

Business & Transformation Scrutiny Panel

Agenda

Thursday, 03 October 2019 AT 16:00

In the Flensburg Room, Civic Centre, Carlisle, CA3 8QG

****A preparatory meeting for Members will be held at 3.30pm in the Flensburg Room****

The Press and Public are welcome to attend for the consideration of any items which are public.

Members of the Business & Transformation Scrutiny Panel

Councillor Bainbridge (Chairman) , Councillors Alcroft, Allison, Mrs Birks (Vice Chairman), McNulty, Mitchelson, Paton, Robson

Substitutes:

Councillors Mrs Atkinson, Mrs Bowman, Mrs Bradley, Mrs Brown, Collier, Ms Ellis-Williams, Mrs Finlayson, Mrs Glendinning, Glover, Mrs McKerrell, Meller, Morton, Patrick, Robinson, Rodgeron, Shepherd, Miss Sherriff, Southward, Tarbitt, Dr Tickner

PART A

To be considered when the Public and Press are present

Apologies for Absence

To receive apologies for absence and notification of substitutions.

Declarations of Interest (including declarations of “The Party Whip”)

Members are invited to declare any disclosable pecuniary interests, other registrable interests, and any interests, relating to any item on the agenda at this stage.

Public and Press

To agree that the items of business within Part A of the agenda should be dealt with in public and that the items of business within Part B of the agenda should be dealt with in private.

Minutes of previous meetings

5 - 14

To note that Council had, at their meeting on 10 September 2019, received and adopted the minutes of the meeting held on 25 July 2019. The Chairman will sign the minutes.
Minute Book 46(2)

The Chairman will move the minutes of the meeting held on 22 August 2019 as a correct record. The only part of the minutes that may be discussed is their accuracy.
(Copy minutes herewith)

A.1 CALL-IN OF DECISIONS

To consider any matter which has been the subject of call-in.

A.2 OVERVIEW REPORT

15 - 20

Portfolio: Cross Cutting

Directorate: Cross Cutting

Officer: Rowan Jones, Overview and Scrutiny Officer

Report: OS.23/19 herewith

Background:

To consider a report providing an overview of matters related to the work of the Business and Transformation Scrutiny Panel.

Why is this item on the agenda?

The Business and Transformation Scrutiny Panel operates within a work plan which has been set for the 2019/20 municipal year. The Plan will be reviewed at every meeting so that it can be adjusted to reflect the wishes of the Panel and take into account items relevant to this Panel in the latest Notice of Executive Key Decisions.

What is the Panel being asked to do?

- Note the items (within the Panel remit) on the most recent Notice of Executive Key Decisions
- Discuss the work programme and prioritise if necessary

A.3 CUSTOMER SERVICES UPDATE**21 - 28**

Portfolio: Communities, Health and Wellbeing

Directorate: Corporate Support

Officer: Matt Ward, Customer Services Manager

Report: CE.05/19 herewith

Background:

The Customer Services Manager to submit an update on ongoing work within Customer Services including current performance, upcoming improvements and ongoing actions.

Why is this item on the agenda?

At their meeting on 28 March 2019 the Panel requested an update on the changes to Customer Services to be submitted to the Panel in six months time.

What is the Panel being asked to do?

The Panel is being asked to support the following:

- The Contact Centre to open at 8am (calls only) upon completion of training
- Updated phone system as part of the wider telephony upgrade
- Transferring operational documents to cloud storage
- Implementation of more structured individual performance measures

PART B
To be considered in Private

- NIL -

Enquiries, requests for reports, background papers etc to:

Rachel Plant, Democratic Services Officer, (01228) 817039 or
rachel.plant@carlisle.gov.uk

A copy of the agenda and reports is available on the Council's website at www.carlisle.gov.uk or
at the Civic Centre, Carlisle.

BUSINESS AND TRANSFORMATION SCRUTINY PANEL

THURSDAY 22 AUGUST 2019 at 4.00PM

PRESENT: Councillor Bainbridge (Chairman), Councillors Alcroft, Allison, Birks, McNulty (from 4.10pm), Mitchelson, Paton and Robson.

ALSO PRESENT: Councillor Ellis - Finance, Governance and Resources Portfolio Holder

OFFICERS: Corporate Director of Finance and Resources
Policy and Performance Officer
Overview and Scrutiny Officer

BTSP.61/19 APOLOGIES FOR ABSENCE

An apology for absence was submitted on behalf of the Town Clerk and Chief Executive.

BTSP.62/19 DECLARATIONS OF INTEREST

There were no declarations of interest submitted.

BTSP.63/19 PUBLIC AND PRESS

RESOLVED – It was agreed that the items of business in Part A be dealt with in public and Part B be dealt with in private.

BTSP.64/19 MINUTES OF PREVIOUS MEETINGS

A Member drew the Panel's attention to minute BTSP.56/19 and highlighted that he had raised issues regarding the financial position of one or two tenants at Gateway 44, he felt the use of the word 'some' indicated more than that.

RESOLVED – That the minutes of the meeting held on 25 July 2019 be agreed.

BTSP.65/19 CALL – IN OF DECISIONS

There were no items which had been the subject of call-in.

BTSP.66/19 OVERVIEW REPORT AND WORK PROGRAMME

The Overview and Scrutiny Officer submitted report OS.19/19 providing an overview of matters relating to the work of the Business and Transformation Scrutiny Panel.

The report detailed the most recent Notice of Executive Key Decisions, copies of which had been circulated to all Members and had been published on 9 July 2019. All the relevant items in the Notice had been included on the Panel's 22 July 2019 agenda.

Progress on resolutions from previous meetings had been set out at section 3.1 of the report and the Overview and Scrutiny Officer reported that several of the outstanding resolutions would be removed from the table following the meeting.

She added that the following resolution from 25 July 2019 had not been included in the table:

“BTSP.55/19 – That the Finance, Governance and Resources Portfolio Holder provides the Panel with further information regarding developers contributions to the provision of recycling and waste receptacles for new homes.”

The Overview and Scrutiny Officer reported that the resolution had been completed and circulated to Members. Resolution 9 (an update on the Community Asset Transfer) would be included in the Overview Report in October.

The Overview and Scrutiny Officer drew the Panel's attention to section four of the report which gave a brief overview of the Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities which had been published in May 2019.

The Panel's Work Programme had been attached to the report and the Overview and Scrutiny Officer reported that the reference from the Audit Committee would be considered by the Panel in December alongside the budget reports.

The Chairman requested that the Sickness Absence report be deferred until February 2020 to enable officers to include winter sickness absence figures.

A Member noted that the Work Programme did not include an update on the Annual Property Survey and asked for an update to added which included information on property conditions, rental income and the Chancerygate contract.

RESOLVED – 1) That the Panel scrutinised the Overview Report incorporating the Work Programme and Key Decision items relevant to the Business and Transformation Scrutiny Panel (OS.19/19);

2) That the following items be added to the Panel's Work Programme:

- Audit Committee reference to December meeting
- Sickness Absence report moved to February 2020 meeting
- Annual Property Survey report

BTSP.67/19 REVENUE BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO JUNE 2019

The Corporate Director of Finance and Resources presented report RD.20/19 which provided an overview of the Council's General Fund revenue budgetary position for the period April to June 2019 for revenue schemes only.

The Corporate Director of Finance and Resources outlined the background information set out at Section 1. The budgetary position as at June 2019 showed an updated Budget 2019/20 totalling £15,156,400; and the main income and expenditure variances were as summarised at paragraph 2.5 of the report.

Section 3 recorded that the Council's financial position was affected by a number of external factors which would have a financial impact during the course of the year and ultimately at the year-end, including the general effect of local economic activity on the Council's income streams; fuel prices, energy costs and other inflationary issues; the effects of the housing market and property prices, especially with regard to income from land charges, rents and building and development control and the impact of any delay to the Spending Review, the Fair Funding Review and Business Rates Retention Review.

The Council's financial position would continue to be closely monitored and the likely year end position would be reported more fully in a future monitoring report. It would be important to maintain a prudent approach so as to ensure a sustainable budget position for future years and to avoid any significant variance at the year end.

The Corporate Director of Finance and Resources added that the areas of significant variance noted within the report would be scrutinised fully and incorporated into the 2020/21 budget process if the position deemed to be recurring in nature.

The Executive had considered the matter at their meeting on 19 August 2019 (EX.73/19 refers) and decided:

“That the Executive:

1. Noted the budgetary performance position of the Council to June 2019;
2. Noted the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6 of Report RD.20/19;
3. Noted the release of reserves as set out in the table at paragraph 2.2, and noted the virements approved as detailed in Appendix A.”

In considering the monitoring report Members raised the following comments and questions:

- Was the Business Rate Retention Review part of the Spending Review?

The Corporate Director of Finance and Resources responded that the Business Rate Retention Review and the Fair Funding Review were separate from the Spending Review, however the Council had been informed that there would only be a one year settlement figure from Central Government and it was therefore difficult to budget further than 2020/21.

- The significant service expenditure and income variances had several shortfalls, was this an area of concern?

The Corporate Director of Finance and Resources reminded the Panel that the expenditure and income variances had to be considered as a whole with the overall budget. The overall budget showed an overspend of £53,611 which included all shortfalls. She added that the overspend, and the required transformation savings, were being dealt with in the short term on a non-recurring basis however a longer term plan was required.

The Finance, Governance and Resources Portfolio Holder reminded the Panel that the shortfall figures only showed the current situation, they did not show if the shortfall was an improvement on previous figures or if the shortfall was increasing.

- Why was the Chancerygate contract overspent in the first quarter?

The Corporate Director of Finance and Resources reminded the Panel that the Chancerygate contract required upfront costs to generate additional income. She added that there had been a £26,000 increase in rental yield per annum.

- A rent appeal had been lost at Kingstown Industrial Estate, how would this affect the rental income and overall budget?

The Corporate Director of Finance and Resources responded that the £22,000 shortfall in the report had been due to the decline in rental income. She agreed to ask the Property Services Manager to provide a full written response updating Members on the matter.

- How did the Council justify writing off over £82,000 of bad debt?

The Corporate Director of Finance and Resources explained that the Council had a robust recovery procedure and bad debts were only written off when every other avenue to recover the money has been exhausted. There was provision for bad debt write offs within the budget.

The Finance, Governance and Resources Portfolio Holder added that writing the bad debts off was an accounting process and they could be written back on and recovered if the opportunity arose.

- There was a shortfall in the Homeless Accommodation, was this a result of excess accommodation due to the refurbishment of properties following the flood in 2015?

The Corporate Director of Finance and Resources agreed to provide the Panel with a written response.

- What was the difference between the original budget and the updated budget?

The Corporate Director of Finance and Resources explained that the original budget had been approved by Council in February 2019. The updated budget included the carry forwards which had been agreed by Council in the Outturn Reports (totalling £406,700) and the release of £491,000 from the reserves. All changes to the budget had to be approved by full Council unless they were delegated to the Corporate Director of Finance and Resources.

- Was there a known reason for the shortfall in car parking income? There had been a consistent difference in the projections for the income and the actual income and it was felt that car parking income should be reviewed.

The Finance, Governance and Resources Portfolio Holder reminded the Panel that the previous year's car parking income had been very high due to the activities taking place within the City and suggested that the shortfall was the income returning to normal.

The Corporate Director of Finance and Resources agreed to provide the Panel with written details regarding the shortfall.

- What was the impact on the budget of the new borrowing costs?

The Corporate Director of Finance and Resources explained that the budget had made assumptions based on interest rates at that time and had assumed borrowing taking place on 1st April. The interest rates were now lower so additional borrowing could be undertaken and remain within the budgetary provision. Any borrowing undertaken at the lower rates would then be invested in the short to medium term (until the capital expenditure was incurred) and the Council would receive interest to offset any borrowing costs.

- The main variances for each Directorate showed a number of areas which had similar variances in the previous year, would this be addressed through the zero based budget exercise?

The Corporate Director of Finance and Resources confirmed that the zero based budgeting exercise would look to realign budgets, identify savings and address any variances.

At the request of a Member, the Panel agreed to move the meeting into Part B to discuss the Business Interaction Centre.

RESOLVED – That in accordance with Section 100A(4) of the Local Government Act 1972 the Public and Press were excluded from the meeting during consideration of the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the paragraph number 3 of Part 1 of Schedule 12A of the 1972 Local Government Act as the discussion contains exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

BTSP.68/19 REVENUE BUDGET OVERVIEW AND MONITORING REPORT : APRIL TO JUNE 2019

(Public and Press excluded by virtue of paragraph 3)

In considering report RD.20/19 Members raised the following questions:

- A Member asked for an update on the Business Interaction Centre and the £44,854 overspend in the report.

The Corporate Director of Finance and Resources responded that the City Council took over the running of the building from the University of Cumbria and there was not a budget for the running and maintenance costs hence the overspend.

The Finance, Governance and Resources Portfolio Holder reminded the Panel of the report that had been considered by Overview and Scrutiny and the decision taken by the Executive. He provided an update on the work being undertaken.

RESOLVED – That the meeting move back into public.

BTSP.69/19 REVENUE BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO JUNE 2019

Having scrutinised report RD.20/19 it was

RESOLVED – 1) That the Revenue Budget Overview and Monitoring Report: April to June 2019 (RD.20/19) be welcomed;

2) That Corporate Director of Finance and Resources provide the Panel with written responses:

- from the Property Services Manager detailing the impact on the rental income in the Chancerygate contract and the budget following the loss of the appeal for the rental review;
- from the Homelessness Prevention and Accommodation Manager detailing the reasons for the shortfall in Homeless Accommodation income;
- from the Neighbourhood Services Manager detailing the reasons for the shortfall in car parking income.

BTSP.70/19 CAPITAL BUDGET OVERVIEW AND MONITORING REPORT: APRIL TO JUNE 2019

The Corporate Director of Finance and Resources presented report RD.21/19 which provided an overview of the budgetary position of the City Council's capital programme for the period April to June 2019. She summarised the background position set out at Section 1 of the report.

The Corporate Director of Finance and Resources reported that the position statement recorded that, as at the end of June, expenditure of £961,767 had been incurred on the Council's core capital programme. When considered against the profiled budget of £1,118,647 that equated to an underspend of £156,880. The unspent balance remaining of the revised annual budget of £22,777,000 was £21,815,233. That would be closely monitored over the following months to identify accurate project profiles and any potential slippage into future years.

A number of schemes were included in the capital programme for 2019/20 that required reports to be presented to the Executive for the release of funding before the project could go ahead, some of which may slip into future years capital programmes.

The Executive had considered the matter at their meeting on 19 August 2019 (EX.74/19 refers) and decided:

“That the Executive:

- (i) Noted and had commented upon the budgetary position and performance aspects of the capital programme for the period April to June 2019;
- (ii) Noted adjustments to the 2019/20 capital programme as detailed in paragraph 2.1 of Report RD.21/19”

In considering the monitoring report Members raised the following comments and questions:

- A Member asked for more information on the cost of the Digital Banner on the Civic Centre and the income achieved.

The Corporate Director of Finance and Resources confirmed that the budget of £20,500 was for the replacement of the banner.

The Policy and Performance Officer informed the Panel that the estimate to install the banner originally had been £30,000 and it was predicated that the income from advertisements would pay for the banner within two and a half years. The income had surpassed expectations and had paid for the banner within eighteen months, since then all income had been revenue profit. He added that any internal advertisements were paid for through internal recharging.

The Finance, Governance and Resources Portfolio Holder reminded the Panel that the Council owned other properties which could be used for advertising to generate income and this would be explored further.

- The Panel discussed the Capital Programme – Risk Assessment in some detail and asked that the following updates and amendments be made:
 - PRINCE 2 narrative updated to reflect the training which officers had received;
 - That the first two risks be amended to strengthen the outcome risks and the need for the business cases and outcomes to be achieved;
 - That the reference to PRTB be removed as it no longer existed.

In discussing the Risk Assessment the Corporate Director of Finance and Resources reminded the Panel that the Assessment identified all potential risks with the aim of reducing the risks to the Council.

Referring to the economic downtown risk the Corporate Director agreed that the authority had to be mindful that £10m capital receipts from the sale of assets had been built into the budget and could be affected by external factors, she assured the Panel that the receipts were closely monitored.

- A Member asked for clarification with regard to the de minimis for capital receipts.

The Corporate Director of Finance and Resources explained that the Council had set de minimis levels for capital expenditure of £20,000 and capital receipts under £5,000.

- Had the scope for the Old Town Hall/Greenmarket budget changed following its renaming to Public Realm Improvements?

The Corporate Director of Finance and Resources confirmed that the change in the budget had been agreed by Council as part of the outturn report to allow the budget to be used across the whole City Centre.

- Was the flood related capital expenditure the same budget as the ground floor flood works?

The Corporate Director of Finance and Resources explained that the insurance balance of £2m was set aside for the Civic Centre ground floor works and Bitts Park. The £68,100 capital expenditure was capital costs incurred in 2018/19 and would be covered by the flood reserve when it was released.

RESOLVED – 1) That the Capital Budget Overview and Monitoring Report: April to June 2019 be welcomed;

2) That the Capital Programme – Risk Assessment be updated as detailed above.

The Corporate Director of Finance and Resources presented the updated Procurement and Commissioning Strategy 2019-2021.

The Corporate Director of Finance and Resources reported that the Procurement and Commissioning Strategy had been updated to reflect the current position and activity to be undertaken in 2019-2021. It detailed how the Council would operate its procurement function and conformed with the required legislation. The aim of the Procurement and Commissioning Strategy was to set a clear framework for activity throughout the authority, which reflected the Council's Corporate Plan and complimented the Council's Constitution and Contracts Procedure Rules.

The Corporate Director of Finance and Resources explained that effective procurement and commissioning would support the key strategies and goals of the Council and help deliver corporate priorities. They would be used a lever to support the efficiency agenda and the wider council objectives such as equal opportunities, sustainability, the environment and local economic regeneration.

The Procurement and Commissioning Strategy had been last updated in 2017 and the main change to the updated version concerned the addition of the Council's decision to declare a Climate Change Emergency and the Council would have consideration to this when undertaking procurement where it was appropriate to do so.

In considering the Procurement and Commissioning Strategy 2019-21 Members raised the following questions and comments:

- The procurement procedure for contracts over £10,000 included a number of European Union requirements, how would this be affected post Brexit?

The Corporate Director of Finance and Resources responded it was the assumption that all EU law would transfer into UK law and there would be no immediate changes, however, if this was not the case any changes would be reported back to the Panel.

A Member commented that she understood that the Government would continue to use the OJEU process and phase it out over a five year period. The Corporate Director stated that this would be picked up in the next Strategy update in three years time.

- How would any outcomes from the Climate Change Working Group be incorporated into the Strategy following its approval by the Executive?

The Corporate Director of Finance and Resources clarified that the Strategy would be considered for approval by the Executive on 16 September, however, any significant changes from the Climate Change Working Group would be considered and the Strategy could be revised.

- The Panel requested that the following amendments be made to the Strategy:
 - That the Clean Air Act 1993 be included in the list of legislation which the Strategy complied with;
 - Section 6.1 – 'carbon dioxide emissions' be changed to 'carbon emissions and dioxins';
 - That the Council's approach to ethical procurement and the STEEPLE Analysis tool was included in the Strategy.
- Had consideration been given to a budget for the impact of the adoption of the Climate Emergency into the Strategy?

The Finance, Governance and Resources Portfolio confirmed that there was not a budget for the adoption of the Climate Emergency motion.

- What resources were available for prospective contractors or suppliers other than the Strategy?

The Corporate Director of Finance and Resources explained that all procurement information was available on The Chest and prospective contractors or suppliers could contact officers within the procurement team to discuss matters. In addition, contractors and suppliers were welcome to attend the Meet the Buyer events.

- Were there any areas of procurement which the Council struggled to find local suppliers or contractors?

The Corporate Director of Finance and Resources was not aware of this but agreed to circulate further information to the Panel from the Procurement Team.

RESOLVED – 1) That the Procurement and Commissioning Strategy 2019-2021 (RD.23/19) be welcomed.

2) That the Procurement and Commissioning Strategy 2019-2021 be amended as follows:

- That the Clean Air Act 1993 be included in the list of legislation which the Strategy complied with;
- Section 6.1 – ‘carbon dioxide emissions’ be changed to ‘carbon emissions and dioxins’;
- That the Council’s approach to ethical procurement and the STEEPLE Analysis tool was included in the Strategy

3) That the Procurement Team provide the Panel with further information regarding areas of procurement where the Council finds it difficult to appoint local suppliers and contractors.

BTSP.72/19 QUARTER 1 PERFORMANCE REPORT 2019/20

The Policy and Performance Officer submitted the Quarter 1 2019/20 performance against the current Service Standards and a summary of the Carlisle Plan 2015-18 actions as defined in the ‘plan on a page’. Performance against the Panel’s 2019/20 Key Performance Indicators were also included.

The Policy and Performance Officer reported that there were no ‘red’ Service Standards and 1 red KPI, details of which were set out under the Summary of Exceptions in the report. Two new performance measures had been included in the Performance Dashboard:

- Customer Services – respond to emails within 48 hours
- Proportion of debts recovered (sundry debtors).

The Policy and Performance Officer drew the Panel’s attention to the sickness absence performance which showed an improvement on the previous performance.

In considering the Performance report Members raised the following comments and questions:

- The Panel requested that a Key Performance Indicator be added to future performance reports to monitor the response to the Climate Emergency.

The Policy and Performance Officer agreed to submit the request to the Climate Change Working Group.

- Were the number of emails responded to in customer services holding emails or full responses?

The Policy and Performance Officer confirmed that the emails were not automated but were holding responses where necessary.

The Panel asked for more detailed information on the new measure including how many emails were holding emails, how many were passed on and how many received full responses from Customer Services.

- The report stated that the Sands Centre Redevelopment should have begun in March 2019, a Member asked for an update on the project.

The Policy and Performance Officer explained that the document reflected the original dates and agreed to ask the Deputy Chief Executive to provide the Panel with a written update.

- Some of the areas of potential work in the City Centre Masterplan would include other authorities, who would provide funding for the development of the City Centre Masterplan?

The Policy and Performance Officer agreed to ask the Corporate Director of Economic Development for a written response to the Panel.

The Panel commented on the excellent work being undertaken by the benefits team in meeting their targets.

RESOLVED –1) That the Quarter 1 Performance Report 2019/20 (PC.11/19) be welcomed.

2) That a Key Performance Indicator which monitors and measures the response to the Climate Emergency be developed for inclusion in future Performance Reports:

3) That the Policy and Performance Officer seek written responses for circulation to the Panel as follows:

- An update on the redevelopment of the Sands Centre from the Deputy Chief Executive;
- Information on the provision of funding for the City Centre Masterplan from the Corporate Director of Economic Development
- Information on the breakdown of the number of emails fully answered by Customer Services, the number of holding responses and the number of emails passed on to be dealt with by other teams.

4) That the Benefits Team be thanked for their excellent work and for the outstanding results they have achieved.

(The meeting ended at 5.25pm)

Business and Transformation Scrutiny Panel

Agenda
Item:

A.2

Meeting Date: 03 October 2019

Portfolio: Cross-cutting

Key Decision: No

Within Policy and
Budget Framework

Private/Public Public

Title: Overview Report

Report of: Overview and Scrutiny Officer

Report Number: OS.23/19

Purpose / Summary:

This report provides an overview of matters related to the Scrutiny Panel's work. It also includes the latest version of the work programme.

Recommendations:

Members are asked to:

- Note the items (within Panel remit) on the most recent Notice of Key Executive Decisions
- Review the current work programme and resolutions and make recommendations for the future work programme

Tracking

Executive:	Not applicable
Scrutiny:	BTSP 03/10/19
Council:	Not applicable

1. Notice of Key Decisions

1.1 The most recent Notice of Key Executive Decisions was published on 13/09/19. This was circulated to all Members. The following items fall within the remit of this Panel:

Items which are included in the Panel's Work Programme:

- None

Items which have not been included in the Panel's Work Programme:

- KD 19/19 Borderlands Collaboration Agreement

2. References from Executive

2.1 None

3. Progress on resolutions from previous meetings

3.1 The following table sets out the meeting date and resolution that requires following up. The status is presented as either "completed", "pending" (date expected), or "outstanding". An item is considered outstanding if no update or progress has been made after three panel meetings. All the completed actions will be removed from the list following the meeting.

	Meeting date	Minute reference	Action	Status
1	06/06/19	BTSP 49/19	That a monitoring report which included a range of Key Performance Indicators on the redevelopment project be submitted to the Panel on a quarterly basis should the project be approved on 25 June 2019;	Pending Now to be included in the Corporate Projects Report – next due March 2020
2	06/06/19	BTSP 49/19	That the Deputy Chief Executive provide the Panel with written details of the liability should the site flood during construction;	Outstanding
3	06/06/19	BTSP 49/19	That further information on GLL's outreach programme to be circulated to Members.	Outstanding

4	25/07/19	BTSP 55/19	That the items detailed in the work programme for 2019/20 be noted and the following items be added: <ul style="list-style-type: none"> - an update on Community Asset Transfers be included in a future Overview Report; 	Complete
5	25/07/19	BTSP 55/19	3) That the Finance, Governance and Resources Portfolio Holder provides the Panel with further information regarding developers contributions to the provision of recycling and waste receptacles for new homes.	Complete
6	22/08/19	BTSP 66/19	That the following items be added to the Panel's Work Programme: <ul style="list-style-type: none"> - Audit Committee reference to December meeting - Sickness Absence report moved to February 2020 meeting - Annual Property Survey report 	Complete
7	22/08/19	BTSP 69/19	2) That Corporate Director of Finance and Resources provide the Panel with written responses: <ul style="list-style-type: none"> - from the Property Services Manager detailing the impact on the rental income in the Chancerygate contract and the budget following the loss of the appeal for the rental review; - from the Homelessness Prevention and Accommodation Manager detailing the reasons for the shortfall in Homeless Accommodation income; - from the Neighbourhood Services Manager detailing the reasons for the shortfall in car parking income. 	Pending
8	22/08/19	BTSP 70/19	2) That the Capital Programme – Risk Assessment be updated as detailed above.	Pending
9	22/08/19	BTSP 71/19	2) That the Procurement and Commissioning Strategy 2019-2021 be amended as follows: <ul style="list-style-type: none"> - That the Clean Air Act 1993 be included in the list of legislation which the Strategy complied with; - Section 6.1 – 'carbon dioxide emissions' be changed to 'carbon emissions and dioxins'; 	Pending

			- That the Council's approach to ethical procurement and the STEEPLE Analysis tool was included in the Strategy	
10	22/08/19	BTSP 71/19	3) That the Procurement Team provide the Panel with further information regarding areas of procurement where the Council finds it difficult to appoint local suppliers and contractors.	Pending
11	22/08/19	BTSP 72/19	2) That a Key Performance Indicator which monitors and measures the response to the Climate Emergency be developed for inclusion in future Performance Reports	Pending
12	22/08/19	BTSP 72/19	3) That the Policy and Performance Officer seek written responses for circulation to the Panel as follows: - An update on the redevelopment of the Sands Centre from the Deputy Chief Executive; - Information on the provision of funding for the City Centre Masterplan from the Corporate Director of Economic Development - Information on the breakdown of the number of emails fully answered by Customer Services, the number of holding responses and the number of emails passed on to be dealt with by other teams.	Pending
13	22/08/19	BTSP 72/19	4) That the Benefits Team be thanked for their excellent work and for the outstanding results they have achieved.	Complete

4. Update on Community Asset Transfer

4.1 The Community Asset Transfer Policy was adopted by the Executive on 17 September 2018, following the work of a Business and Transformation scrutiny task group to develop a clear framework for asset transfers.

The Council is currently considering an application from a community group to take on land at Bright Street/Wood Street as a community asset. As this is the first application following the adoption of the Community Asset Transfer Policy, the

process is being reviewed to capture learning and identify improvements to enhance the procedure. Following the conclusion of the current application, the Council will review its asset list for items potentially suitable for transfer. This will help develop a disposal programme to advertise these assets and invite applications from the community.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The overview and scrutiny of the Carlisle Plan items that match the panel remit contribute to ongoing policy development.

Contact Officer: Rowan Jones

Ext: 7257

**Appendices
attached to report:**

1. Scrutiny Panel Work Programme 2019/20

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL -

FINANCE –

EQUALITY – This report raises no explicit issues relating to the public sector Equality Duty.

INFORMATION GOVERNANCE –

APPENDIX: Scrutiny Panel Work Programme 2019-20

Title	Lead Officer	Meeting Date
End of Year Performance Report	Gary Oliver	30/05/2019
Outturn Reports	Steven Tickner	30/05/2019
Sickness Absence	Sue Kaveney	30/05/2019
Medium Term Financial Plan and Capital Strategy	Alison Taylor	25/07/2019
Asset Management Plan	Mark Walshe	25/07/2019
Corporate projects	Jason Gooding	25/07/2019
Corporate Risk Register	Darren Crossley	25/07/2019
Performance Report	Gary Oliver	22/08/2019
Budget monitoring	Steven Tickner	22/08/2019
Draft Procurement Strategy	Steven Tickner	22/08/2019
Customer Services Update	Matthew Ward	03/10/2019
Budget monitoring	Steven Tickner	03/12/2019
Budget setting	Alison Taylor	03/12/2019
Performance Report	Gary Oliver	03/12/2019
External Audit Findings Report - Action Plan	Alison Taylor	03/12/2019
Budget setting	Alison Taylor	02/01/2020
Performance Report	Gary Oliver	13/02/2020
Sickness Absence	Sue Kaveney	13/02/2019
Budget monitoring	Steven Tickner	26/03/2020
Corporate Risk Register	Darren Crossley	26/03/2020
Corporate projects	Jason Gooding	26/03/2020
Scrutiny Annual Report	Rowan Jones	26/03/2020
Annual Property Survey Report		TBC

Report to Business & Transformation Scrutiny Panel

Agenda
Item:
A.3

Meeting Date: 03 October 2019
Portfolio: Communities, Health and Wellbeing
Key Decision:
Within Policy and Budget Framework
Public / Private Public

Title: Customer Services Update
Report of: Customer Service Manager
Report Number: CE.05/19

Purpose / Summary:

The purpose of this report is to update the panel with ongoing work within Customer Services including, current performance, upcoming improvements and ongoing actions. This report also satisfies the panels request for ongoing updates following reports CE 08/18 & CE 03/19.

Recommendations:

Please could you support the following:

- The Contact Centre to open at 8am (Calls Only) upon completion of training
- Updated phone system as part of the wider telephony upgrade
- Transferring operational documents to cloud storage
- Implementation of more structured individual performance measures

Tracking

Executive:	
Scrutiny:	
Council:	

1. BACKGROUND

- 1.1** The consultation for the adjustment of current resource this has successfully taken place. Current staff have had their working hours altered to align with customer demand following the scrutiny of peak level and working pattern reports (Appendix A&B, Report CE 08/18). Q1 has seen significant gains following our new structure going live on 01 April 2019 (See appendix A).
- 1.2** We have increased our front-line advisor headcount by 1.5 full time equivalents (FTE). This has been split into 3 part-time roles to allow greater headcount during busy periods whilst avoiding surplus requirement during quieter periods. Our restructure removed a layer of management which funded the majority of advisor growth along with increasing our supervisory capacity.
- 1.3** 8am opening has also successfully been through the consultation process and is now ready to action. Training is specialist and requires approximately 9 months to fully train an advisor on all service functions. It was anticipated that we would begin 8am starts in September 2019 but this has been delayed by staff movement. This has now been remedied by promoting staff members within the team and back-filling posts by recruiting externally. We now have two new advisors and a stable supervisor team. As previously stated, 8am opening hours must have the whole Customer Service team trained to a specific level for us to appropriately cover the required specialisms. I anticipate we will be in a position to go live by April 2020.
- 1.4** Our 2018/19 service plan outlines the need for improved staff training and development to shorten the time it takes to fully train an advisor and increase our accuracy. We have developed a new performance management strategy which goes live on 01 October 2019. This consists of one-to-one meetings every month to discuss an individual's performance against our targets. Improvement aims will then be put forward and monitored every month. These regular meetings will identify training needs, not only on an individual level, but spot patterns across the department. There is also a focus on wellbeing which will proactively identify any professional or personal issues that may affect a person's ability to carry out their role. We have processes that link into the many employee support initiatives provided by Organisational Development. It's an opportunity to provide personalised support for people who may be going through a difficult time, which is more effective than performance management in a team setting.

- 1.5** In March, the Business & Transformation Scrutiny Panel asked that the possibility of the qmatic queue management system being installed before the ground floor refurbishment was further investigated. This was following issues with accurately reporting footfall and general management of contact centre resource. We are pleased to report that we have now placed an order for the qmatic system and have completed the project initiation meeting on 09 September. The 'Go Live' date has been set for 14 November. The system itself is far more advanced than the version we had in 2015. It's fully hosted which means the 'brains' of the system is off-site and maintained by qmatic. This has advantages for both business continuity and the cost of maintaining onsite networks and servers. Should we suffer another flood, there is only two pieces of hardware that need moved to safety, which is a simple process. Additionally, it can be easily moved to the refurbished ground floor at no cost as the required networking is already part of the ground floor plan. Qmatic have also cornered the market for contact centre solutions and are able to offer significant discount to local authorities. It is over 70% more cost effective than in 2015. This will have a huge impact on how we can deploy Customer Service Advisors across the contact centre and phone rooms. This also gives us the ability to report queuing times and interaction times accurately.
- 1.6** We have developed a new Information Point using Microsoft SharePoint. This is an amalgamation of all the information Customer Services need to answer each query we receive. This is a live application that is updated numerous times per day meaning that advisors always have up to date information. Crucially, the information is stored off site on secure Microsoft Servers. This is a huge step in improving our resilience in the event of future flooding. The capability of SharePoint has also been extended to incorporate GDPR Compliance and document management. We have automated several processes and workflows to free up time to focus on training, accuracy and resource management. This will ultimately improve our performance. We have also utilised Microsoft Teams to manager our rotas. This is effectively an on-line rota with additional functionality that allows us to contact our advisors via group chat and video calls. Again, this functionality is in place for business continuity. Microsoft Teams and SharePoint are new online tools that are already part of our Microsoft Licence, so there is no additional cost in implementing these applications. Our advisors can even use a secure application to access this information from home and receive notifications on their phones.
- 1.7** The review of the Customer Service Business Continuity Plan is well under way. This was a necessity as the employment of technology drastically changes our ability to respond in an emergency. Appendix 2 shows the huge steps forward we

have taken in the past 2 years to continually improve our response. This will be updated again to reflect the procurement of a new telephone system (see 1.8).

A new contact centre telephone system is being investigated. Our current system is beginning to limit our effectiveness, particularly in emergency situations. It also has reporting limitations. Modern telephone systems are extremely intuitive and provide a professional and efficient first point of contact for our residents and visitors. This is part of the wider Civic Centre telephone upgrade, so timescales are difficult to pinpoint. Any new contact centre phone platform must have seamless compatibility with our wider phone system which requires extensive research and testing. Other key requirements are the ability to access the phone system from home. This is to further enhance our business continuity (see appendix 2) and to potentially diversify how we resource Customer Services in future. Home working options are becoming a popular way to attract talent to an organisation. We will require the ability to monitor first time resolution and have Intergrations into our CRM system also. The correct solution will play a key role in improving how we interact with customers.

2. PROPOSALS

- 2.1** It is proposed that work continues identifying efficiencies and improved resource management.

3. RISKS

- 3.1** No risks have yet been identified.

4. CONSULTATION

- 4.1** Reports and findings will be reviewed by the Senior Management Team with further consideration by the Transformation Board.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 5.1** Recommendations in this report are based on hard evidence and have the aim of improving customer service. Furthermore, the department will be structured for growth and resilience. Customer Service staff continue to show their hard work

which will be recognised further with improved call answering performance.

6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 6.1** The Customer Service Charter, and its aims, forms part of the upcoming corporate plan.

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Appendices attached to report:

Appendix A - Quarter 1 Call Comparison

Appendix B - Business Continuity Actions

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

LEGAL -

FINANCE –

EQUALITY –

INFORMATION GOVERNANCE –

Appendix A – Quarter 1 Performance Comparison

Year (Q1)	Total Calls	Average Wait	Abandoned	Calls Within 1 Minute
2016/17	29,136	00:03:19	30%	47%
2017/18	28,344	00:02:58	23%	48%
2018/19	24,204	00:03:29	24%	41%
2019/20	23,041	00:02:36	18%	61%

Total Calls

Whilst on face value it appears call volumes are rapidly falling; the reduced incoming call volume is heavily impacted by abandoned calls. Typically, customers who abandon their call will contact us again, each time becoming less patient, turning one abandoned call into several. For example, the reduction of abandon rates between 2016/17 and 2019/20 equates to 4758 more calls now being answered. In effect, call volumes have dropped by just over 1000 calls per quarter, which is to be expected following the success of our online services and it's 22,000 registered users.

Average Wait

The average wait has decreased significantly. Again, this is attributed to an improved staffing structure during busy periods and streamlining processes.

Abandoned Calls

Significant improvements have been made with abandoned calls, but the aim is to improve further. Abandoned calls for an organisation of our size is typically 8-12%. Our aim is to consistently achieve 8%. The average time to abandon for Q1 was 00:02:09 which is very close to our average time to answer, which is very encouraging. Our improved staffing structure has been responsible for these significant improvements and we expect to achieve 8% through the introduction of our performance management strategy as detailed in section 1.4 of this report.

Calls answered within 1 minute

This is a new, challenging, target that is in progress. This is heavily impacted by our ability to speed up contact during peak periods which has been approached from a resource perspective. It is expected that our performance management strategy and the deployment of new technology will push us to this target.

Other considerations

Our new staffing structure has been 'stress tested' during Q1 of 2019/20. Due to staff movement we have been understaffed throughout this period yet have still delivered the most positive Q1 results for the past 4 years. Q1 comparisons are a good baseline for performance as it contains main billing statistics, which is historically one of our busiest and most complex periods.

Business Continuity Actions

Identified Improvement	Starting Situation	Issue	Position Now / Plan	Resolved/ In Progress / Needs Action
TIC phone lines	Following the 2015 flood, the TIC is was used as an emergency contact centre until the temporary contact centre was made operational. This also served as a phone room	Limited lines were available which diminished our capability	The TIC will still be used as the emergency contact centre but the available lines have been increased so it will allow us to connect all of our advisors	Resolved
Lost Workstations	All workstations were desktop computers with a generic configuration.	Each workstation was lost in the flood requiring replacements to be found and configured	All advisors have been issued with laptops and can work from any workstation. Processes have been implemented were advisors take their laptop home if there is a weather warning. Laptops are personally configured so are immediately effective when switched on in the emergency contact centre	Resolved
Phone Room	The phone room was situated on the ground floor	Both the contact centre and phone room was lost after flooding	The phone room will remain on the 4th floor. Once building access is restored the phone room will be fully functional	Resolved
Key System Accessibility	Most operational documents are stored on internal servers	If the building suffers power cuts of severe flooding, internal drives are not accessible if the computer room is not functioning	All Custome Service operational documents used to handle phone calls are now externally stored and accessible from any internet connection using secure two factor authorisation via SharePoint. This is the same for our main CRM system. We will be able to handle most calls as usual regardless of internal system availability. There are some systems we use that still reside onsite, but workarounds have been developed.	Resolved / In Progress
Document Handling	Emergency documentation' was developed to log appropriate tasks which were actioned once systems were restored. This required a large amont of printing and data input.	Workload was doubled during an already exceptionally busy period.	Where possible, the most popular service requests are managed electronically using our hosted systems (Salesforce & SharePoint). This requires no printing and will forward any required actions once normal service is resumed. Documents that have not been fully digitalised are still available but on a use per case basis.	Resolved / In Progress
Communication	During an emergency, we were reliant on phone calls to organise resource.	This was time consuming for customer Service management and was open to error as we have a large team.	We have utilised Microsoft Teams which is not only an online Rota but has mobile functionality that allows us to contact all advisors at once. This platform allows us to communicate by group conversation, post updates and share documents very quickly. These notifications are accessed by phone and guarantees a consistant message accross the entire team. We can relocate resources without having to make several phone calls.	Resolved
Planning	During an emergency, advisors would await management instruction	This caused immediate delays as actions couldn't be done until a management decision was made	We are developing a quick guide for all Customer Service team members. Everyone will have access at any time via Sharepoint. We are also developing a small action plan card that will be stored on our lanyards behing our ID card. These will be specific to Advisors, Supervisors and Management. This is so we can proactively plan a quicker response in the immediate aftermath of an emergency	Resolved / In Progress
Phone System	The cisco phone system is an on site system reliant on our network. It also has limited functionality and cannot be used without being connected to our network.	Should the computer room be compromised, we lose our phone system, including the ability to quickly change the architecture to suit an emergency situation.	We are looking to procure a system that is also hosted and can be accessed regardless of the status of our internal network. Modern systems have the funtionality to proactively design the phone archetecture to suit an emergency situation which is only activated during an event. This can be done from any secure internet connection or by telephone. This is part of the wider Civic telephone upgrade	In Progress
Asset Recovery	Numerous sytems and hardware were lost after the floods of 2015	It's more challanging to recover if you have to find work-arounds or take the time to procure replacement systems	Part of our planning includes the protection of key assets and hardware. Any new or upgraded system must meet specific parameters. For example, our new Qmatic system is hosted and has two pieces of easily removable hardware. All essential hardware is accounted for and located accoring to weather warnings.	Resolved

