

Report to: Partnerships Scrutiny Committee

Date of Meeting: 19th January 2017

Lead Member / Officer: Lead Member for Finance, Corporate Plan and Performance/
Head of Finance and Section 151 Officer

Report Author: Contracts and Performance Manager

Title: Revenues and Benefits Partnership Agreement

1. What is the report about?

To review the authority's partnership with Civica in the delivery of Revenues and Benefits services to Denbighshire residents. This report focusses on the service delivery, the development of new business opportunities in line with DCC policy and the realisation of Financial/Commercial benefits, whilst supporting the Welsh language.

2. What is the reason for making this report?

To provide information regarding the delivery of Revenues and Benefits services by Civica on behalf of Denbighshire County Council, in the following areas,

- New business/Commercial opportunities;
- Service delivery;
- Financial expectation met;
- Welsh language provision.

3. What are the Recommendations?

That the Committee reviews the information provided, makes observations and determines whether it is reassured that the partnership is working effectively in the four key areas, listed in paragraph 2 above.

4. Report details

New Business / Commercial opportunities

A number of different types of opportunities have been pursued through the partnership.

A number of Welsh authorities have been contacted by Civica over the last 18 months on a range of service delivery options such as Revenues and Benefits and one North Wales Authority is relatively advanced in their discussion resulting in a joint DCC/Civica meeting with their Cabinet in early December. Feedback was positive and further discussions are planned for early 2017. Other authorities have

demonstrated a range of interest from investigative discussion, through to site visits at the Elwy Centre in Rhyl.

There is potentially a national/regional option that Civica are investigating. Welsh Government are at the early stages of investigating the options around local tax raising powers with the four regional areas, such as Land Fill and Inheritance Tax. Civica are proposing that if successful in any tender process Rhyl would become the centre for this service delivery.

Civica are looking to further develop their relationship with Denbighshire through 2017 and are looking to work closely with Finance and the Modernising Board to develop a range of proposals that could realise savings for DCC and could act as wider regional opportunities.

It is acknowledged that even with such a strong focus on new opportunities the uptake of business from Welsh Authorities has been slower than originally envisaged, this is due to a number of factors around the authorities' funding and potential changes to regional boundaries/reorganisation. Civica have been proactive in keeping Denbighshire updated with progress on their talks and formally provide an update at the quarterly strategic board.

Service delivery

All KPI's (Key Performance Indicators) are reviewed daily weekly and monthly internally by Civica and reported at the monthly Operational/Performance Board. Regular weekly meetings take place and any areas of concern within the month are shared at those meetings. Service Level Agreements (SLAs) are achieved as per the contract and any exceptions are reported on. Monthly quality assurance meetings with action plans and additional training (if applicable) are presented and sample checking of documentation is carried out by the authority. There is also a quarterly Strategic Board where performance is reviewed and other issues raised.

Proactive solutions to ensure a customer centric approach to council tax collection including e-billing and weekly direct debits to help our most vulnerable customers are being trialled and Civica are engaging with the Citizens Advice Bureaux (CAB) to ensure customers receive a holistic approach to debt management. Continuous improvement is an objective for all Civica colleagues and ideas are shared with other Civica Partnerships to ensure service delivery remains on track.

Civica also play an active role in DCC lead groups, with other third party organisations, supporting residents impacted by welfare reform changes ensuring we have a joined up strategic and operational approach. Civica's performance is not only managed within the predefined KPIs, we also work regionally with other authorities to compare performance in the wider context.

Financial expectation

The original agreement intended to release savings of £80k in 2015/16, followed by an additional £140k in 2016/17. This phasing of the saving over the two years was due to the payment of £140k to Civica in 2015/16 to pay for transitional costs. These savings have been achieved in full in terms of budget. However, there has been

additional one-off costs incurred which have been paid for from a variety of sources including service underspends and reserves. The most material items are listed below:

- £59k was spent with Civica on a new Debtors System,
- The building work on Russell House to accommodate the new 'Elwy Centre' cost £175k – it is hoped this investment will help Civica attract further work referred to elsewhere in this report.

Welsh Language provision

Civica works to the same Welsh language standards as Denbighshire County Council, all communications and customer engagement from the service are bilingual where relevant. Civica have been engaged with the authority's "Welsh language champions" to look at offering training courses and events to non-Welsh speaking colleagues to promote the language. There is also activity being undertaken to encourage colleagues who have lost confidence in their Welsh language to use it more readily in the work environment.

5. How does the decision contribute to the Corporate Priorities?

The development of the Civica partnership supports the priority of modernising the council to deliver efficiencies and improve services for our customers. This has been achieved in a number of areas such as the highly effective and proactive work carried out around supporting residents impacted by a range of welfare reform changes such as the benefit cap.

6. What will it cost and how will it affect other services?

The partnership has been live since April 2015, all relevant services were engaged prior and during the implementation of this project. Impact is minimal as we are now in the operation phase of delivery. Any changes to service delivery requirements are captured through a formal change request process which is agreed by both parties and evaluated by section 151 officer before progressing.

7. What are the main conclusions of the Well-being Impact Assessment? The completed Well-being Impact Assessment report can be downloaded from the website and should be attached as an appendix to the report

A Well-being Impact assessment is not required as this is an update on an existing project, rather than a new programme of work.

8. What consultations have been carried out with Scrutiny and others?

The presentation of this report is in response to a request from Cabinet in December 2014 (at the point of approval) to review the fore mentioned areas through a scrutiny group once the new service had time to "bed in".

9. Chief Finance Officer Statement

This innovative arrangement has worked well. Service standards have remained high and the budget savings proposed will be achieved. The partnership has also helped the council to develop a range of new initiatives and broaden its approach to wider community agendas, such as tackling poverty and welfare reform. While the new business generation has been slower than had been anticipated, a number of proposals are in development and if successful, have the potential to generate additional revenue for the council.

10. What risks are there and is there anything we can do to reduce them?

Risks to service delivery are highlighted and managed through the operation risk register (appendix 1). The register is reviewed formally on a monthly basis at the partnership operations board by both DCC and Civica. Any areas of significant risk or exceptions are escalated after the formal monthly review. Internal audit reviewed the governance around this area in December 2016 and are assured it is robust.

11. Power to make the Decision

Section 21 of the Local Government Act 2001 confers powers on scrutiny committees to review decisions and the Council's performance in delivering its functions, whilst Section 7.2 to 7.4 of the Council's Constitution details the scrutiny committees' remits and powers with respect of undertaking review work.

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