



Overview and Scrutiny Committee

Held at:	Council Chamber - Civic Centre, Folkestone
Date	Tuesday, 12 December 2017
Present	Councillors Miss Susan Carey, Peter Gane (Chairman), Clive Goddard, Ms Janet Holben, Mrs Claire Jeffrey (Vice-Chair), Frank McKenna, Ian Meyers and Russell Tillson
Apologies for Absence	Councillor Michael Lyons and Councillor Mrs Rodica Wheeler
Officers Present:	Andy Blaszkowicz (Head of Commercial and Technical Services), Leigh Hall (Group Accountant), Katharine Harvey (Head of Economic Development), Amandeep Khroud (Head of Democratic Services and Law), Alan King, Sue Lewis (Committee Services Officer), Fred Miller (Transportation Manager), Susan Priest (Corporate Director - Strategic Development), Andrina Smith (Head of Human Resources), Charlotte Spendley (Head of Finance), Alistair Stewart (Chief Executive) and Lee Walker (Group Accountant)
Others Present:	Councillor Alan Ewart-James, Cabinet Member for Housing and Mark Anderson, East Kent Housing

59. **Declarations of Interest**

There were no declarations of interest.

60. **Minutes**

With the amendment to include the presence of Councillor Alan Ewart-James, Cabinet Member for Housing, the minutes of the meeting held on 14 November were submitted, approved and signed by the Chairman.

61. **Car Parking Review**

Report C/17/65 considers the use of the free parks and the current charging structure of car parking fees and permits. It puts forward

proposals for car park charges and permits to be increased in some car parks and for the introduction of charges in three of the nine free car parks.

Andy Blaszkowicz, Head of Commercial and Technical Services informed members of the changes to be made to implement costs in line with other districts. The Council is still one of the lowest in Kent. The additional charging will assist budget pressures.

Particular attention was paid to the three car parks that will be affected; Stripes Club, Folkestone; Wilberforce Road, Sandgate and The Lade, Lydd.

Members were concerned that charging at Stripes would just move parking to different areas where there are no charges, such as the Bowling Club next door.

Permit holders have seen an increase in charges this year and this is again in line with other districts but still remains relatively low.

Members asked for clarification on the classification for the increased charges and were informed that they are based on the usage of the sites and assumptions made. Officers agreed that usage may dip initially but assume they will go up again in due course, it is anticipated that the additional income will be made.

Officers intend to review all additional charging sites after 12 months.

Proposed by Councillor Peter Gane
Seconded by Councillor Ms Susan Carey and

Resolved:

1. To note report C/17/65.

(Voting: For 7; Against 0; Abstentions 1)

62. Transforming Shepway update

Sarah Robson, Head of Transformation presented members with a progress report for Transforming Shepway, informing the committee that Cabinet agreed to the procurement of a blueprint in June, to look at a future operating model for the Council. A list of the Council's design principles which will support the model is attached in the presentation papers.

In September the consultancy firm Ignite was appointed, working with officers to date to engage Council staff through a series of workshops to develop an understanding of the model, undertake an activity analysis of existing roles and strategic operational work and support the future design of work areas and processes.

The model that the Council wishes to adopt is set out in the attached papers. If the blueprint is approved, a detailed design and process exercise will then need

to be undertaken. At this stage, the model will apply to all council staff, with the exception of delivery services such as grounds maintenance operatives and Hythe Pool staff. A brief overview of the model operational functions is detailed below:

- Customers/Customer Self-Service – to encourage customers to use the self-service facilities that will be available to them 24/7.
- Customer Enabling – universal customer contact, showing customers how to do things and starting their customer journey.
- Customer Service advisor – 80% of enquiries get dealt with by self-service but it is those that do not use the self-service that the council needs to help and this is a good starting point.
- Case Management and Service processing – if an enquiry cannot be resolved in the customer service area above then it will come here.
- Specialist – those with specialist skills will be used to make the final judgement using the knowledge they have.
- Mobility officers – these will be key to the roles laid down as they will be out in the district, meeting customers and working with ward members, being more proactive and providing necessary support to officers not out in the field.
- Strategy and Commissioning – this will be website interface, strategies and policies.

Transforming Shepway puts the customer at the heart of Council, therefore working with Ignite, officers will explore customer journeys, business processes and our ICT/digital capabilities to ensure we can deliver public services and provide the best customer service.

The Head of Transformation informed the Committee that model has successfully been delivered in other local authorities, including Eastleigh, Eastbourne and South Hams/West Devon to name a few. CMT and Members have undertaken a site visit to South Hams/West Devon in late November and it was evident that transformation is the positive step forward for the Council in responding to our customer needs.

Members paid particular attention to the following:

- Data Protection – the Council will continue to provide the necessary data protection for its customers.
- Multi-skilled officers – the Council will have a robust system in place, some officers will have the knowledge and skills that can be shared with others.
- Customers – some vulnerable customers may be more difficult to support than others but officers will have the necessary training and knowledge to look at what is needed, understanding the customer. There will be a greater emphasis on customer self-serve, which will enable officers to concentrate their support on those customers that have higher support needs or more complex enquiries.

- Costs – the blueprint will be taken to cabinet in the new year and this will provide the necessary cost implications involved to make it work, including the ICT and training needs.
- Planning – members felt that planning is a specialist skill and should remain individual but they were informed that some skills would be transferable to others.
- Advertising jobs – HR is leading on a work stream to ascertain next steps in terms of project phasing, consultation, recruitment and staff support and training. An update will be brought to members once the details are finalised.

The presentation was noted by members.

63. Quarter 1 Performance Report 2017/18

Report C/17/67 provides an update on the Council's performance for the first quarter of 2017/18, covering 1st April 2017 to 30th June 2017. The report enables the Council to assess progress against the approved performance indicators for each service area.

This report includes the full list of performance indicators and key performance indicators that will be monitored during 2017/18 and reported to CMT and Members quarterly.

Proposed by Councillor Clive Goddard
Seconded by Councillor Mrs Claire Jeffrey and

Resolved:

- 1. To receive and note report C/17/67.**
- 2. To note the performance information for quarter 1.**

(Voting: For 8 ; Against 0; Abstentions 0)

64. Community Infrastructure Levy (CIL) Annual Monitoring Report 2016/17 and minor amendments to Payment in Kind Policy

Report C/17/64 The Council adopted a Community Infrastructure Levy (CIL) in August 2016, herein referred to as 'the levy'. This report provides a copy of the draft CIL Monitoring Report for 2016/17. In addition, minor changes are proposed to the CIL Payment in Kind Policy in order to clarify that the delivery of appropriate infrastructure can satisfy a charge arising from the levy.

Members acknowledged the changes to the policy and asked discussed the following issues:

Concern was raised in that a developer had circulated information to residents relating to a planning application in one of the outlining villages in Shepway explaining that if they supported the application then substantial monies would

come into the village via CIL. This is incorrect as parish and town councils are capped as to the amounts received at £100 per unit (without a neighbourhood plan) and self and custom build exemptions apply.

There are 4 charging zones across the district which have been adopted by CIL, which will be reviewed regularly.

It was agreed that officers would educate parish and town councils on the systems in place as a matter of urgency, through the Planning User Group and briefings.

Proposed by Councillor Clive Goddard
Seconded by Councillor Ms Jan Holben and

Resolved:

1. To receive and note report C/17/64.

(Voting: For 8; Against 0; Abstentions 0)

65. Draft General Fund Budget 2018/19

Report C/17/69 sets out the Council's Draft General Fund budget for 2018/19.

Members were given an overview of where the Council is at in regards to the general fund budget and were provided with an up to date analysis for 2018/19 showing the top 10 movements in expenditure and income. This is attached to the minutes for information.

Members paid particular attention to the following:

- Otterpool - members were informed that there is a base budget provision for 2018/19 in respect of the final year for the masterplanning phase of the scheme. The budget was not finalised in time for the 2017/18 base budget although this has subsequently been resolved. The 2018/19 budget provides for the masterplanning and consultancy costs for the council's role as developer and also includes the contribution it expects to receive towards these costs from its partner, Cozumel Estates Limited. Additionally there is provision for further consultancy costs to support the council's role as the local planning authority in this matter. This is an incomplete picture in as much as the budget report does not bring together the whole position for the current phase for Otterpool and further information will be brought to Cabinet in a separate report in January 2018.
- Other non-service specific grants – further information has been requested which will be provided to members following the meeting in respect of principle categories of grants that the Council receives in respect of this heading.

- Elections - members were informed that the £40,000 increase was in respect of the lead up to the May 2019 elections, staffing costs, printing, IT equipment and training.
- Public conveniences – the reduction in spend of £1,800 and the reason for this will be provided by officers directly to the committee, members were assured this was not in respect of a drop in service standards.
- Development Control – the increase of £55,000 is in respect of planning fees increasing by 20% bringing more revenue income.

Proposed by Councillor Russell Tillson
Seconded by Councillor Clive Goddard and

Resolved:

1. **To note report C/17/69.**

(Voting: For 8; Against 0; Abstentions 0)

66. **Housing Revenue Account Revenue and Capital Original Budget 2018/19**

Report C/17/68 sets out the Housing Revenue Account Revenue and Capital Budget for 2018/19 and proposes a decrease in rents and an increase in service charges for 2018/19.

Members were given an overview of the report paying particular attention to the following:

- Fire protection works – members were pleased to see a large increase in the fire risk assessment budget.
- New Builds – members noted that although there had been a reduction in the number of new builds proposed, due to the reduction in rents of 1% for 4 years set by government, they were pleased to see that officers were still on track to meet the new target set.

Proposed by Councillor Peter Gane
Seconded by Councillor Mrs Claire Jeffrey and

Resolved:

1. **To receive and note Report C/17/68.**

(Voting: For 8; Against 0; Abstentions 0)

Transforming Shepway

Delivering more of what matters with less

Sarah Robson
12 December 2017



OSC updates

December 2017:

Introduce future operating model
Indicative financial benefits
How the model has worked elsewhere

January 2018:

Benefits for members/customers:
- Focus on 'mobile locality workers'
- ICT and Digital

February 2018:

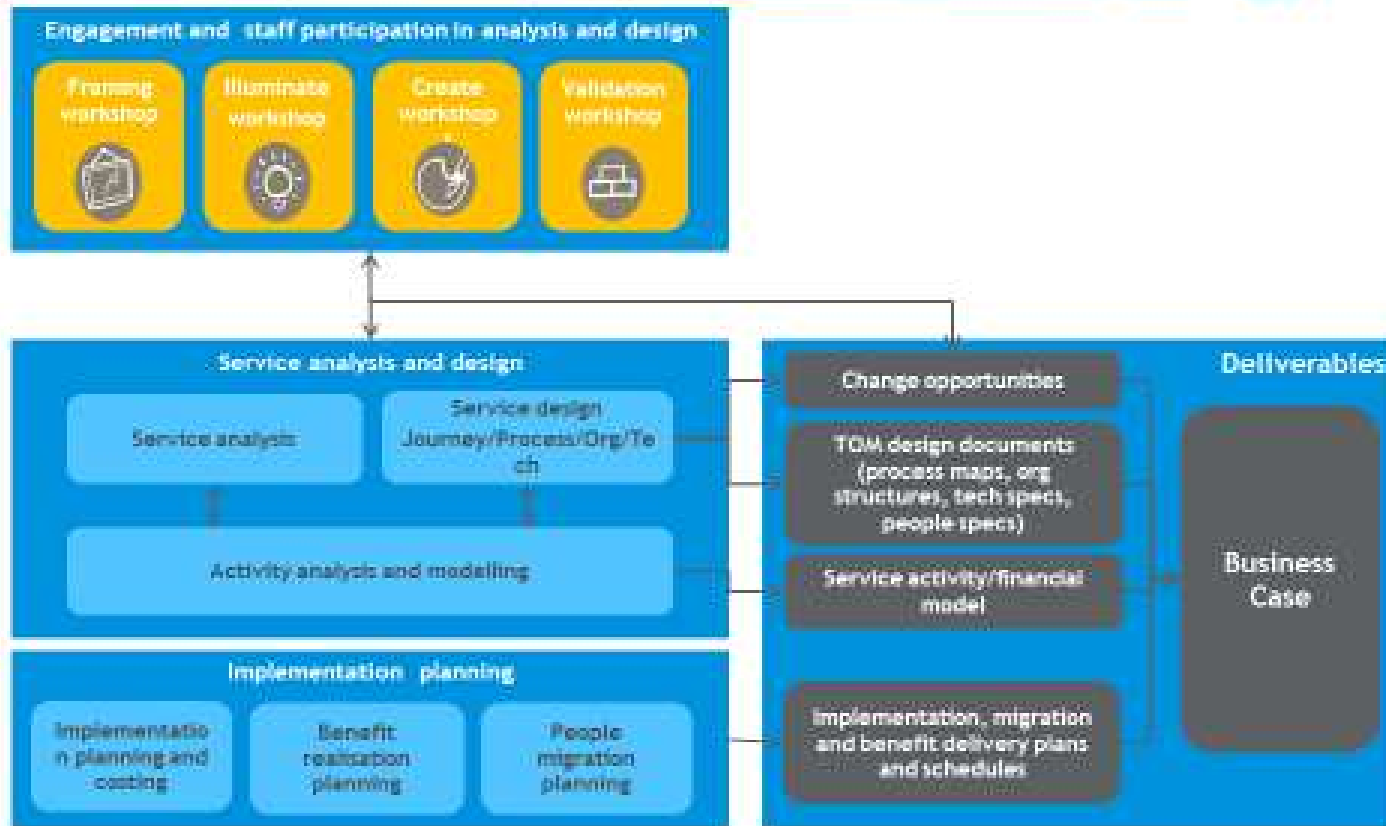
Blueprint update
Proposed financial costs/benefits

Drivers

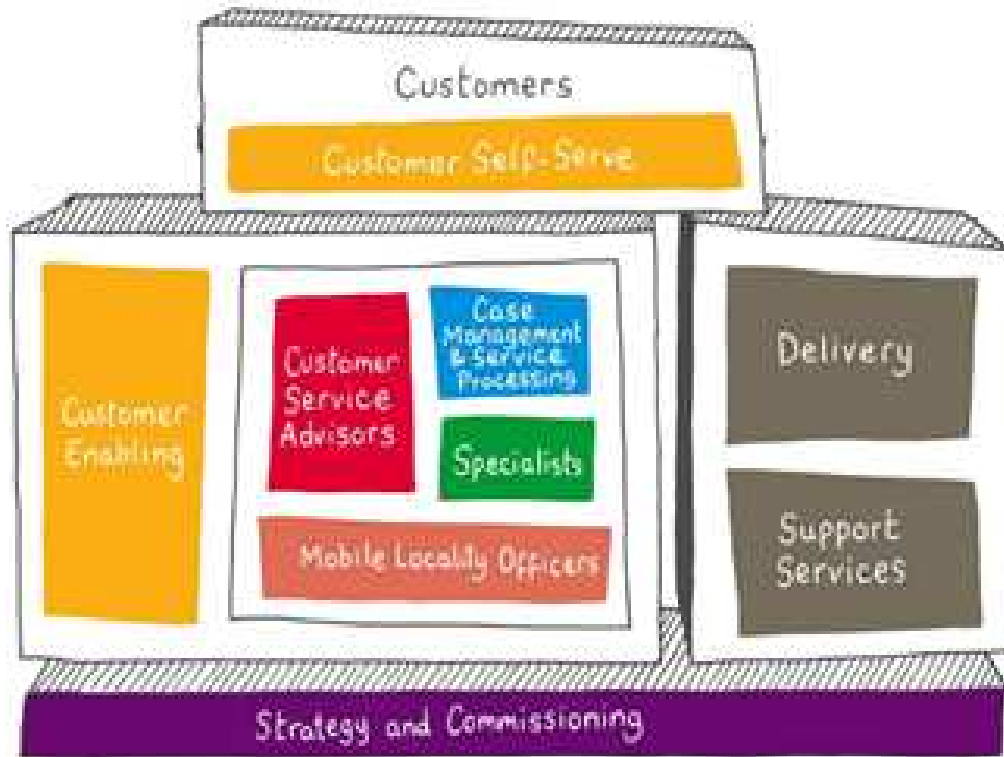
Cabinet 21 June 2017

- **Agreed to the procurement of a blueprint to look at a future operating model for the council.**
- Customer experience
- Improvements in essential services residents rely on
- Technology changes and improvements
- Deliver member priorities – Corporate Plan
- Lead the district to financial security and set it on course for future prosperity
- Manage on much less central government funding than in previous years

Outline Design - TOM

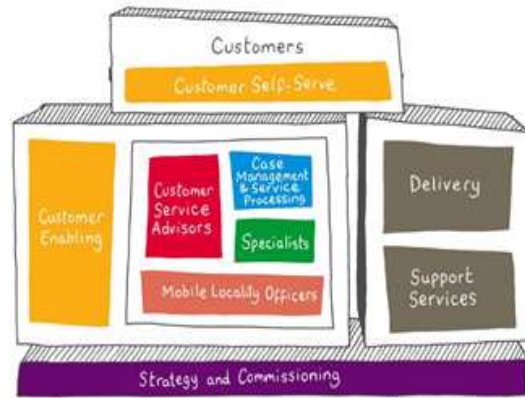


Getting to grips with the model



- The organisational model
- Customer journeys and processes
- Technology
- People, culture and ways of working

Getting to grips with the model



Customers – different customer groups access services in different ways. Some groups can be encouraged to self-serve on line or draw on support from customer service staff only, whereas others may need to access the support of specialist staff more quickly

Strategy & commissioning – translates community/ customer intelligence and political will and ambition into strategic direction, and commissions what's required to deliver this

Customer enabling – helps the community and customers to help themselves so as to address aims and reduce demand for services

Universal customer contact - all activity associated with customer contact, customer service, managing cases, resolving questions and issues (simple and complex), and scheduling input from others where required

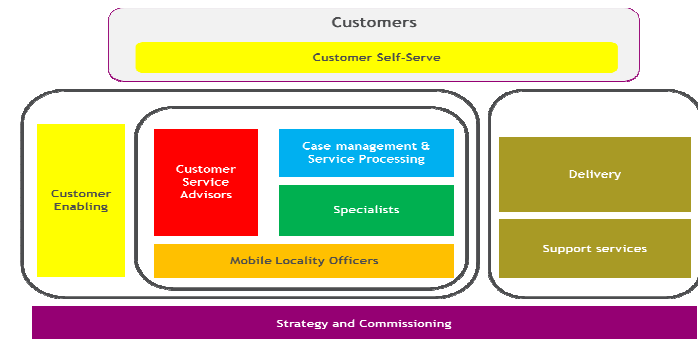
Delivery - delivery of core services e.g. grounds maintenance, Hythe Poole, etc.

Support - corporate support – non-customer facing back office functions, much transactional but some requiring organisational specific intelligence.

The model will refocus our organisation around the customer

A radically new organisational model that completely reconfigures the way the organisation works, eliminating traditional silos, unlocking capacity and genuinely putting the customer first

Customer journeys and business processes that are re-designed to be as efficient as possible, delivering the best possible customer experience, with more opportunities to self-serve in key areas of reporting - such as enquiries, reporting, making applications, and booking and paying for services



How it's worked elsewhere

Visit to South Hams/West Devon:

- Designed by customer demand not professional divisions
- Enabled by technology
- Investment in staff training and development
- Driven by behaviour framework
- Members empowered and supported
- Responsive to local priorities
- 25% reduction in budget against a backdrop of increased efficiency and reduced net costs.

What staff and members told us...

- 24/7 access to those who choose to use their online services
- Increased range of access options to recognise diversity of customers
- Customer and site details held in one place for use by all services
- Flexible workforce – empowered roles, investment in training
- An enhanced locality role for Members as community enablers
- Locality workers – customer/community services out and about
- Flexible options for sharing services with potential future partners
- Improved work/life balance for staff

Financial impact

Eastleigh Borough Council: Agreed capital expenditure of £3.372m and one-off revenue expenditure of £3.5m spread over 2 years, produced a net efficiency saving of £1.75m per year.

South Hams: Agreed investment of £4.85m, generating annual recurring revenue savings of £3.8m. Programme self-financing from the end of year 2 onwards. Payback period for the Programme was 2 years.

transforming@shepway.gov.uk

Minute Item 65

Overview & Scrutiny Committ

	<u>Code</u>	<u>Description</u>	<u>Expenditure</u>	
1	GL00	Legal Services	-70k	decrease
2	FH04	Conducting Elections	+40k	increase
3	GH58 / HH21	Housing Options / Homelessness	+225k	increase
4	GL45	Organisational Development/HR	-33k	decrease
5	ED00	Otterpool	+1,437k	increase
6	DA11	Development Control	+55k	increase
7	FN01	Housing Benefits	+500k	increase
8	EC14	Otterpool (Local Planning Authority)	+100k	increase
9	ED10	Regeneration & Economic Development	-62k	decrease
10	GM30	Regeneration & Economic Development	-33k	decrease
11	GM38	Leadership Support	-45k	decrease
1	GH58 / HH21	Housing Options / Homelessness		
2	CE40	Off-Street Parking		
3	GX53	Misc Corporate Property		
4	CG80	Coast Protection		
5	GE01	Grounds Maintenance		
6	GX53	Misc Corporate Property		
7	ED00	Otterpool		
8	DA11	Development Control		
9	EC12	Planning Policy		
10	FN01	Housing Benefits		
11	ED10	Regeneration & Economic Development		

tee Budget analysis 2018/19

<u>Income</u>		<u>Head of Service</u>	<u>Budget Manager</u>
		Amandeep Khroud	David Kelly
		Amandeep Khroud	Paul Butler
		Andrina Smith	Mark Damiral
		Andrina Smith	Andrina Smith
		Andy Jarrett	Julia Wallace
		Ben Geering	Ben Geering
		Charlotte Spendley	Andrew Hatcher
		Chris Lewis	Chris Lewis
		Katharine Harvey	Katharine Harvey
		Katharine Harvey	Katharine Harvey
		Suzy Tigwell	Suzy Tigwell
-222k	increase	Andrina Smith	Mark Damiral
-90k	increase	Andy Blaszkowicz	Fred Miller
-60k	increase	Andy Blaszkowicz	Richard Tapply/Alastair Clifford
-41k	decrease	Andy Blaszkowicz	Alastair Clifford
-39k	increase	Andy Blaszkowicz	Laura Pinkham
-36k	increase	Andy Blaszkowicz	Richard Tapply/Alastair Clifford
-651k	increase	Andy Jarrett	Julia Wallace
-100k	increase	Ben Geering	Ben Geering
-30k	increase	Ben Geering	Adrian Tofts
+40k	decrease	Charlotte Spendley	Andrew Hatcher
-36k	increase	Katharine Harvey	Katharine Harvey