

# Housing, Finance & Corporate Services Policy and Scrutiny Committee Briefing

**Date:** 12<sup>th</sup> September 2016

**Author:** Cllr Tim Mitchell

**Portfolio:** Cabinet Member for Finance & Corporate Services

**Please contact:** Madeleine Hale x 2621  
[mhale@westminster.gov.uk](mailto:mhale@westminster.gov.uk)

## 1. Finance

### 1.1 Business Rates

Westminster hosted an additional, local authority only, session of the combined DCLG (Department for Communities and Local Government) and LGA (Local Government Association) Business Rates System Design Working Group on the 17<sup>th</sup> August. The Council presented a single document that addressed all the issues being considered by the group and the group largely reached unanimous agreement on most of the proposals put forward. A formal submission is being prepared for the next GLA/DCLG hosted working group to which all representatives attending the meeting can sign up to

### 1.2 No PO NO Pay and Sundry Debtor Recovery

As part of the programme of continuous improvement and the efficiencies designed into the BT managed service programme's Agresso system, one of the next steps in implementing "business as usual" for the Accounts Payable module is to make use of purchase orders (POs) as the principle means of requisitioning supplies and pay invoices. This promotes the automated matching of compliant invoices to purchase orders and facilitates the prompt processing and payment of invoices.

Reintroduction of No PO No Pay is being commenced in September 2016, with the aim of "No PO, No Pay" fully implemented by the 1<sup>st</sup> December 2016.

There has been a programme of debt management in place in the last period encompassing issuing adult social care statements, prioritised debt recovery led by Finance Managers working with service areas. Invoices have continued to be raised promptly and monies received are being allocated by BT and the Council. To enhance this, the Council will now be undertaking its own automated recovery of sundry debt with BT being responsible for running the automated and scheduled batch programmes on Agresso and the subsequent printing and mailing of the recovery documentation commencing in a similar time scale. The Council will be responsible all other elements of the recovery process, including the handling of payment and service enquiries and the updating of sundry debtor accounts.

### **1.3 Budget**

Work has continued on analysing the Council's budget position for 2017/18 to 2018/19, identifying where we are in relation to the estimated gaps and action that will be taken to prepare the estimates (capital and revenue) for these years, and beyond. This will be provided to Policy and Scrutiny, Cabinet and Council in the usual cycle in January 2017 to March 2017.

### **1.4 Budget Monitoring**

The roll out of the budget monitoring tool continues to progress and training will be delivered throughout the year. Currently the budget is in balance with an underspend forecast for the full financial year.

### **1.5 Council Tax and National Non Domestic Rates (NNDR)**

Council Tax and NNDR collection are both performing well as at the end of 2016/17 period 4 with Council Tax exceeding last year's performance at the same stage last year by 1.06% and NNDR collecting 42.37% which is marginally down on the same point last year by 0.75%. The slight decrease in NNDR collection is due to an increase in the number of Businesses spreading their instalments over 12 months rather than 10 months.

### **1.6 Discretionary Housing Payment Fund**

The Council's £2.6m Discretionary Housing Payment fund, which assists Housing Benefit claimants who have a shortfall between the Housing Benefit they receive and their rent, is currently projected to spend £755,000 but this figure is based on claims that have already been agreed. Demand is expected to increase significantly when the upcoming overall Benefit cap is introduced in November. It is however expected that the £2.6 million will be sufficient to meet the estimated increase in demand.

## **2 Corporate Property**

### **2.2 Investment Programme**

Corporate Property has embarked on an investment programme using the funds allocated in the Council's budget for strategic commercial property acquisitions. As previously reports the investment programme is intended to provide secure, long term income streams for the Council to support provision of front line services.

The Council completed their first acquisition on 9<sup>th</sup> August. The acquisition of 10 Orange St, WC2 completed for a price of £11.8m plus transaction costs. The building is let out and generates £500,000 per year of new revenue for the Council. The acquisition meets the investment criteria that were determined in the strategy set out at the end of last year and provides a broader opportunity in that it sits adjacent to a potential development project at Huguenot House.

The Council was required to exchange and complete the deal in 10 working days, with Officers pulling the deal together amidst strong competition from market leading investors.

### **2.3 Operational Property Strategy**

BNP Paribas has produced an initial draft report that is being reviewed with their final report due to be produced in September.

## **3 Corporate Services**

### **3.1 MSP**

An enhanced Framework Intelligent Client Function (ICF) is now in place. A detailed project plan for the delivery of all functionality by 17<sup>th</sup> January had been developed by the ICF with BT following workshops with the Directors of Finance and HR to ensure alignment with their priorities.

We have specified 130 high priority items and some 200 medium and low priority items. Work packages have been created for Payroll, which we are treating as the top priority, Finance, HR, Governance and Support and cross cutting Enterprise Resource Planning issues.

Governance of the plan will be through HR and Finance business change meetings at which satisfactory completion of activities will be confirmed. Overall responsibility for confirming and managing progress will rest with the Operational Framework Board (OFB) and the Strategic Framework Board (SFB).

There are still risks the most significant of which is the availability of sufficient BT and council resource with the right knowledge, skill and experience to deliver the remaining activity within the agreed timescales.

Operational performance deals with incident management, payroll accuracy and BT Shared Service Centre (BT SSC) resourcing.

On average over the last 13 weeks, 57% of incidents are being resolved at first contact. The current payroll accuracy figures for August to date are: Royal Borough of Kensington and Chelsea (RBKC) 99.5%, Westminster City Council (WCC) 98.9% and London Borough of Hammersmith and Fulham (H&F) 99.1%. The overall accuracy for August is 99.2%.

## **3.2 IT**

### **Phase 2 of the ICT restructure**

Consultation for this phase, which involves bringing together the RBKC and WCC IT staff into a single team, went into formal staff consultation on Friday 5 August. The new structure is scheduled for introduction in October 2016 and will provide a strategic integrated team to deliver the objectives of the RBKC and WCC, whilst also preserving shared “Tri-borough” services where required.

### **Digital Workforce/datacentre migration**

The new Office 365 intranet/collaboration platform continues to see excellent adoption levels by staff at all levels within the Council, supported by a comprehensive communications and training programme. Following migration from WCC CapGemini datacentre services at end of June 2016 the current phase includes completion of end user migrations and software upgrades, and transition of legacy on-premise services to new BT “SIP” datacentres, ahead of City Hall vacation in 2017.

### **Customer Digital**

The shared IT service has worked with the PPC Digital team to support the procurement and implementation of a common enabling Web/CRM platform which can be exploited by WCC and (subject to agreement) RBKC also. This G-Cloud procurement is due to commence w/c 30 August and will start to deliver new transactional services by late 2016/early 2017 in support of WCC savings objectives. A new shared Geographical Information (GIS) System and Web search platform (covering all three Councils) will be launched in autumn 2017.

### **City Hall refurbishment programme**

The IT team is progressing plans for City Hall exit and mobilisation of decant sites in earnest. Datacentre decommissioning and migration works are underway, and new circuits ordered for the decant locations. Following Cabinet Member approval, existing WCC telephony and network contracts have been extended to April 2018 limit disruption during City Hall refurbishment.

### **Information Security**

The shared IT service will shortly make it's next "PSN" certification submission (PSN being their Public Services Network security standard which WCC must meet in order to access DWP and DVLA data) for the Councils. The submission ensures security of our most sensitive data, whilst also providing flexibility to exploit the potential for open data access, transparency and internal/external (multi-agency) collaborations around less sensitive data. A major Information Governance training programme is being deployed to staff to support this.

## **3.3 People Services**

### **Working the Westminster Way**

250 colleagues have now been through Working the Westminster Way Band 3 programme. This will continue until March next year to ensure all staff have this opportunity.

### **Leading the Westminster way evaluation**

The evaluation of the Leadership Academy is in progress. We sent out a survey to 360 individuals who had completed the Leading the Westminster Way programme, and had a response from 196 people. A series of interviews were conducted with a varied pool of Executive Directors, Senior Leaders and Band 4 managers. A number of Band 3 and 4 managers also took part in focus groups, which were looking at what change they have seen from senior leaders. The themes are currently being collated and there will be a report produced within the next few weeks.

### **Corporate induction**

A brand new corporate induction programme will be launched in October. This will comprise of two half days as opposed to one full day. The first half day session will include a high impact video showing what Westminster is all about including snippets of Westminster locations, cross-section of Westminster employees including EMT (Executive Management Team). Furthermore the style will be more interactive and the session will be hosted by two facilitators. We will incorporate the use of latest technology to engage delegates throughout the day such as Q & A and voting apps that will be used throughout the session. The market place will be re-branded into "Exploring the Westminster Way" and delegates will be encouraged to collect stamps from each stall to complete the Westminster way. The session will conclude with a quiz and a prize draw. The second half day will comprise of the bus tour which will take place quarterly.

### **Your Voice survey**

Peoples Services are working closely with internal communications to ensure the smooth launch of the Your Voice on 5th September which will remain open until the 23rd of September.

### **360**

EMT have signed off a pilot for 360 degree feedback for a sample of 50 employees across the council. The Organisational development team will be working with an external partner to design the approach and deliver the pilot over Autumn.

### **Graduate placements**

Four graduates will be joining Westminster City Council in October as part of the 2016 graduate programme. The placements have been confirmed with Legal, Registrars and Public Protection & Licensing.

Graduates from 2015 graduate programme will be moving onto Corporate property, Placeshaping team and Organisational Development.

A comprehensive induction plan is being put in place for the new cohort and they will be paired with the graduates from last year. In addition to their immediate line managers, mentors have also been assigned.

## **3.4 Procurement**

### **3.4.1 Westminster Procurement Services**

Westminster Procurement Services Limited was incorporated as a company on 27<sup>th</sup> July 2016. This now provides the Council with the commercial vehicle to proceed with a joint venture for the delivery of procurement consultancy services.

We are aiming to complete the Joint Venture Shareholder Agreement with an external provider within the next three weeks subject to completing the agreement, Business Plan and Service Level Agreement.

### **3.4.2 Chartered Institute of Procurement & Supply (CIPS)**

Following our recent Corporate Certification Standard submission, the Chartered Institute of Procurement & Supply has agreed that Westminster City Council has successfully achieved the CIPS Corporate Certification Standard.

Procurement Services can be proud of the commitment and dedication they make to procurement in Westminster which is recognised in part with this award.

There will be a plan for an award ceremony at Westminster City Hall attended by a representative from the Chartered Institute of Procurement & Supply.

**1<sup>st</sup> September 2016**