Interview Outcomes	21/07/11	The process for notifying staff of successful and unsuccessful applicants changed as the process moved forward.	Outcomes were mainly sent out via the regular briefing notes but at varying times after decisions were made. There has been a big delay in sending out the outcomes for Level 3 and 4.	Add in timescales for feedback and outcomes to future recruitment timetables to ensure that the information provided to staff is consistent across all levels. Unsuccessful staff have adequate time to prepare themselves for the information to be cascaded.

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NRB IMPLEMENTATION PROJECT LESSONS LEARNT LOG

Title:	Lessons Learnt Log
Prepared by:	Kevin Ling
Filename:	Lessons Learnt Log 2012-03-05 V1.0
Status:	FINAL
Version:	1.00
Date of Release:	05/03/12
Approved by:	N/A

Document Change Control

Ver.	Date	Status	Details of Change	Changed by
0.01	21/02/12	DRAFT	Initial Draft	Kevin Ling
1.00	05/03/12	FINAL	Wording in 3.3 changed	Kevin Ling

Document Distribution

Ver.	Date	Name	Purpose
0.01	21/02/12	Evelyn Crossland, Tony Hammond, Paul Salmon, Andrew Wilcock, David Johnson, Amy Mayes, Christina Morley, Derek Hood, Tina Williams, Janice Gloyne, Steve Langdon, Kevin Peck, Phil Ling, Norman Mellor, Keith Woodman, Mon Lee, Andrew Manning, Duncan Nobes, Howard Gaskin, John Booty, Chris Nailon, Dawn Williams, Helen Austin, Sarah John, Tracy Crow, Wendy Corness	Review
1.00	03/05/12	SharePoint	Project File

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1 Introduction

The purpose of this document is to capture lessons learnt from the end of project lessons learnt workshops held in January / February 2102.

2 Executive Summary

- 2.1 A Project Team workshop was held on 17/01/12, focussing on SRP issues
- 2.2 A Project Team workshop was held on 17/01/12, focussing on IT issues
- 2.3 A workshop was also held on 09/02/12 with customer service colleagues from Babergh and Mid Suffolk, focussing on customer service / public access issues.
- 2.4 The feedback was collected as free text response to the following four questions:
 - What went well?
 - What didn't go so well?
 - What could we do better?
 - What still puzzles us?
- 2.5 Everyone who participated was happy to provide feedback
- 2.6 Some feedback related to generic project / change management issues and others related to specific / technical issues relating to the new software platform.
- 2.7 The lessons learnt will be progressed in the following way:
 - A project communication will be issued to help address any ongoing concerns that relate to the current NRB implementation project.
 - A summary of the lessons learnt will be included in the project closure / end project report when presented to the Project Board and CMT.
 - A case study will be produced incorporating key lessons learnt that could help inform future projects.

3 Project Team Workshop (SRP Issues)

3.1 WHAT WENT WELL?

- Benefit payments - Few complaints (none serious)
- Benefit Payments - Pay runs in advance
- Benefit payments – claimants were not all aware of the changes
- CTX/BR – No single complaint re: Direct Debits
- CTX/BR – Kept cash flow going
- Meetings – good frequency with clear action points
- Meetings – schedules of all project meetings in advance, kept diaries free
- Meetings – the daily 9am update (could have started early than November)
- Consultancy – onsite, flexible, good relationships built up
- Consultancy – consistency, working with same consultant through the project
- Good Teamwork – Meetings with clear actions and responsibilities
- Good teamwork – considered equipment needed and realistic time
- Good team work – a ‘can do approach’ rather than blame
- Culture – everyone on the project had a ‘voice’ and felt able to contribute
- Culture – honesty, people were able to say ‘no we can’t do it’
- Data Migration – happened to schedule, critical for Northgate resourcing, the project stuck to the overall timescales, and brought some items forward early
- Dedicated rooms e.g. for training and project team...helped to build relationship with consultants and saved time
- Use of ‘frozen’ civica system – it remained available throughout
- Timetable – most deadlines achieved, good scheduling
- Risk Management – managed risks and workload to keep project on timetable
- Communications – with MSDC & BDC public access (having daily 4PM conference call)
- Consistent Project Management throughout project (dedicated PM, not changed part way through the project)
- Project control – common PM approach, regular meetings and commitment, use of sharepoint
- Having dedicated resources on the project – e.g. benefit officers
- Regular updates – meetings and minutes etc..

3.2 WHAT DIDN'T GO SO WELL

- CAPITA OH Rents Interface – absorbed time from IT, Northgate and SRP,
- Getting Public Access MSDB & BDC ‘live’, tested too late, agreement on reconciliation took time
- Having one consultant working on two site conversations (Babergh and mid Suffolk) sometimes caused conflict, sites sometimes had different issues to resolve, the same pressure was on the Systems team.
- Determination of Policies and Procedures
- Shared Service Model – how to implement and replicate the technology
- ‘Lateness’ in development of interfaces created unnecessary pressure (or ability of some partners to start later but with more resources swamped capacity of partners with fewer resources who had been working over a longer period of time).

- Confusions of ownership across partners on some IT issues i.e. agreeing ownership of issues, appearing to pass the baton between IT teams (observed externally as a 'lack of commitment')
- MSDC (mainly) paper files – unsorted, unrecorded, still in a mess. Having only one scanning expert who had to travel to remote office for back scanning work.
- Backlog of scanning (MSDC mainly) should have been cleared before project started
- Systems letter – headers and footers, merge issues, logos, layout in I@W and with Gandlake (compounded by slip in I@W delivery)
- Data migration – lack of feedback from Northgate on identified errors
- Anite conversion
- Priority of day job impacting on Systems team
- Strategic link us across supplier (Rev / Ben / I@W)
- Lack of ownership of escalating / recording data migration errors
- 3PRent file
- I@W /hub – training outstanding, SSL issues (single sign on / auto update), not delivered on time (e.g. integration hub)
- Slowness of site visit reports from Northgate
- Withdrawal of existing services (e.g. online functionality) creating extra paper based work, no clear plan in place to deliver.
- Contractual understanding – modules to be provided, Cut off points for payments
- Some parameter set up – health check required?
- Knowledge transfer from Ipswich team
- Systems team severely stressed – appreciated?
- Data migration - incorrect data used in one cut

3.3 WHAT COULD WE DO BETTER?

- More support for Systems team
- Allow more 'headroom' in publically announced 'go live' date
- Ensure enough rooms are available for the project team and a training room is available at the same / similar time when required.
- Learn more from other sites undergoing migration
- Supplier understanding needs of the business
- Effective use of existing knowledge
- Better liaison with partner IT teams
- Praise & Thanks – staff, ability to reward particular member of the team (people who go the extra mile)
- Ensure all required training takes place before go live
- Review timescale of implementation
- More detailed analysis of business requirements / processes
- Regular newsletter for staff (progress reports)
- Would not have planned migrating to NRB in view of restructure, single status harmonisation and relocation to new office
- Spend more time on reconciliation issues
- Put more resources into Systems team
- Raise the profile of the I@W project

3.4 WHAT STILL PUZZLES US?

- What resources are required for the next modules?
- Systems Processes – There has to be more efficient ways of using the system
- Phase 2 – Impact on day to day operation
- Extracting workload statistics for MSDC and BDC (for NRB and I@W)
- Resolution of I@W data access
- ATLAS ?ETD, Task Manager, Auto process, Archiving
- I@W
- Duplicate documents in I@W cases
- NRB & Future Welfare Reform
- Why have we not got enough I@W Scanners?
- 3PRent File

4 Project Team Workshop (ICT Issues)

4.1 WHAT WENT WELL?

- Smartsheet manages well at disseminating information
- Document repository (Smartsheet & SharePoint)
- IT (Steve) attending daily 9AM Kick off meetings
- Risk Management – raised by team and managed well
- Secure connection between servers was good (once established) and overcome issues experienced with ZIP files being trapped by Firewall software
- The project team – had a common purpose, all hands on deck, no blame
- Creating an IT workstream with reps from all three partners from the beginning of the project
- IT support from IBC in transferring files (for partners and Northgate), especially evenings and weekends.
- Commitment of staff (especially out of hours)
- IT representatives at Project Board
- Regular Team Meetings focused on IT issues
- All MSDC / BDC interfaces worked
- Great learning curve around developing shared service across councils (Culture, technology, work ethics).
- Some new relationships forged (sometimes in the face of adversity)
- Good humour (generally) of all involved, definitely a sense of 'let's all work together to make this happen'.
- Hourly meetings 1st thing around Go Live
- Initial scoping of interfaces
- Overall Planning Process (Scheduling)

4.2 WHAT DIDN'T GO SO WELL

- Interface development started late (not unanimous view), delay in getting all the right people involved, and the under estimated level of complexity, e.g. change of account numbers
- Integration of new system across three partners
- Cut over planning – still some tbc tasks on the day we cut over, customer service comms not in place
- Underestimated the complexity of the minutiae
- Testing too late
- Not identifying all the key plates (finance etc..) at the start of the project
- Transfer of IT skills running new system (e.g. from remote DBA service)
- Scoping & Determination of reconciliation approach
- The cultural differences between ICT teams didn't always mean we 'knitted together' (could start with a team building / social activity)
- It was difficult to keep up with ongoing versions e.g. ions of many specs.
- Referencing account numbers set us back
- Slippage on interface timetable
- Inertia to change, comparing old to new (e.g. users referring to features of legacy system)
- Interface work being seen as 'peripheral' to main migration tasks, made it difficult to get our issues centre stage.

- Confusion over specs/ versions delayed interface development work
- Weren't aware of MSDC/CSD interface staff early enough
- Continuing saga of Rent Interface
- UAT was not grave to grave (more like toddler to retirement)
- No overall logging of project issues or tracking these, or monitoring when complete
- Staffing – some single critical players, when absent caused delay

4.3 WHAT COULD WE DO BETTER

- More detailed analysis of technical requirements (e.g. interfaces, printing)
- Single point of contact, agreed response times to queries, tracking of queries and closing when complete or escalating when difference of opinion.
- Avoid planning two major projects requiring shared resources (SRP and IHMS)
- Understanding cultural change on project delivery
- Conference calls and virtual meetings
- Establish central place for data storage
- Reconciliation and cradle to grave testing (rather than unit testing)
- More focus on mapping the SRP 'to be' more earlier in the project life cycle
- Sorting out the OPEN HOUSING specs much earlier

4.4 WHAT STILL PUZZLES US?

- Business requirements for access to legacy systems (including external audit)
- Printing
- Governance within merging MSDC / BDC of SRP ICT and wider SRP
- I@W – Strategy between SRP & IBC
- Arrangement for ad-hoc reporting from CTAC NDR & I@W databases
- How are the 5 help desks going to interact?
- Why is SRP 'hidden' e.g. impact on email addresses
- Future development e.g. self service, getting through three firewalls
- Implementation timescales for phase 2 items e.g. landlord portal

5 Customer Services Workshop

5.1 WHAT WENT WELL?

- Daily Conference calls (between SRP and front line services)
- Cash posting continued
- 4PM Kick off meeting
- Agency workers to clear backlog
- Created a consistent platform by which we can see measured outputs
- Floor walking
- Not too many emergency payments
- No increase in complaints
- Trainer was knowledgeable
- “one team” camaraderie between districts / borough & SRP
- Payments (DD’s in advance to minimise payment issues)
- Regular customer service meetings
- Experienced staff at customer service area tried to resolve issues themselves
- Cross working to learn from each other (MSDC, BDC & STP)
- Website info
- Daily issues spreadsheets
- Commitment by all to achieve positive end results

5.2 WHAT DIDN'T GO SO WELL

- Huge amount of paperwork generated by Northgate (multi pages)
- Jargon in Northgate different for all
- Annual leave & training during shut down
- I@W training not on time
- Did not anticipate number from CSD for training
- Back office not always able to locate papers during down time
- Interface problem (esp. Rents)
- Change of reference numbers
- Letters and bills format issues
- Lack of detailed plan ahead of start of process
- Consultation on planned customer bulk contacts
- Late notification of MSDC pay & then errors
- When live not a clear idea of backlog
- No help with additional resources, which was required to deal with high levels of enquiry
- Northgate mismatch on new claim
- 7,000 suspended 2 days before payment run
- Late access and training on NRB & I@W
- Notes on Northgate not updated with the most recent information
- No timescales
- Temp word for backlog could have been done before
- Suspension, de-suspension, suspension, de-suspension altogether different people
- Technical support for our IT department seemed lacking
- Additional hardware requirements (3rd screen) not anticipated, unbudgeted
- No access to the training system

- Late delivery of test log in's
- Running DWP updates right before payment runs
- Lack of flexibility re: training location
- Problems with mailouts and wrong info on bills
- Not a good time for system – from the customers perspective
- Early closure over Christmas (not mirroring CSD / BDC)
- Training & Notes provided after the training
- SRP address started to creep in on documentation, causing customer contract to IBC from MSDC customers
- Wrong information on direct debits
- Not clearing backlogs before shutdown
- Cross training for SRP staff
- Training
- Notes not reflecting latest circumstances
- 11 MSDC employees direct debits wrong out of 40
- Communications too late
- Problem with telephone hunt lines
- Timing
- Notes on Northgate not clear enough
- Communications
- Housing benefits not transferring to civic arrears letters sent out
- Xmas closure different times
- Multi skilling initially
- Interaction with other systems not ironed out beforehand (payment card system)
- No way for agents to see letters or bills
- Stress levels for all staff
- Cross information with other departments e.g. finance
- Know who does what job now in SRP
- Time could have been spent at each CS office to see how we work beforehand
- Backlog on scanning
- Connectivity between systems not finalised before closedown (i.e. rents)

5.3 WHAT COULD WE DO BETTER

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5.4 WHAT STILL PUZZLES US?

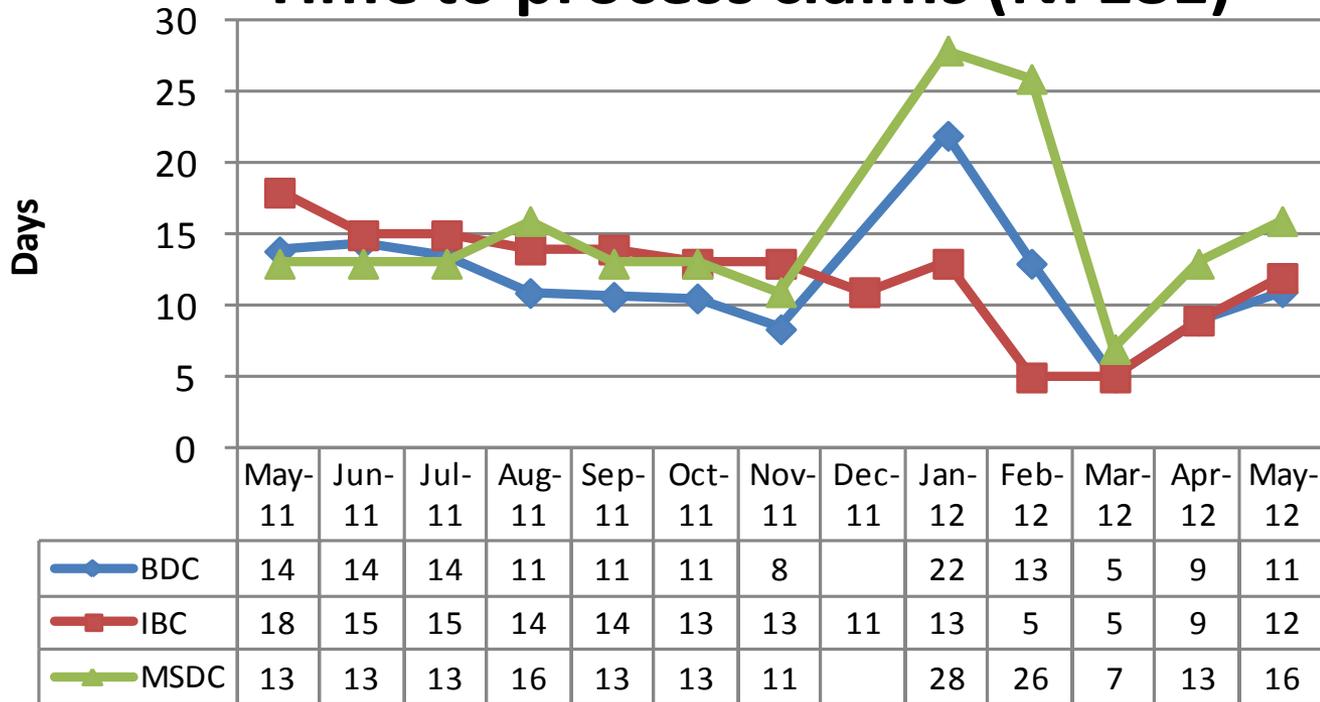
- Rent Interface
- Inconsistent or missing note books
- Inability to see letters and bills
- Jargon
- Hunt Number
- Who to contact for what
- Have SRP found business efficiencies from the new system
- When will the level of calls drop back to previous call levels?
- Hunt number response – or disconnected
- Northgate – some of it is still a puzzle

- Why back office can sometimes see info the agents cant
- Some information on CIVICA not showing on Northgate (payment history)
- Who to report IT problems to
- Impact of MSDC /BDC integration – future of front line services
- E-deaths duplicating TUO – how long is it taking for TUO to be processed?
- How do we separate urgent call backs from other memos on Anite?
- Could SRP customers utilise all 3 access points
- How we will cope with future benefit changes
- How eServices will work
- Viewing bills and notifications
- Discount/app forms printing to IBC contact centre, why cant it print locally?
- Who to go to for IT help?
- If procedures get updated how will we be told? Example if new forms created on Anite
- Who does what?
When can we start migrating customers to self service? (as online accounts not yet available)
- Will the new platform aid customer migration to self service?

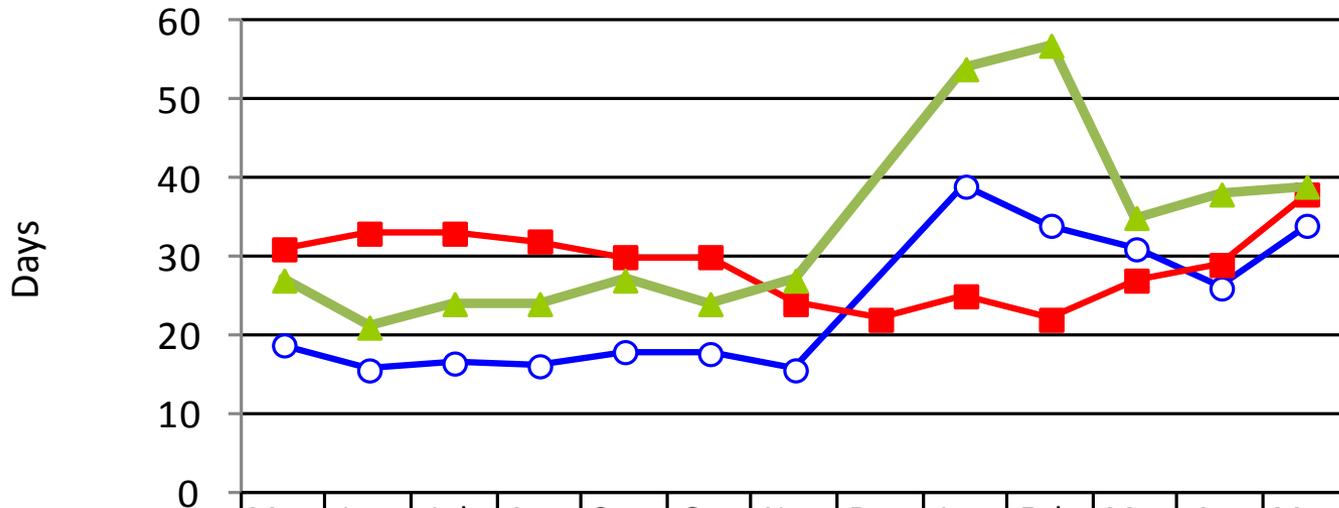
Appendix 3

**SRP - Performance Information
2011/12**

Time to process claims (NI 181)

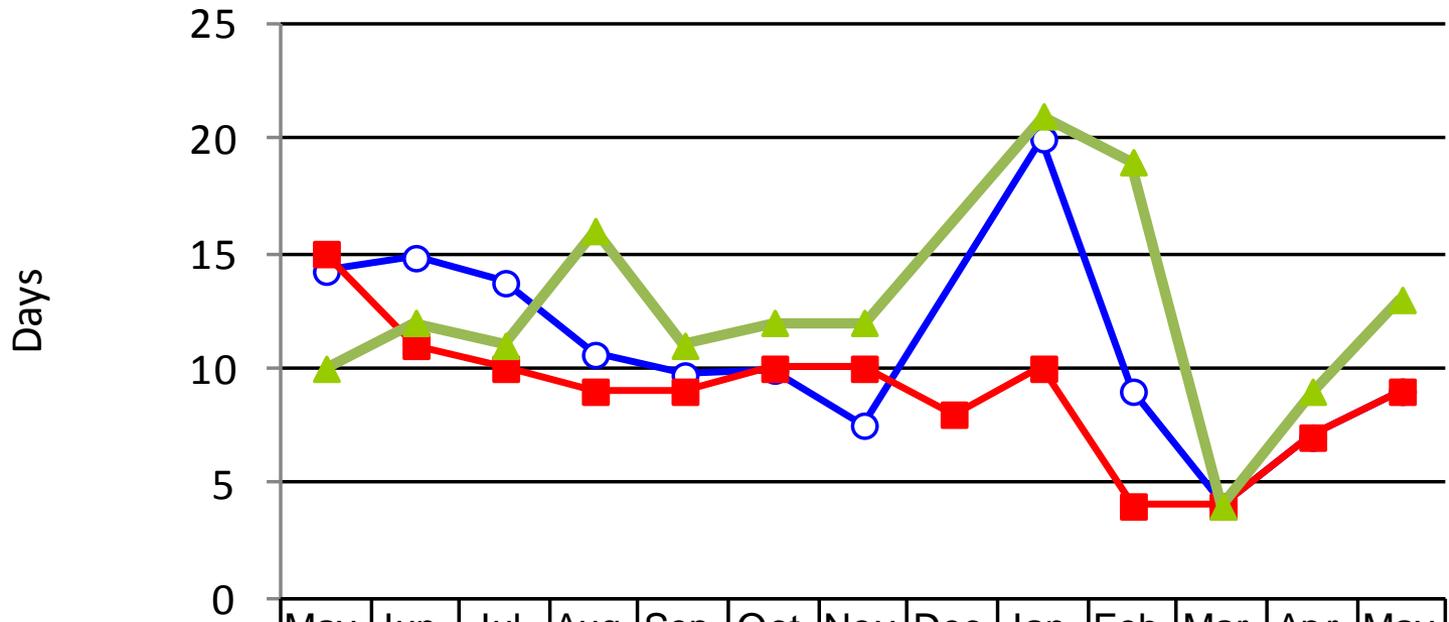


Time to process new claims (PM1)



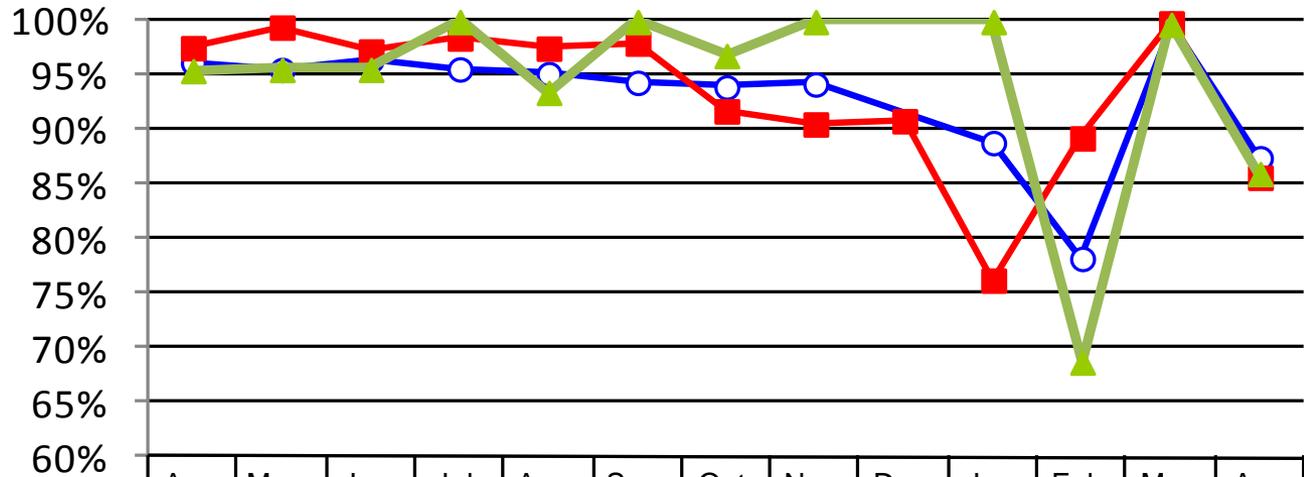
	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12
○ BDC	19	16	16	16	18	18	16		39	34	31	26	34
■ IBC	31	33	33	32	30	30	24	22	25	22	27	29	38
▲ MSDC	27	21	24	24	27	24	27		54	57	35	38	39

Time taken to process COC (PM2)



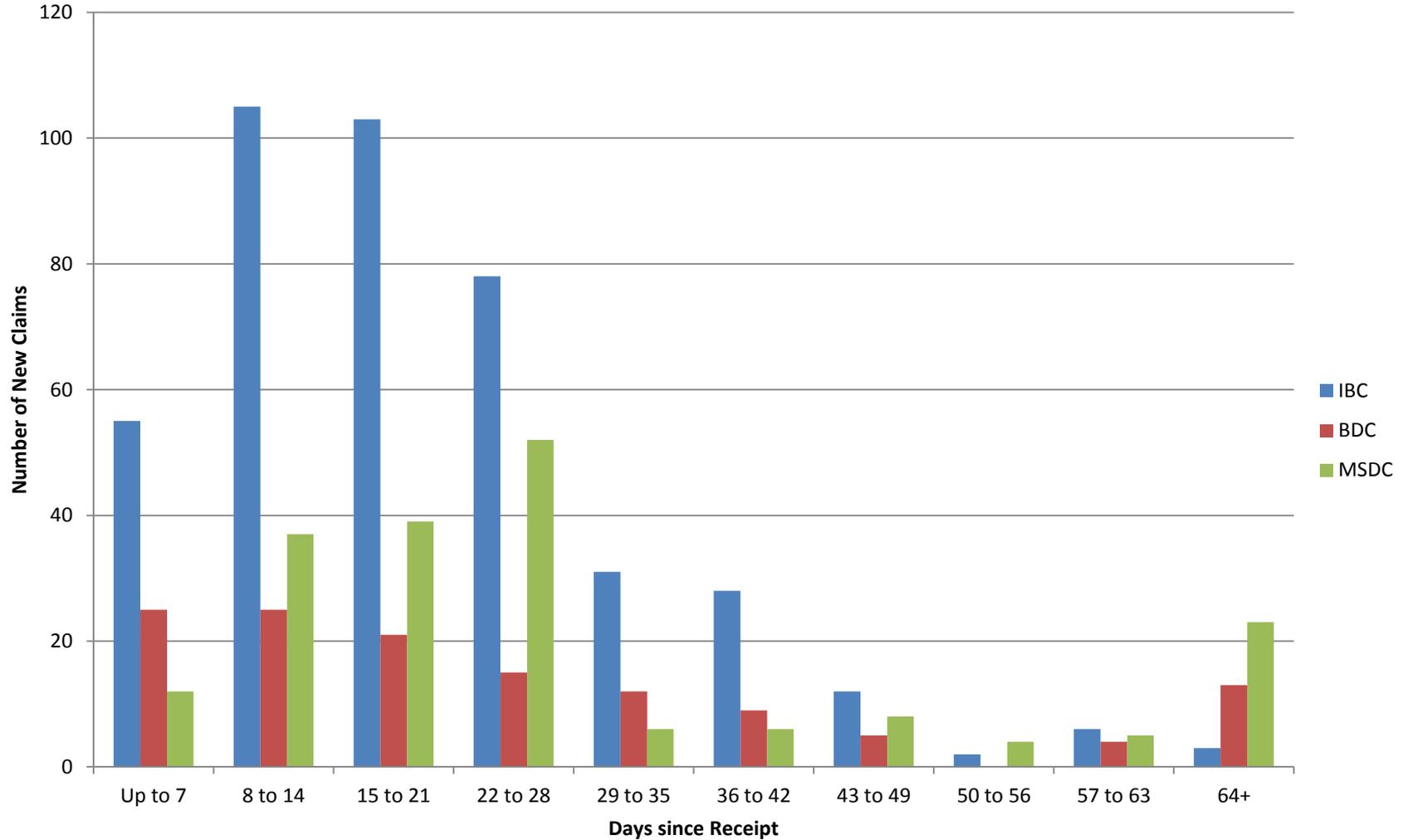
	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12
—○— BDC	14	15	14	11	10	10	8		20	9	4	7	9
—■— IBC	15	11	10	9	9	10	10	8	10	4	4	7	9
—▲— MSDC	10	12	11	16	11	12	12		21	19	4	9	13

Accuracy of Benefit Processing (PM3)

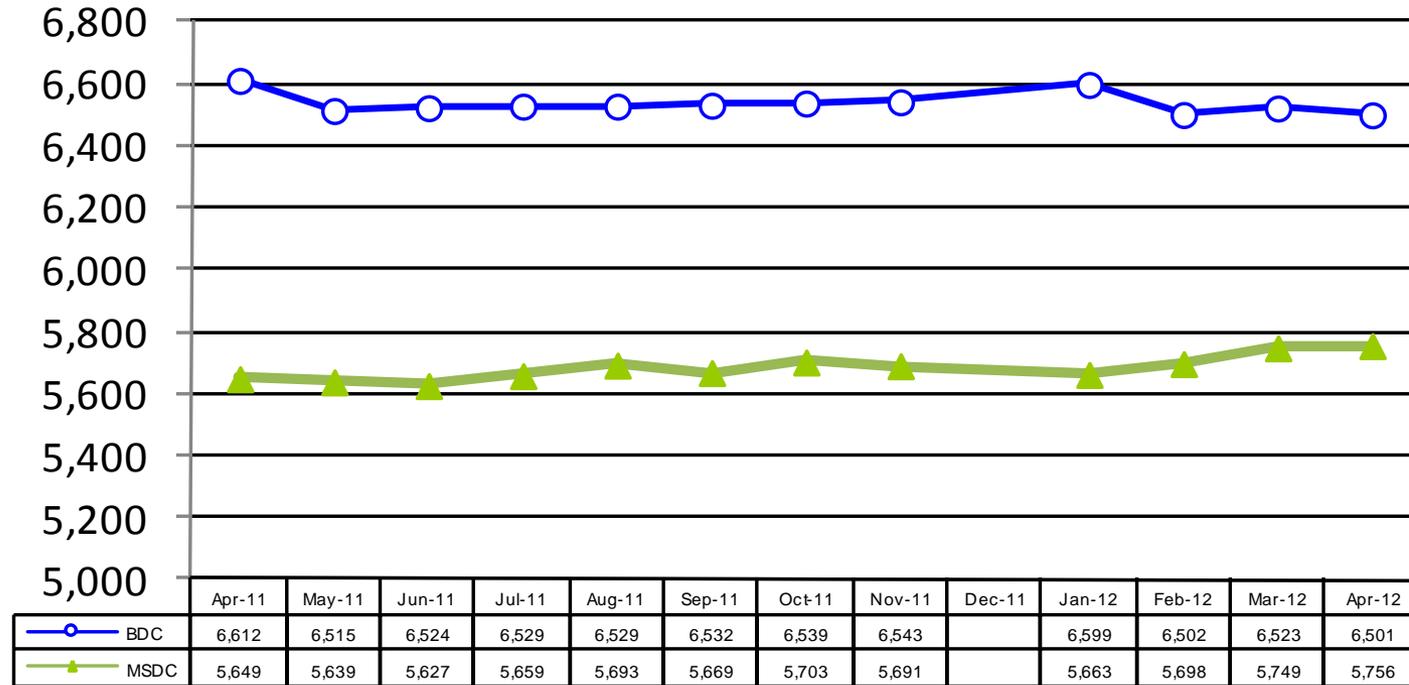


	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
—○— BDC	96.2%	95.6%	96.5%	95.7%	95.2%	94.4%	94.0%	94.3%		88.9%	78.3%	99.9%	87.5%
—■— IBC	97.6%	99.5%	97.3%	98.5%	97.6%	98.0%	91.8%	90.6%	90.9%	76.3%	89.3%	99.9%	85.7%
—▲— MSDC	95.5%	95.6%	95.6%	100.0	93.5%	100.0	96.9%	100.0		100.0	68.8%	99.8%	86.1%

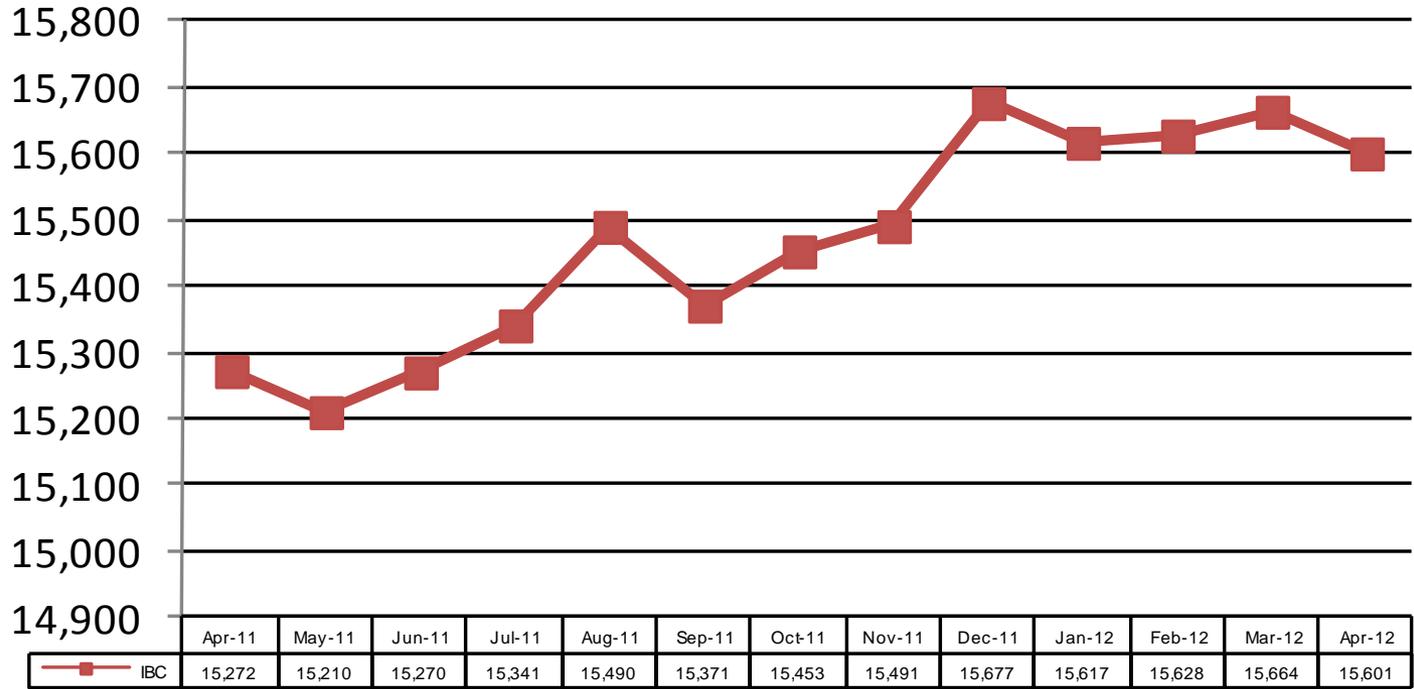
Outstanding New Claims by Age of Receipt 21/02/12



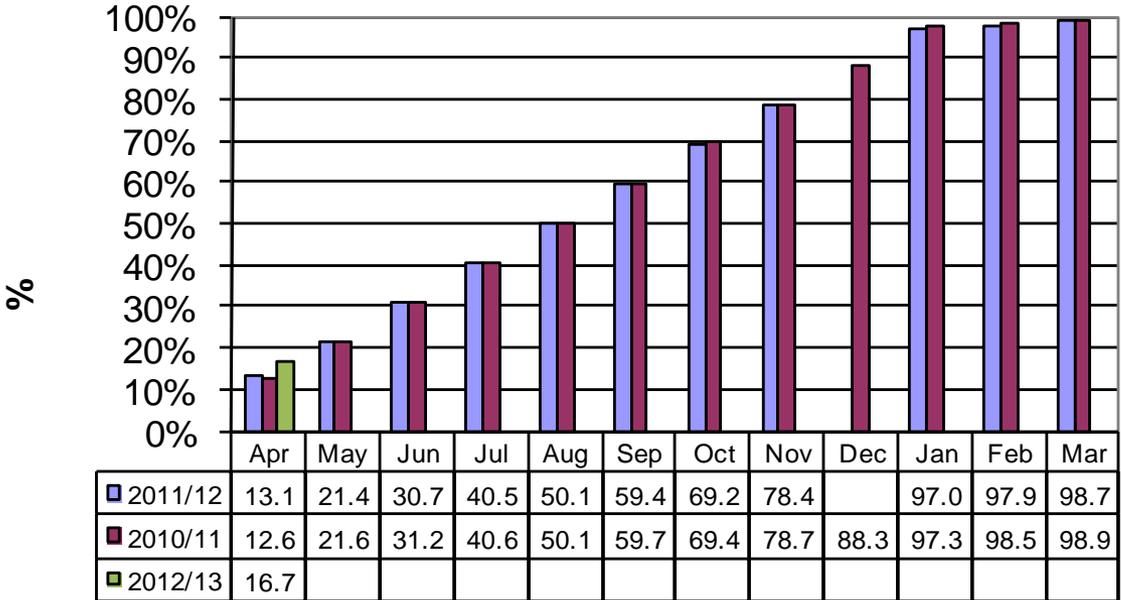
Benefit caseload (BDC & MSDC) (PM8)



Benefit caseload (IBC) (PM8)

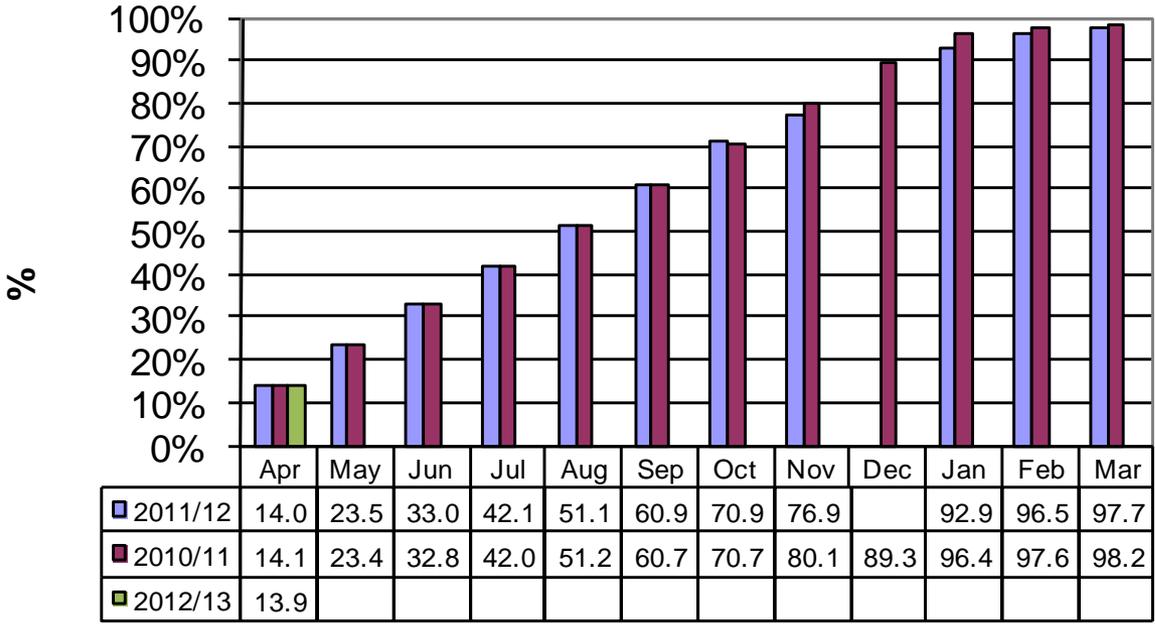


Council Tax Collected (BDC)



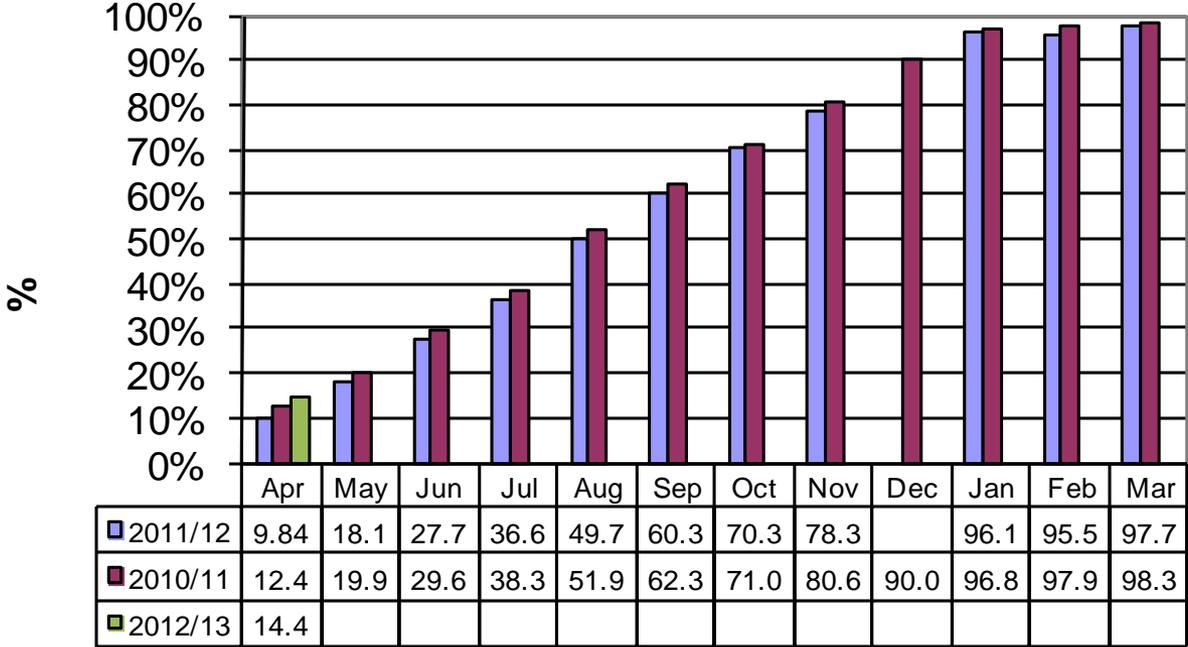
Month

Council Tax Collected (MSDC)



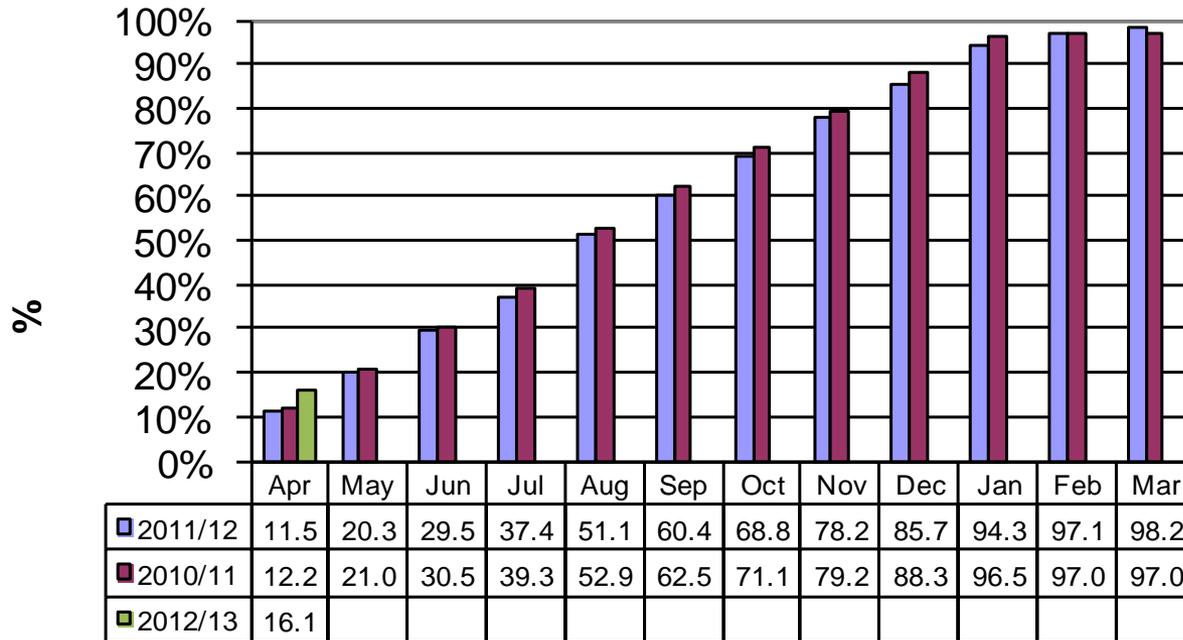
Month

Business Rate Collected (BDC)



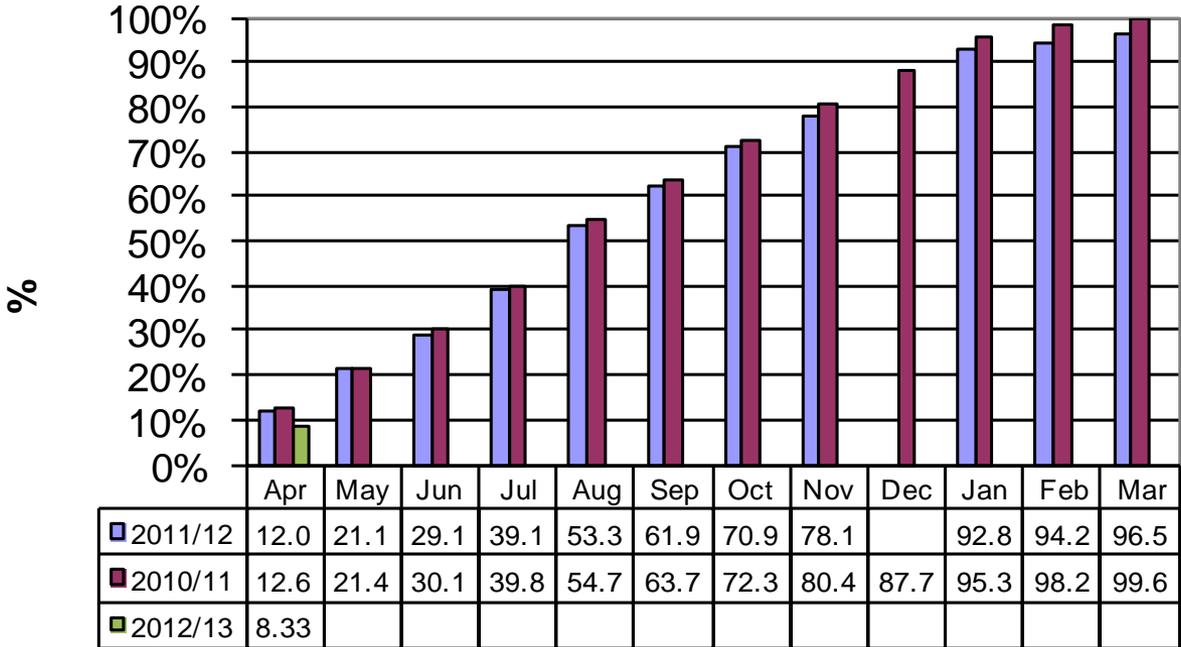
Month

Business Rate Collection (IBC)



Month

Business Rate Collection (MSDC)



Month

APPENDIX 2

COMMITTEE: Revenues and Benefits Shared Service Joint Committee

DATE: June 13th 2012

SUBJECT: SRP Annual Finance report 2011/12

Short description of report content and the decision requested:

This report shows the final financial position of the Shared Revenues Partnership (SRP) between Ipswich BC, Babergh DC and Mid Suffolk DC, for the financial year 2011/12

List of Appendices included in this report:

- a. Breakdown of Operational Account 2011/12*
- b. Breakdown of Capital Account into ICT Project and SRP Implementation 2011/12*

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and Anna Walker, Corporate Service Accountant, Financial Services.

This report was prepared after consultation with:

Internal consultees

Partner S151 Officers

External consultees

SRP Project Board

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(papers relied on to write the report but which are not published and do not contain exempt information)

- | | |
|----|---|
| 1. | Executive/Council report, Revenues & Benefits Shared Services, 12 Jan 2010, E/09/78 |
| 2. | Executive/Council report, Revenues & Benefits Shared Services, 16/17 March 2010, E/09/118 |
| 3. | Executive/ Council report, Revenues & Benefits Shared Services, 21 Sept 2010, E/10/41 |

OTHER HELPFUL PAPERS

(papers which the report author considers might be helpful – this might include published material)

1. Introduction

- 1.1 A shared revenues and benefits service between Ipswich, Babergh and Mid Suffolk, known as the SRP (Shared Revenues Partnership), was identified as the most viable approach for the 3 councils to deliver savings, resilience and improved performance. The SRP undertakes all back office functions relating to revenues and benefits activity for the partner authorities.
- 1.2 The Head of Shared Service and Host Section 151 Officer, as part of the Joint Committee agreement are required to report the Financial Outturn position of the Shared Revenues Partnership at the Annual Meeting.

2. SRP Finance Report – Outturn 2011/12

- 2.1 This report sets out the final outturn position of the Shared Revenues Partnership for the financial year 2011/12, the first year the SRP has been operational.
- 2.2 The report covers two main areas:
 - a. The Operational Account, which includes both on-going revenue expenditure and non-recurring revenue implementation costs e.g. redundancy, project management salaries and computer software costs.
 - b. The Capital Account, which includes both the ICT project (Northgate) and other SRP implementation costs
- 2.3 The table below shows the final position of the SRP Operational (Revenue) Account.

a. Operational Account (Revenue)

Heading	Annual Budget		Actual Expenditure		Variance
Employees	3,776,310		3,743,009		-33,301
Transport	54,520		56,705		2,185
Supplies and Services	826,900		597,349		-229,551
Recharges	1,067,310		1,067,302		-8
Capital Charges	161,590		37,888		-123,702
Costs Recovered	-41,590		-41,818		-228
Government Grants	-14,400		-14,406		-6
Contribution from Partners	-5,830,640		-5,830,641		-1
TOTAL	0		-384,611		-384,611

A breakdown of this position is shown in Appendix 1.

2.4 This shows that there was a favourable variance of £384,611 for the year. This reflects a combination of additional savings compared to the pre-SRP operations of the 3 councils, mainly on supplies and services, not spending the contingency budget and also the timing of capital expenditure (some of which will now be spent in 2012/13).

2.5 The main variances that contribute to the favourable variance are indicated below:

- Capital Depreciation - £123,702. The budget for depreciation was based on the entire capital budget being spent within the first year, however a proportion has been carried forward into 2012/13 for additional modules, specifically in relation to e-services. Also, depreciation is based on when the money was spent in the year and due to the implementation in December the bulk of the spend was later in the year. The depreciation charge will, therefore, be higher in 2012/13
- Contingency Budget - £73,050. At the end of the financial year the SRP had an unutilised contingency budget of £73k, due to some of the uncertain events not occurring within the financial year.
- Bailiff Fees / Court Costs - £60,960. This was an amalgamation of the three authorities budgets and savings have been generated both by forming the partnership and paying Bailiffs on a commission basis. This budget has been reduced in the 2012/13 estimates.
- External Audit Fees - £42,500. A budget was provided for audit fees due to the uncertainty of the Accounting treatment of the SRP when the business case was first formulated (could have required fully audited statement of accounts). The charge for the audit is likely to be less than budgeted however it has been decided to pay for the audit in the year the work is carried out, as this is how IBC accounts for the fees. As a result, no charge will be made in 2011/12.

- Specialist Line Rentals - £26,740. The actuals charged were considerably less than budgeted, this was partially to do with the savings associated with merging three budgets and the fact that data lines were already being created between Babergh, Mid Suffolk and CSD, associated with the potential merger project. This budget has also been reduced in the 2012/13 estimates.
- Computer Installation costs - £16,880. This was a one off budget for the implementation of the SRP, however a proportion of the IT equipment was already available at the Host Authority, so not all the budget was utilised.

- 2.6 It has been recommended by the SRP Officer Board that the balance of the underspend is carried forward into 2012/13, to fund a number of potential changes and uncertainties in this field, including the introduction of Universal Credits, Localised Council Tax schemes and the ongoing legal issue regarding Civica (relicencing issues).
- 2.7 The SRP financial standing orders delegate the power of 'recommending the SRP's level of reserves to Joint Committee' to the Host Section 151 Officer. A level of 10% of Expenditure has been recommended, the potential underspend is within this limit, so pending agreement by the Joint Committee, there would be no problem in this being carried forward into 2012/13. The position in the current year will then be regularly reviewed and it may be possible to reduce future partner contributions (but that will require careful consideration in relation to potential future costs associated with the Welfare Reforms and SRP capacity)
- 2.8 Members are reminded that during the financial year the SRP has had to absorb various cost pressures that were not anticipated in the original business case plans. These include an increase in the pension contributions which has equated to an additional cost of £90,000, also a charge from the IBC printing section of £83,540 has been identified during the year as well as residual licensing costs for Civica and pay protection of SRP employees after the restructure. These have all been absorbed within the original budget.

2.9 The table below summarises the 2011/12 final position of the Capital Account.

b. Capital Account (Summary of ICT Project and SRP Implementation)

Heading	Budget	Actual Expenditure	Variance
Main Contract	400,000	266,372	-133,628
IT External Consultants Fees	222,500	204,095	-18,405
Furniture Plant & Equipment	45,000	0	-45,000
Hardware	183,000	54,429	-128,571
Software	26,000	7,207	-18,793
TOTAL	876,500	532,103	-344,397

A breakdown is shown in Appendix 2.

- 2.10 All of the costs associated with the ICT single platform (Northgate) implementation have not been paid out in 2011/12, hence resulting in the underspend of £344k being carried forward as part of the Host Authorities Capital Programme into 2012/13. The scheduled implementation of Northgate in December 2011 went ahead and costs have been finalised, however work on the scheduled additional modules was delayed until the new financial year due to the focus on performance and year-end etc. The budget has been carried forward into 2012/13 to fund these additional modules. The overall capital budget and costs will be finalised once these have been implemented in 2012/13.
- 2.11 If the capital project realises a saving upon completion, this could lead to an ongoing revenue saving, as the capital charges for depreciation included in future years' budgets are based on the full capital budget being utilised. This will be updated in future reports as the project reaches completion and the scale of the potential saving can be determined.

3. Environmental Impact Assessment

- 3.1 This report has no Environmental impacts.

4. Equalities and Diversity Implications

- 4.1 This report has no equality and / or diversity implications.

5. Risk Management

- 5.1 The following table summarises the key risks identified. Each work stream has established a risk register and is monitoring the items identified and is mitigating them where possible.

Risk	Consequence of risk	Risk controls	Probability of risk occurring taking account of controls (scale A-F) A – very likely F – almost impossible	Impact of risk, if it occurred taking account of actions (Scale 1 – catastrophic 4 – negligible)	Actions to mitigate risk
Financial performance not sustained	Project becomes not affordable or scaled back	Strong project governance, robust plan	D	2	Contingency, Cautious financial forecast

6. Recommendations

That the Joint Committee

- 6.1 Notes the SRP financial outturn for 2011/12 and agrees with the financial treatment of the favourable variance, as this allows the SRP to have a reserve to fund both the future changes expected and manage the second stage of the Northgate implementation.
- 6.2 Reviews the financial position of the SRP further in 2012/13 in relation to partner contributions, taking into account the prospects for ongoing and future costs.

Appendix 1: Breakdown of the Operational Account 2011/12

Implementation

Heading	Annual Budget		Actual Expenditure		Variance
Employees	378,280		355,311		-22,969
Transport	5,000		4,114		-886
Supplies and Services	44,000		28,391		-15,609
Recharges	170		170		0
Capital Charges	161,590		37,888		-123,702
Costs Recovered	-37,240		-37,468		-228
Contribution from Partners	-5,830,640		-5,830,641		-1
TOTAL	-5,278,840		-5,442,235		-163,395

Benefits

Heading	Annual Budget		Actual Expenditure		Variance
Employees	1,267,950		1,270,344		2,394
Transport	13,280		13,445		165
Supplies and Services	167,520		133,177		-34,343
Recharges	659,460		659,451		-9
Costs Recovered	-4,350		-4,350		0
TOTAL	2,103,860		2,072,066		-31,794

Business Support

Heading	Annual Budget		Actual Expenditure		Variance
Employees	1,078,450		1,071,983		-6,467
Transport	21,420		23,701		2,281
Supplies and Services	323,820		224,120		-99,700
Recharges	114,930		114,924		-6
Government Grants	-14,400		-14,406		-6
TOTAL	1,524,220		1,420,322		-103,898

* The underspend on Business Support includes the unused contingency budget of £73,050

Revenues

Heading	Annual Budget		Actual Expenditure		Variance
Employees	1,051,630		1,045,372		-6,258
Transport	14,820		15,445		625
Supplies and Services	291,560		211,662		-79,898
Recharges	292,750		292,757		7
TOTAL	1,650,760		1,565,236		-85,524

Appendix 2, Breakdown of the Capital Account into the ICT Project and the SRP Implementation 2011/12

SRP ICT Project, Implementation Budget

Heading	Budget	Actual Expenditure	Variance
Core System	234,700	234,700	0
Additional Modules	106,100	0	-106,100
IT Consultancy Fees	222,500	204,095	-18,405
Hardware	38,590	28,584	-10,006
Contingency	59,200	31,672	-27,528
TOTAL	661,090	499,051	-162,039

SRP Implementation Budget (Non Northgate Project)

Heading	Budget	Actual Expenditure	Variance
Furniture Plant & Equipment	45,000	0	-45,000
Hardware	144,410	25,845	-118,565
Software	26,000	7,207	-18,793
TOTAL	215,410	33,052	-182,358