Agenda

Corporate Services Committee

Date: Wednesday, 22 August 2018

Time: 14:00

Venue: Council Chambers, Clydebank Town Hall
               Dumbarton Road, Clydebank

Contact: Craig Stewart, Committee Officer
               Tel: 01389 737251 craig.stewart@west-dunbarton.gov.uk

Dear Member

Please attend a meeting of the Corporate Services Committee as detailed above. The business is shown on the attached agenda.

Yours faithfully

JOYCE WHITE

Chief Executive

Distribution:-

Councillor Ian Dickson (Chair)
Councillor Jim Brown
Councillor Jim Finn
Councillor Diane Docherty
Councillor Daniel Lennie
Councillor Caroline McAllister
Councillor David McBride
Councillor Jonathan McColl
Councillor Iain McLaren (Vice Chair)
Councillor John Mooney
Councillor Lawrence O'Neill
Councillor Martin Rooney

All other Councillors for information

Chief Executive
Strategic Director – Transformation and Public Service Reform
Strategic Director – Regeneration, Environment & Growth
Chief Officer of West Dunbartonshire Health & Social Care Partnership

Date of issue: **9 August 2018**

CORPORATE SERVICES COMMITTEE

WEDNESDAY, 22 AUGUST 2018

AGENDA

1   APOLOGIES

2   DECLARATIONS OF INTEREST

Members are invited to declare if they have an interest in any of the items
of business on this agenda and the reasons for such declarations.

3   MINUTES OF PREVIOUS MEETING   **5 - 11**

Submit for approval as a correct record, the Minutes of Meeting of the Corporate Services
Committee held on 16 May 2018.

4   MINUTES OF JOINT CONSULTATIVE FORUM –   **13 - 18**
7 JUNE 2018

Submit for information and where necessary ratification, the Minutes of Meeting of the
Joint Consultative Forum held on 7 June 2018.

5   OPEN FORUM

The Committee is asked to note that no open forum questions have been submitted
by members of the public.

6   CORPORATE SERVICES BUDGETARY CONTROL REPORT TO 31   **To follow**
JULY 2018 (PERIOD 4)

Submit report by the Strategic Lead – Resources advising on the performance of the
Corporate Services budget for the period to 31 July 2018.

7   NON-DOMESTIC RATES OPTIONS   **19 - 22**

Submit report by the Strategic Lead – Resources seeking approval to publicise businesses
that have not paid their non-domestic rates (NDR).

8   HOUSING BENEFIT PERFORMANCE AUDIT   **23 - 50**

Submit report by the Strategic Lead – Resources advising on the recent inspection of the
Council's Housing Benefit (HB) service carried out by Audit Scotland.

9   **CONTRACT & SUPPLIER MANAGEMENT POLICY**   **To follow**

Submit report by the Strategic Lead – Resources seeking approval for the Contract & Supplier Management Policy.

10   **STRATEGIC RISKS 2017-22**   **51 - 62**

Submit report by the Strategic Lead – People & Technology providing an update on the strategic risks for 2017-22.

11   **CYCLE TO WORK SCHEME (C2W)**   **63 - 67**

Submit report by the Strategic Lead – People & Technology providing an update on the participation of the scheme during 2018 and seeking approval for a further two year contract on a direct award basis to Halfords.

CORPORATE SERVICES COMMITTEE

At a Meeting of the Corporate Services Committee held in Council Chamber, Clydebank Town Hall, Dumbarton Road, Clydebank on Wednesday, 16 May 2018 at 2.11 p.m.

Present: Councillors Jim Brown, Ian Dickson, Diane Docherty, Daniel Lennie, Caroline McAllister, David McBride, Jonathan McColl, Iain McLaren, John Mooney, Lawrence O'Neill and Martin Rooney.

Attending: Angela Wilson, Strategic Director – Transformation and Public Service Reform; Peter Hessett, Strategic Lead – Regulatory; Stephen West, Strategic Lead – Resources; Malcolm Bennie, Strategic Lead – Communications, Culture & Communities; Victoria Rogers, Strategic Lead – People & Technology; Amanda Coulthard, Performance and Strategy Manager; Annabel Travers, Procurement Manager; Stephen Daly, Customer Service Manager; Martin Keeley, Environmental Health Manager and Craig Stewart, Committee Officer.

Apology: An apology for absence was intimated on behalf of Councillor Jim Finn.

Councillor Ian Dickson in the Chair

DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda.

MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Corporate Services Committee held on 7 February 2018 were submitted and approved as a correct record.

OPEN FORUM

The Committee noted that no open forum questions had been submitted by members of the public.

STRATEGIC DELIVERY PLANS 2018/19

A report was submitted by the Strategic Lead – Communications, Culture & Communities presenting the year-end progress for 2017/18 and 2018/19 Delivery Plans for the following service areas:-

- Communications, Culture & Communities
- People & Technology
- Regulatory
- Resources

After discussion and having heard relevant officers in further explanation and in answer to Members' questions, Councillor Dickson, seconded by Councillor McColl, moved:-

    That the Committee agree:-

    (1)   the 2018/19 Delivery Plans, subject to various refinements and revisions to the content of the Delivery Plans, on the basis discussed at the meeting;

    (2)   that for those matters, that fell within the remit of the Cultural Committee, in respect of the Communications, Culture & Communities Delivery Plan, these would be dealt with by the Cultural Committee; and

    (3)   otherwise to note the progress made on delivery of the 2017/18 plans.

As an amendment, Councillor McBride, seconded by Councillor Rooney, moved:-

    (1)   the 2018/19 Delivery Plans, subject to various refinements and revisions to the content of the Delivery Plans, on the basis discussed at the meeting;

    (2)   that for those matters, that fell within the remit of the Cultural Committee, should continue to be reported to the Corporate Services Committee; and

    (3)   otherwise to note the progress made on delivery of the 2017/18 plans.

On a vote being taken, 5 Members voted for the amendment and 6 Members voted for the motion which was accordingly declared carried.

UPDATE OF VOLUNTARY GRANTS 2017/18

A report was submitted by the Strategic Lead – Resources providing an update on the voluntary grants approved by WDCVS in 2017/18 in respect of Community Chest, Playscheme, Cultural, and Social Transport Support Funding Grants.

After discussion and having heard the Strategic Lead – Resources and the Strategic Lead – Regulatory in further explanation and in answer to Members' questions, Councillor Dickson, seconded by Councillor McColl, moved:-

That the Committee agrees:-

(1)   to note the position of the grants paid out by WDCVS, Dumbarton Common Good and the Provost's Fund in 2017/18;

(2)   to recommend to Council that the allocation of unspent funding of £30,341 be used for additional grass cutting in residential areas; and

(3)   to approve the transfer of £3,000 from the 2018/19 grants budget to the Provost's Fund to reinstate the level to £3,000.

ADJOURNMENT

Having heard Councillor Dickson, Chair, the meeting was adjourned at 3.50 p.m. and was reconvened at 4.30 p.m. with the same Members present, as listed in the sederunt.

As an amendment, Councillor McBride, seconded by Councillor Rooney, moved:-

This committee notes the report and commends WD CVS for their achievements in supporting community groups and helping them access a further £220,381 of funding from other sources.

Committee also notes that as a result of an underspend the report recommends returning the balance of £30,341 to the Council.

This committee rejects this approach and instead agrees to recommend to Council that the surplus £30,341 to reinstate the cuts to funding for strategic partners with the £361 difference being taken from reserves.

In addition this committee agrees to recommend to Council that we reverse the SNP Administration's draconian cuts to ground maintenance and grass cutting in our parks, cemeteries and open spaces.

This includes savings option 11 – Review Council's Grass Cutting Service, savings option 12 – Remove summer bedding displays, savings option 16 – Reduction of cemetery maintenance, savings option 17 – Reduction in park maintenance and savings option 18 – identify areas in parks and open spaces for biodiversity.

Funding to be taken from the Council's reserves and the Head of Finance to put in place a plan to restore the fund over time.

Following debate and at the request of Councillor O'Neill, the Committee agreed to proceed by way of a roll call vote.

On a vote being taken 5 Members, namely Councillors Lennie, McBride, Mooney, O'Neill and Rooney voted for the amendment and 6 Members voted for the motion, namely Councillors Brown, Dickson, Docherty, McAllister, McColl and McLaren, which was accordingly declared carried.

PAYMENTS TO STRATEGIC PARTNERS – UPDATE

A report was submitted by the Strategic Lead – Resources providing an update on the action taken by officers following the Council decision on 5 March 2018, in setting the 2018/19 revenue budget, that officers engage with our strategic partner organisations as to how Council funding support might be reduced over the next 3 financial years.

ADJOURNMENT

Having heard Councillor Dickson, Chair, the meeting was adjourned at 5.01 p.m.in order that the Legal Officer could consider the terms of a proposed motion by Councillor O'Neill in respect of this item. The meeting was reconvened at 5.22 p.m. with the same Members present, as listed in the sederunt, with the exception of Councillor McBride. The Legal Officer advised the Committee that, in his view, the proposed motion was not competent, and the advice was accepted by Councillor O'Neill.

After discussion and having heard the Strategic Lead – Resources and the Strategic Lead – Regulatory in further explanation and in answer to Members' questions, the Committee agreed:-

(1)   to note the update following discussions with each of the strategic partner organisations and the funding reductions agreed; and

(2)   to note the ongoing engagement which would be maintained around future funding and service delivery from partner organisations.

Note: Councillor O'Neill left the meeting at this point.

DEBT MANAGEMENT SERVICES

A report was submitted by the Strategic Lead – Resources recommending the commencement of a tendering exercise during 2018 for Debt Management Partners to assist with the Council's overall debt recovery processes.

After discussion and having heard the Strategic Lead in answer to a Member's question, the Committee agreed:-

(1)   that a tender exercise in line with European legislation and Council Orders which will be advertised in the Official Journal of the European Union (OJEU) and Public Contracts Scotland to obtain: Debt Management Partners for the

provision of: Primary Debt Management services: Second Placement Debt Managers services; and Sheriff Officer services and that the contract should be for an initial fixed 3 year period with further two potential 12 month periods at the sole discretion of the Council; and

(2)   that the results of the evaluation process would be presented to a future Tendering committee for approval to award contracts for Debt Management Services; and

(3)   that at the end of the fixed 3 year contract period, the Strategic Director, Transformation and Public Service Reform should review the position and consider whether to extend the contracts for a maximum of a further two additional 12 month periods. If not so extended a further report would be provided to this Committee for further consideration.

PROCUREMENT STRATEGY UPDATE AND PROCUREMENT ANNUAL REPORT

A report was submitted by the Strategic Lead – Resources requesting the Committee to note the outcomes achieved relative to the Corporate Procurement Strategy 2017/2018 to 2020/2021 and to approve the Annual Procurement Report for publication.

After discussion, the Committee agreed:-

(1)   to note the outcomes achieved relative to the Corporate Procurement Strategy, 2017/2018 to 2020/2021; and

(2)   to approve the Annual Procurement Report for publication.

GREATER GLASGOW AND CLYDE JOINT HEALTH PROTECTION PLAN 2018-2020

A report was submitted by the Strategic Lead – Regulatory seeking approval of the Greater Glasgow and Clyde Joint Health Protection Plan 2018-2020.

After discussion and having heard the Environmental Health Manager in further explanation of the report and in answer to Members' questions, the Committee agreed to approve the adoption of the Joint Health Protection Plan in which West Dunbartonshire Council was a partner.

WORKFORCE MONITORING REPORT (QUARTERS 3 AND 4 2017/18)

A report was submitted by the Strategic Lead – People & Technology providing workforce monitoring information relating to Q3 (October – December 2017) and Q4 (January – March 2018).

The Committee agreed to note the contents of the report.

WORKING WELL TOGETHER – ATTENDANCE MANAGEMENT: 2017/18 ANNUAL RESULTS

A report was submitted by the Strategic Lead – People & Technology providing detailed analysis of the annual attendance performance for 2017/18.

After discussion and having heard the Strategic Lead in answer to a Member's question, the Committee agreed:-

(1)   to note the reduction in sickness absence of 59 FTE days lost (1.53%) compared to the last year for the service areas outlined in the report; and

(2)   to note the increase in Council wide sickness absence of 2,284 FTE days lost (4.87%) compared to last year, as outlined in the report.

CASUAL WORKERS POLICY

A report was submitted by the Strategic Lead – People & Technology seeking approval of the inclusion of a Complaints Procedure as an appendix to the Casual Workers Policy.

After discussion, Councillor Dickson, seconded by Councillor McColl, moved:-

    That the Committee agree:-

    (1)   to approve the revised Casual Workers Policy (amended to include a Complaints Procedure);

    (2)   to note that a separate report would similarly be provided to the Local Negotiating Committee for Teachers (LNCT) seeking approval of a revised Agreement for Supply Workers within Education, Learning & Attainment;

    (3)   to note that the revised Policy would be equally applicable to casual workers engaged by West Dunbartonshire Leisure Trust and

    (4)   to note that, whilst the revised Policy will be applicable to casual workers engaged in Council roles within West Dunbartonshire Health & Social Care Partnership, the Council has no locus to require that NHS Greater Glasgow & Clyde apply the Policy in relation to those engaged in NHS roles.

As an amendment, Councillor Rooney, seconded by Councillor Mooney, moved:-

    That the report be remitted to Council instead.

On a vote being taken, 3 Members voted for the amendment and 6 Members voted for the motion which was accordingly declared carried.

The meeting closed at 5.50 p.m.

JOINT CONSULTATIVE FORUM

At a Meeting of the Joint Consultative Forum held in Committee Room 3, Council Offices, Garshake Road, Dumbarton on Thursday, 7 June 2018 at 2.00 p.m.

Present: Councillors Jim Finn and Jonathan McColl; Claire Mackenzie (SSTA); and Val Jennings, Andy McCallion and Susan Shannon (UNISON).

Attending: Angela Wilson, Strategic Director - Transformation & Public Service Reform; Victoria Rogers, Strategic Lead - People and Technology; Ronnie Dinnie, Strategic Lead - Environment and Neighbourhood; Julie Lusk - Head of Mental Health, Learning Disability & Addictions; Darren Paterson, Strategic HR Manager; Claire Cusick, Senior Education Officer - Pupil Support; Lorraine Mair, Organisational Development and Change Lead; Louise Hastings, HR Business Partner; Raymond Lynch, Senior Solicitor; and Scott Kelly, Committee Officer.

Apologies: Apologies for absence were intimated on behalf of Councillors Karen Conaghan, Ian Dickson and David McBride; David Scott (GMB); and Charlie McDonald (Unite).

APPOINTMENT OF CHAIR, VICE CHAIR AND JOINT SECRETARIES

The Senior Solicitor invited the Forum to consider, in terms of its constitution, the appointment, from the Council Side, of the Chair of the Forum for the next year.

It was agreed that Councillor Jonathan McColl be appointed as Chair. Accordingly, Councillor McColl assumed the Chair.

Councillor Jonathan McColl in the Chair

Councillor McColl, Chair, then invited the Forum to consider the appointments of the Forum's Vice Chair, from the Trade Union Side, and Joint Secretaries for the next year.

It was agreed:-

(1)   that Victoria Rogers, Strategic Lead - People and Technology, be appointed as the Joint Secretary for the Council Side; and

(2)   that the appointments of the Vice Chair of the Forum and the Joint Secretary for the Trade Union Side be continued to the next meeting of the Forum.

DECLARATIONS OF INTEREST

It was noted that there were no declarations of interest in any of the items of business on the agenda.

MINUTES OF PREVIOUS MEETING

The Minutes of Meeting of the Joint Consultative Forum held on 7 December 2017 were submitted and approved as a correct record.

BE THE BEST CONVERSATIONS UPDATE

A report was submitted by the Strategic Lead - People and Technology providing an update on the progress achieved in implementing Be the Best Conversations, and the supporting actions to embed the approach ensuring continued positive outcomes.

After discussion and having heard the Organisational Development and Change Lead in further explanation of the report, the Forum agreed to note the progress with the implementation and ongoing actions.

WORKING WELL TOGETHER: QUARTER 3, 2017/18

A report was submitted by the Strategic Lead - People and Technology providing a detailed analysis on the attendance performance for Quarter 3.

The Forum agreed:-

(1)   to note that in Quarter 3, 2017/18 a total of 13,323 FTE days had been lost due to sickness absence which was a decrease of 81.12 FTE days lost (-3.1%) compared to the same period last year, as outlined in Appendix 1 to the report;

(2)   to note that compared to the previous quarter, there had been a 12% increase in FTE days lost; and

(3)   to note the revised frequency with which this report would be provided to the Forum in future.

WORKING WELL TOGETHER: ATTENDANCE MANAGEMENT 2017/18 ANNUAL RESULTS

A report was submitted by the Strategic Lead - People and Technology providing a detailed analysis of the annual attendance performance for 2017/18.

After discussion and having heard officers in explanation of the report and in answer to Members' questions, the Forum agreed:-

(1)   to note the annual reported absence for 2017/18 which showed an increase in absence of 1.9%, from 10.47 FTE days lost per employee in 2016/17 to 10.67 FTE days lost per employee in 2017/18, this representing an increase of 2,284 FTE days lost, as outlined in Appendix 1 to the report;

(2)   to note, as had been advised previously, that future Working Well Together reports would be submitted to the Forum on a bi-annual basis as opposed to quarterly, with the next report for 2018/19 due in December 2018 (reporting on absence from 1 April 2018 to 31 October 2018);

(3)   to note the terms of the discussion which had taken place in relation to mental health and work-related stress, and in particular: (i) that efforts to reduce these types of absence would be detailed in future reports to the Forum; (ii) that because details of stress risk assessments were not recorded centrally it would not be possible for statistics relating to these to be included in future reports; and (iii) that if Trades Unions had any particular concerns in relation to the application of the Stress Management Policy, these should be discussed in the first instance with the relevant manager and strategic lead; and

(4)   to note: (i) the terms of the discussion in relation to absence-related overtime being worked by part-time and sessional employees; (ii) that peripatetic pools should allow resources to be directed where they are most needed; and (iii) that managers should only use overtime as a last resort.

EMPLOYEE RELATIONS MONITORING – QUARTER 3 UPDATE (1 OCTOBER TO 31 DECEMBER 2017)

A report was submitted by the Strategic Lead - People and Technology advising of progress on employment relations matters for the period 1 October to 31 December 2017.

The Forum agreed to note the contents of the report and the revised frequency with which this report would be provided to the Forum in future.

EMPLOYEE RELATIONS MONITORING – QUARTER 4 (1 JANUARY TO 31 MARCH 2018) AND ANNUAL (1 APRIL 2017 TO 31 MARCH 2018) UPDATE

A report was submitted by the Strategic Lead - People and Technology advising of progress on employment relations matters for the period 1 January to 31 March 2018 and an annual analysis for the period 1 April 2017 to 31 March 2018.

After discussion and having heard the Strategic HR Manager in further explanation of the report and in answer to Members' questions, the Forum agreed:-

(1)   to note the concern raised by Mr McCallion in relation to the time taken to progress grievance and disciplinary cases; and

(2)   otherwise to note the contents of the report.

TRADES UNIONS ISSUES

The Forum noted that in advance of the meeting the Trades Unions had intimated two items which they wished to raise.

Potential Budget Cuts and Management Adjustments (item requested by Joint Trades Unions)

The Trades Unions representatives who were present declined to be heard in respect of this matter.

Councillor McColl, Chair, stated that at a recent meeting of the Budget Working Group, Members representing the Administration had advised officers that management adjustments and savings options should both be included in the 2019/20 Council Budget Consultation.

Flexible Retirement (item requested by Unite)

The Forum heard from Ms Jennings who expressed concern at flexible retirement being available to some employees but not to those working in frontline services, resulting in a 'two-tier' workforce.

In response, the Strategic Lead - People and Technology stated that it was not the case that those working in frontline services could not be considered for flexible retirement and that indeed the opposite was evident in those being approved. A report to the meeting of the Corporate Services Committee held on 16 May 2018 had shown an increase in the number of approvals of requests for flexible retirement, all of which were at Grade 7 and below.

Following discussion, the Forum agreed:-

(1)   to note that the approval of requests for flexible retirements would be conditional upon the minimisation of impact on the relevant section's service;

(2)   that managers had sought to accommodate requests for flexible retirement by identifying working patterns which aimed to suit both the needs of the service and the wishes of the applicant, notably by 'pairing-up' applicants' working patterns; and

(3)   that future reports to the Corporate Services Committee would detail the number of flexible retirement applications which had been submitted and rejected.

PROGRAMME OF FUTURE MEETINGS

The Forum agreed the undernoted dates, times and venues for future meetings of the Forum:-

- Thursday, 13 September 2018 at 2.00 p.m. in Council Chamber, Clydebank Town Hall
- Thursday, 6 December 2018 at 2.00 p.m. in The Bridge, 16 Church Street, Dumbarton
- Thursday, 14 March 2019 at 2.00 p.m. in Council Chamber, Clydebank Town Hall
- Thursday, 13 June 2019 at 2.00 p.m. in The Bridge, 16 Church Street, Dumbarton

The meeting closed at 2.50 p.m.

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead - Resources

Corporate Services Committee: 22 August 2018

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Subject: Non-domestic Rates Options

1.   Purpose

1.1   The purpose of this report is to seek Committee approval to publicise businesses that have not paid their non-domestic rates (NDR).

2.   Recommendations

2.1   It is recommended that the Committee agree to publicise the businesses that have not paid their NDR's in line with The Non-Domestic Rating (Collection and Enforcement) Regulations.

3.   Background

3.1   NDR, also known as business rates, is a property based tax charged to businesses based on a property's rated value. All local authorities collect the rates and the monies collected are pooled into a national central fund. The Scottish Government allocates a grant to each authority from this fund through the Local Government Finance settlement. The income from NDR's is currently the second largest source of revenue under the control of the Scottish Government.

3.2   The Council's annual billing amount for NDR in 2018/19 was £87,198,730 (including utility charges). In 2017/18 the Council collected 98.36% in-year.

3.3   Over the years there have been issues with companies not paying NDR charges and the Council eventually having to write these off following all available diligence routes to recover the debt. Often companies are dissolved/go into administration, etc. and re-appear almost immediately as so-called "phoenix companies". Such businesses may gain a competitive advantage over other similar businesses which do pay.

3.4   In 16th August 2017, our debt collection partners, Walker Love, provided a briefing to elected members on NDR collection and the difficulties faced when collecting NDR's.

4.   Main Issues

4.1   Publicising businesses that fail to pay NDR in West Dunbartonshire could help improve collection of rates and also raise public awareness of the businesses that do not pay their rates. Legal Services have advised that there is nothing

to prohibit the Council from doing the same. The Council could, like HMRC, publish the name, type of business, address, period of default and total amount due. Clearly the Council would not publish information immediately after the debt becomes due. The Corporate Debt team will undertake due diligence as part of its debt management process and only when unsuccessful would a decision can be taken to publish any information. The current NDR recovery legislation only allows a final notice to be issued 6 months after the first instalment date, therefore the publishing date is likely to be at least 10 months after the first instalment date. There are no restrictions on where such information could be published, which can be reviewed in due course. The only restriction around publishing any information is where the defaulting company is an individuals or a sole proprietorship as Data Protection Legislation arguably places restrictions, which the team will assess ahead of any action.

4.2   If approval is granted, the Revenues and Benefits Section will work with Corporate Communications and where appropriate Legal to create a campaign to publicise the introduction of naming businesses which will inform citizens and businesses of our approach. The campaign will be aimed at encouraging engagement with businesses that have previously failed to engage with us and provide details on the levels of support available and provide the various contact methods available prior to naming businesses.

4.3   We will publicise the business name and address, the nature of the business, the default period and the amount of unpaid NDR on a dedicated webpage, other social media sites will be utilised and local press will be provided with the release which will include a statement advising that the information is correct as at the date of publishing. On a monthly basis, we will review new businesses that fail to pay their NDR and will publicise any in the same manner. Direct contact numbers for our NDR section will be provided for businesses or citizens to contact for assistance.

4.4   Prior to the information being publicised, a full internal check will be carried out by officers to ensure the billing and recovery process has been followed correctly and each case will be reviewed and approved by the Business Support Manager.

4.5   There are no data protection issues as we are publicising business information.

5.   **People Implications**

5.1   Training will be provided to relevant staff based on the proposed process should this policy approach be approved.

6. **Financial and Procurement Implications**

6.1 There are no direct financial implications arising from this report, though it is hoped that by implementing this policy the NDR income collected will increase.

6.2 There are no procurement implications.

7. **Risk Analysis**

7.1 A risk analysis highlighted the potential of naming a business when the correct billing and recovery process had not been carried out. The possibility of this occurring is extremely low however, the process stated at 4.4 manages this risk and ensures each case is fully reviewed and approved before being publicised.

7.2 There is a low risk that by publicising this (in the Committee and subsequently quite likely to be reported in the press) that other businesses that currently do pay, decide not to.

8. **Equalities Impact Assessment (EIA)**

8.1 No significant issues were identified in a screening for potential equality impact of this report.

9. **Consultation**

9.1 Legal Services and Finance have been consulted in relation to this report and have advised no issues with the contents of the report.

9.2 Scottish Government have been consulted in relation to this report and support the proposed approach in tackling non-payment of NDR.

10. **Strategic Assessment**

10.1 Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

Stephen West
Strategic Lead – Resources
Transformation and Public Service Reform

Date: 13 July 2018

Person to Contact: Ryan Chalmers, Section Head (Revenues & Benefits),
Garshake Road. Telephone (01389) 737557.
Email: ryan.chalmers@west-dunbarton.gov.uk

Appendices: None

Background Papers: None

Wards Affected: All council Wards

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead - Resources

Corporate Services Committee: 22 August 2018
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Subject: Housing Benefit Performance Audit

1.   Purpose

1.1   The purpose of this report is to advise the Committee on the recent inspection of the Council's Housing Benefit (HB) service carried out by Audit Scotland.

2.   Recommendations

2.1   It is recommended that the Committee notes the Audit Scotland report and the Council's action plan.

3.   Background

3.1   Audit Scotland has a housing benefit risk assessment programme. The key objective of the risk assessment is to determine the extent to which the benefit service is meeting its obligations to achieve continuous improvement in all its activities. Specifically, this risk assessment considers the effectiveness of the benefit service in business planning and reporting; and delivering outcomes in the speed of processing, processing accuracy, interventions and overpayments.

3.2   A risk assessment was previously carried out on the Council's benefit service in September 2013 when Audit Scotland identified five risks to continuous improvement. Following receipt of the report, the Council submitted an action plan in October 2013 to address these risks.

3.2   Information for the risk assessment was gathered from a range of sources including:

- the self-assessment, supporting evidence, and updated action plan submitted;
- Department for Work and Pensions (DWP) indicators and other performance measures;
- scrutiny of internal and external audit reports;
- discussions with the appointed external auditor; and
- discussions with senior officers in the council during the site visit in January 2018.

4.   Main Issues

4.1 The Council conducted a self-assessment of the housing benefits service in November 2017 and submitted this to Audit Scotland for evaluation. Audit Scotland reviewed the Council's self-assessment submission and were onsite to conduct an evaluation of the assessment in January 2018.

4.2 Audit Scotland considered the risks to the housing benefit service and a report outlining the risks to the service was sent to the Council on 13 June 2018. A copy of the report is attached as Appendix 1. The risks identified were considered and an action plan submitted to Audit Scotland and agreed on 28 June 2018, attached as Appendix 2.

4.3 Audit Scotland has recognised that significant progress has been made confirming that four of the five risks identified had been completed while one risk was outstanding from those identified in the October 2013 action plan.

4.4 The one risk outstanding was discussed during the onsite visit in January and at subsequent meetings and following an explanation being given, Audit Scotland confirmed on 28 June 2018 that no further scrutiny is required at this stage. The outstanding risk in contained within Appendix 2 as risk number 5.

4.5 The report also highlights many areas of positive practice within the housing benefit service. This includes making good use of an online performance management tool, delivering continuous improvement in the average time taken to process change events, having a clear management checking process in place and having a proactive approach to minimising HB overpayments.

4.6 The report identified four new risks to continuous improvement with two of the risks being complete by the time of this Committee and the other two being progressed in line with the action plan.

5. People Implications

5.1 The implementation of elements of the action plan will result in some small changes in processes and procedures for employees to follow, it is not anticipated that these will increase levels of workload within the team.

6. Financial and Procurement Implications

6.1 There are no financial or procurement implications arising from this report.

7. Risk Analysis

7.1 Failure to implement the agreed action plan could result in Audit Scotland carrying out a focused audit of the benefit service and ultimately the DWP could instruct the Secretary of State to intervene in the administration of housing benefit. The actions within the action plan will be implemented as identified.

8. Equalities Impact Assessment (EIA)

8.1 There is no requirement to carry out an equalities impact assessment.

9. Consultation

9.1 Legal Services and Finance have been consulted in relation to this report and have advised no issues with the contents of the report.

10. Strategic Assessment

10.1 Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the 5 strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

Stephen West
Strategic Lead – Resources
Transformation and Public Service Reform

Date: 9 July 2018

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Person to Contact:	Ryan Chalmers, Section Head (Revenues & Benefits), Garshake Road. Telephone (01389) 737557. Email: ryan.chalmers@west-dunbarton.gov.uk
Appendices:	Audit Scotland Risk Assessment Report Housing Benefit Action Plan
Background Papers:	None
Wards Affected:	All council Wards

West Dunbartonshire Council

Audit of housing benefit

Risk assessment report

AUDIT SCOTLAND

Prepared for West Dunbartonshire Council

June 2018

Contents

Introduction

1. This risk assessment was completed as part of Audit Scotland's housing benefit (HB) risk assessment programme. It does not represent a full audit of West Dunbartonshire Council's benefit service.

2. The Local Government in Scotland Act 2003 introduced new statutory duties relating to Best Value and Community Planning. The key objective of the risk assessment is to determine the extent to which the benefit service is meeting its obligations to achieve continuous improvement in all its activities.

3. Specifically, the risk assessment considers the effectiveness of the benefit service in meeting national and local priorities, business planning and reporting, and delivering outcomes.

4. Information for this risk assessment was gathered from a range of sources including:

   • the self-assessment, supporting evidence, and updated action plan provided by the council

   • Department for Work and Pensions (DWP) indicators, and other performance measures

   • scrutiny of internal and external audit reports

   • discussions with the appointed external auditor

   • discussions with senior officers in the council during our site visit in January 2018.

Executive summary

5. A risk assessment was previously carried out on the council's benefit service in September 2013 when Audit Scotland identified five risks to continuous improvement. This was reported to the Chief Executive in September 2013 and, in response, the council submitted an action plan in October 2013 to address these risks.

6. As our risk assessment had highlighted that the council's speed of processing had declined significantly, we requested an update on performance in respect of new claims and change events processing for quarters 3 and 4 of 2013/14, which was provided in May 2014.

7. As this update showed a significant improvement in claims processing times, from an average of 40 days for new claims and an average of 10 days for change events, to an average of 30 days and eight days respectively in the last quarter of 2013/14, the council was advised by Audit Scotland in May 2014 that no further scrutiny was required.

8. The council has addressed four of the five risks identified in 2013 by:

   - improving new claims processing times from an average of 47 days in July 2013, to an average of 25 days in March 2014

   - improving the level of information recorded from interventions outcomes

   - delivering improvements in accuracy levels from 96% in 2013/14 to 98% in 2017/18, as at 31 December 2017

   - ensuring the report that detailed the number of new claims outstanding included all new claims received, including those that were not yet registered on the council's benefit IT systems.

9. Although the council continues to demonstrate awareness of what constitutes an effective, efficient and secure benefit service, there is one risk outstanding from our previous risk assessment (see Appendix A) and four new risks identified. The council needs to address these risks by:

   - setting targets for the work of the benefit service within the *Resources Delivery Plan* to allow members of the Corporate Services Committee to challenge and support the service to deliver improvements at the twice-yearly review of the plan, if required

   - implementing a fast-track process to allow claims that have been received with all information to be priority processed

   - considering reducing the volume of management checks, which could provide additional processing resource and help improve new claims processing times

   - improving in-year debt recovery performance, which is considered low when compared to other Scottish councils

- setting targets for the work of the dedicated benefit overpayment recovery team to allow the service to determine how effective the team is at reducing the level of invoiced HB debt.

Background

10. Since our previous visit in 2013, there have been a number of significant changes to the Revenues and Benefits service. In April 2016, the long serving Section Head - Revenues and Benefits retired and the Section Leader - Support and Continuous Improvement also left the service. At the same time, and as part of the process of appointing the new Section Head - Revenues and Benefits, the benefit service was restructured which resulted in the removal of three management posts:

    - Section Leader - Benefits and Council Tax

    - Section Leader - Support and Continuous Improvement

    - Section Leader - Welfare Fund.

11. The benefit service managed this change by reviewing the remaining roles, responsibilities and workloads and by streamlining processes. However, the council identified that the transition to the new structure had a short-term impact on the delivery of the service. Although this can be expected at a time of change, the service responded positively and by October 2016, claims processing times had returned to normal levels.

12. In May 2017, the Revenues and Benefits service relocated to bring all revenues and benefits staff into one office location with the aim of delivering a more effective, efficient and streamlined service to customers. The council faced challenges at this time, due to the absence of key staff at the time of the relocation, and thereafter in the resourcing of the service due to long-term sickness absence.

13. Although it is recognised that the council worked hard to manage these changes by recruiting new staff, carrying out an evaluation of the service to identify areas for improvement, and utilising an external company to assist in the processing of change events, inevitably this has impacted on claims processing times. This is discussed in more detail under *Speed of processing*.

Business planning and reporting

14. An effective business plan provides an opportunity for the council to set out the aims and objectives for each service and should contain key deliverables against which performance is measured, monitored and reported.

15. The council's *Strategic Plan 2017-2022* is the key document that governs the work of all council services and its vision is *to deliver high quality services, led by priorities identified by the communities, in an open and transparent way*. Underpinning this is a commitment to reduce inequality and tackle the root causes of poverty.

16. Revenues and Benefits is part of Business Support, a key service of the Resources department. At an operational level, the *Resources Delivery Plan 2017/18* sets out the objectives and priorities for the Revenues and Benefits service. The key objectives are to:

    - deliver high quality services which fully respond to the demands of communities and internal service users

    - support services to be the best by providing robust, reliable performance information to underpin continuous improvement

    - improve performance from previous years through implementing a number of improvement actions.

17. The delivery plan also contains two key performance indicators for the benefit service, which are the average time to process new claims and the average time to process change events. Although targets for these indicators form part of the council's performance management framework, they do not feature in the delivery plan.

18. It is important that targets are in place and documented in the *Resources Delivery Plan* as this is the key document that the service reports on to the Corporate Services Committee twice yearly. When reporting performance, the council should set it in context of the Scottish landscape, where possible, and against previous year's performance, as this would allow members to recognise good performance, and challenge and support the service to improve, when appropriate.

19. To manage the changes arising from the UK Government's welfare reform agenda, the council set up a Welfare Reform Program Board in 2012. The membership of the board included senior management from the council, members of the DWP's Universal Credit (UC) team, and other key stakeholders.

20. An action plan was produced to address the issues arising and, as the council moved closer to commencing UC 'live service' in March 2015, the benefit service had regular meetings with key DWP staff and colleagues within Housing Strategy to ensure that all relevant staff were fully aware of the upcoming changes.

21. As part of the DWP's rollout of UC 'full service', which is scheduled to commence in quarter three of 2018/19, the Section Head - Revenues and Benefits and Assistant Section Leader have liaised closely with DWP colleagues and a training timetable for staff has been developed. In addition, the benefit service has met with key internal and external stakeholders including Housing, Housing Strategy, Working 4 U, and Customer Services to ensure a smooth transition to UC 'full service'.

22. The council told us that it has experienced difficulty recruiting and retaining benefit processors and that since November 2016, four experienced processors have left the service. In addition, during the last recruitment exercise, none of the 11 applicants interviewed were considered suitable. In view of this, and to manage peak workloads and the transition to UC 'full service', in September 2016, the council approved £35,000 of additional funding for the benefit service to engage an external agent to assist in the processing of change events.

23. This level of funding continued into 2017/18 and, in February 2018, the service sought approval from the Corporate Services Committee for an increase in funding to £75,000 for 2018/19, which was approved.

24. In a period of increasing workloads and reduced resources, there is evidence that the council has been proactive in its efforts to manage the benefit service effectively and efficiently and that it has a clear focus on delivering a quality service. In addition to securing the services of an external agent to provide additional resource, it has implemented a number of other changes. These include:

- implementing a risk based verification approach to managing new claims in September 2015
- introducing flexible working for staff
- transferring the responsibility for answering telephone queries from the benefit service to the customer service team in January 2018, to ensure that benefit processors can focus on processing claims.

25. There is regular reporting of benefit service performance to staff and senior management to provide assurance that the service is operating effectively and efficiently. This includes

- weekly meetings between the Assistant Section Leader and the Senior Benefit Officers to discuss performance and work priorities

- monthly meetings between the Section Head - Revenues and Benefits and the Assistant Section Leader to review the monitoring spreadsheet for exceptions, and to discuss priorities for the upcoming month

- monthly one-to-one meetings between:

  - the Section Head - Revenues and Benefits and the Business Support Manager

  - the Business Support Manager and the Strategic Lead - Resources

  - the Strategic Lead - Resources and the Strategic Director.

- regular informal meetings with staff

- regular meetings of the Strategic Lead - Resources Management Team and Corporate Management Team meetings.

26. In addition, the council makes good use of an online performance management tool, which is updated monthly, and is available to view by senior management and members. This contains detailed benefit performance information. For example, the:

- average time to process new claims and change events

- percentage of claims processed within 14 days of receipt of all information

- value of HB overpayments identified during the year

- percentage of cases calculated correctly on the basis of the information available

- percentage of new claims outstanding over 50 days.

27. There is also weekly monitoring of workloads, and a claims over-ride report is checked monthly to identify and establish the reason for claims with an incorrect start date (e.g. 2017 instead of 2018), and to take corrective action if required.

28. Elected members can access information in respect of benefit service performance by using the online performance management tool and performance is reported formally to the Corporate Services Committee twice yearly, at the mid-year and end of year review of the *Resources Delivery Plan*.

Risk to continuous improvement	
1	Although there are targets for the benefit service, and performance is reported against these as part of the council's performance management framework, there are no targets for the two key HB performance indicators in the Resources Delivery Plan. As this is the key document against which performance is reported to the Corporate Services committee at the twice-yearly review of the plan, there is scope for the service to include performance against these indicators to allow members the opportunity to acknowledge good performance and to challenge and support the service to deliver improvements, if required.

Delivering outcomes

29. Effective operational processes and IT systems, along with skilled staff, help benefit services deliver sound performance and continuous improvement. The council has a number of management arrangements in place to support this.

Speed of processing

30. When customers claim benefit, it is a time of financial uncertainty for them and, as such, it is essential that the service has sufficient fully trained and effective benefit processors in place that can make informed decisions on complex benefit claims and pay benefit promptly.

31. Exhibit 1 illustrates the council's current and previous performance.

Exhibit 1: Speed of processing performance (average number of days)					
	2014/15	**2015/16**	**2016/17**	**2016/17 Scottish Average**	**2017/18 (31 Dec)**
New claims	24 days	27 days	26 days	22 days	26 days
Change events	7 days	5 days	5 days	6 days	4 days

Source: West Dunbartonshire Council & DWP

32. As detailed under *Background* there have been a number of changes to the benefit service since our previous risk assessment including changes to the management structure, difficulties in recruiting and retaining benefit processors, and long-term absences in 2017.

33. However, despite additional workloads and the loss of resources, staff have responded positively and the service has maintained its new claims processing performance in 2017/18 while delivering continuous improvement in the average time taken to process change events from 2016/17 to 2017/18, as at 31 December 2017.

34. To achieve this, and to make the service more efficient and streamlined, the council has made a number of changes to its business processes. These included:

- implementing risk based verification for new claims in September 2015, which ensures that enhanced checks are carried out on medium and high-risk claim types

- introducing a facility for customers to make a claim and report a change event online

- carrying out a service evaluation, which resulted in six actions for improvement which were being implemented

- launching an online portal to enable private and housing association landlords to access payment schedules and basic claim details for their tenants

- making good use of the DWP's Automated Transfer to Local Authority Systems service to automate approximately 75% of reported changes

- weekly caseload management to help reduce the number of claims outstanding.

35. Although the council takes a proactive approach to delivering the benefit service, we were told that claims are processed in strict date order. This means that the council is missing an opportunity to identify and prioritise claims that are complete with all information, which could lead to improved processing times. The council has acknowledged this, and is considering introducing a fast-track process to address this, which should help improve claims processing times and, with customer education, increase the number of claims received with all necessary information.

36. In 2016/17, the council was ranked 26th out of all councils in Scotland for the average time to process new claims and 10th for the average time to process change events, based on DWP's 2016/17 published data. Since 2014/15, the council has performed well in the time taken to process change events with performance below the Scottish average each year. Although performance in respect of new claims processing could be further improved, when compared to performance at the time of the 2013 risk assessment, when the council was processing new claims in an average of 39 days, overall improvements have been realised.

37. When we compared the council's internally reported speed of processing performance to the DWP's published performance data for quarter two of 2017/18 we were unable to reconcile the figures. When we analysed this data, we found a significant discrepancy in the number of new claims and change events processed in 2016/17 and 2017/18, when compared to the DWP's published data as shown in exhibit 2 below.

Exhibit 2: Comparison of DWP published data to West Dunbartonshire Council's internally reported performance 2016/17 to Q2 2017/18				
	WDC 2016/17	**DWP 2016/17**	**WDC 2017/18 (at 30 Sep)**	**DWP 2017/18 (at 30 Sep)**
No. of new claims processed (difference)	2,849	3,309 (+460)	1,225	810 (-425)
Avg. time to process new claims	26 days	29 days (+3 days)	27 days	30 days (+3 days)
No. of change events processed	44,800	39,695 (-5,105)	41,872	35,751 (-6,121)
Avg. time to process change events	5 days	5 days	3 days	6 days (+3 days)

Source: West Dunbartonshire Council & DWP

38. Following discussions with the Section Head - Revenues and Benefits it was established that the average time to process new claims in 2016/17, as reported by the council, was correct. The discrepancy had been raised with the DWP and it was found to be as a result of the DWP not taking into account claims that had been overridden, which had resulted in an incorrect calculation of processing performance.

39. While this has continued into 2017/18, the council has taken steps to address the discrepancy and planned changes to procedures should ensure that internally reported performance will be more in line with that published by the DWP going forward.

40. Audit Scotland identified two risks to continuous improvement during the previous risk assessment in 2013:

- the system report that details new claims that have been outstanding for more than 25 days did not include new claims that had been received but not registered on the benefit system, and was therefore understating the total number of new claims outstanding

- there was a risk that the planned actions to improve new claims processing times would not lead to an improvement in performance levels.

41. There is evidence that both these risks have been addressed as all new claims are now recorded on the amended system report, and the time for new claims processing had improved from an average of 47 days in July 2013, to an average of 24 days in December 2013.

Risk to continuous improvement	
2	The council does not have a fast-track process to allow claims that have been received with all information to be priority processed.

Accuracy

42. The accurate and secure administration of HB should be a key priority for every council, and to support this, it should have a robust quality assurance framework in place.

43. The council has a clear management checking process and procedures are in place for carrying out these activities. On a weekly basis, the Senior Benefit Officers select a random sample of claims from the benefit IT system that were processed the previous week and aim to check between 5% and 10% of each processor's work, depending on the experience of the processor and analysis of errors found previously.

44. All management checks are carried out pre-payment, which is considered good practice as it allows the council to correct any errors found before a payment is made therefore reducing the potential for an overpayment to arise. Outcomes are summarised and recorded on an electronic spreadsheet, which is used to identify any trends or patterns of error and used by the training officer to set the focus for any remedial training, or to issue staff bulletins, as required.

45. In addition to the weekly management checks, the benefit service carries out other checks to help ensure the accuracy of the caseload. These include:

- a 100% prepayment check of the work of new staff by the training officer, which is reduced incrementally as the processor gains confidence
- a 100% check of all payments over £750 to ensure the accuracy of the payment
- a monthly check of the claims over-ride report to correct any claims where an incorrect date has been used (e.g. 2017 instead of 2018).

46. Exhibit 3 illustrates the council's current and previous accuracy performance.

Exhibit 3: Financial accuracy performance		
	Target	**Achieved**
2014/15	99%	99%
2015/16	99%	98%
2016/17	99%	97%
2017/18 (30 Jun)	99%	98%

Source: West Dunbartonshire Council

47. The council has historically performed well in this area and its high accuracy levels have resulted in the value of local authority/admin error overpayments being well below the DWP threshold of 0.48%, after which the council can lose subsidy.

48. When performing checks, the council should consider focussing on higher areas of risk as determined by the risk based verification score of the claim. This would reduce the volume of management checks currently being carried out, and could provide additional processing resource for the benefit service to help improve claims processing performance.

49. Audit Scotland identified one risk to continuous improvement during the previous risk assessment in that accuracy performance was in decline and there was no target to reduce the number of non-financial errors, which had increased from 15% at January 2013 to 23% at June 2013.

50. We consider that this risk has been addressed as, although there is no specific target to reduce the number of non-financial errors, these are now being recorded and monitored as part of the management checking process, and the council has improved its accuracy levels from 96% in 2013/14 to 98% in 2017/18, as at 31 December 2017.

Risk to continuous improvement	
3	While the council performs well in this area, there is scope to consider reducing the volume of management checks carried out in order to help deliver improvements in claims processing times.

Interventions

51. To minimise error in the caseload, councils must encourage customers to report change events on time and have a robust intervention programme to identify changes and take appropriate corrective action.

52. To support this, the benefit service notification letters remind customers of the requirement to report any change event. In addition, the council's website provides customers with details of office opening hours, information on how to contact the benefit service by telephone, letter, or e-mail, and an online form that can be used to notify the council of a change event.

53. The council also actively participates in the DWP's Housing Benefit Matching Service, Audit Scotland's National Fraud Initiative, and more recently the DWP's Real Time Information (RTI) and optional RTI data matching services, which all help to identify possible unreported change events that require further investigation.

54. In 2016/17, the council was successful in obtaining approximately £30,000 from the DWP's Fraud and Error Reduction Incentive Scheme. This scheme provides councils with funding to target intervention activities at specific areas of its caseload considered to be at high risk of having an unreported change event. The council used this funding to recruit an additional 1.5 full-time equivalent benefit processors, enhance its benefit IT system to allow for better analysis of its caseload, and to develop a series of radio advertising campaigns to remind customers of the need to notify the council of a change event.

55. On a daily basis, the service makes good use of the benefit IT system diary facility to highlight claims where future changes are expected or known, which could affect the customer's entitlement to benefit, for example, a significant birthday or a change in household details.

56. The outcomes from interventions activity are recorded on the benefit IT system. However, as the interventions module on the benefit IT system is limited, the outcome can only be recorded as an increase, decrease, or no change to benefit.

57. Exhibit 4 below details the outcomes from the council's interventions activity.

Exhibit 4: Interventions performance			
	No. of interventions completed	No. of decreases in benefit identified	%
2014/15	747	586	78%
2015/16	994	876	88%
2016/17	1023	881	86%
2017/18 (31 Dec)	651	571	88%

Source: West Dunbartonshire Council

58. The council has performed exceptionally well in this area with high levels of interventions outcomes resulting in the identification of an unreported change event. A further improvement could be made if the council analysed interventions outcomes to determine the cost

effectiveness of each campaign. This is considered good practice as it could help the service make fully informed decisions on the best use of its limited resources when planning its future interventions strategy.

59. In 2017/18, as the council was receiving assurance from the regular provision of data from the DWP which helps the council to identify and manage undeclared change events, a decision was taken to reduce proactive interventions activity and focus resources on improving claims processing times.

60. Therefore, at the time of the site visit, the council advised that proactive interventions activity would focus on an annual council tax single persons discount exercise. However, following approval from the Corporate Services Committee in February 2018 for additional funding to continue working with an external agent to assist in the processing of change events, the service told us that it plans to introduce additional proactive intervention activity in 2018/19.

61. Audit Scotland identified one risk to continuous improvement during the previous risk assessment in that there was limited analysis of interventions outcomes to help identify trends and patterns.

62. We consider that this risk has been addressed as the council had improved the recording of its interventions outcomes, and had used the information to determine its ongoing approach.

Overpayments

63. To protect public funds, councils should take appropriate steps to ensure that overpayments are minimised and that, when they do occur, they are correctly classified and rigorously recovered.

64. The HB and CTB Overpayment Policy was developed in 2010 and sets out the benefit service's approach to recovering benefit debt, details the types of overpayment that can arise, and the options that are available for recovery. Although the policy should be updated to conform with current legislation and guidance, it is a comprehensive operational framework for the service.

65. At a corporate level, the Corporate Debt Policy sets out the council's approach and has a stated aim to *'maximise income collection where necessary, assisted by ensuring maximising benefits uptake where appropriate'*.

66. The benefit service has a proactive approach to minimising overpayments by active and regular caseload management, and monitoring and suspending claims as soon as there is a doubt over entitlement. The council also has a dedicated overpayment recovery team, which consists of a supervisor and five overpayment officers, three of which are focused on the recovery of benefit overpayments where the customer is no longer in receipt of benefit.

67. If it is not possible to recover an overpayment from ongoing benefit entitlement, an invoice is issued to the customer, followed by a reminder and a final notice. Where no response is received after the final notice stage, the council makes good use of recovery options including:

- utilising the DWP's Payment Deduction Programme to automate the recovery of HB overpayments from DWP benefits, where appropriate

- using the DWP's Customer Information System to trace customers who are no longer resident within the local authority area

- using a Direct Earnings Attachment (DEA) when the customer is in employment

- using other commercial products.

68. To minimise benefit overpayments, the council prioritises change events that could lead to an overpayment, uses benefit IT system reports to predict changes, and reminds customers wherever possible of the need to report any changes. This proactive approach has helped minimise the number of local authority (LA) /administrative error overpayments that can arise as a result of processing delays. This is particularly important as a council can lose subsidy where its LA/administrative error rate exceeds 0.48% of all HB payments made.

69. In 2015/16 and 2016/17, the council has performed well against this target by recording a LA/administrative error rate of 0.13% and 0.25% respectively.

70. Exhibit 5 illustrates the council's current and previous recovery performance.

Exhibit 5: Overpayment levels and recovery performance				
	2014/15	**2015/16**	**2016/17**	**2017/18 (31 Dec)**
Total overpayments c/f	£4,285,868	£4,977,157	£5,802,850	£6,664,797
Total overpayments raised in-year	£1,952,164	£2,196,249	£1,905,265	£1,284,456
Total value of overpayments recovered in-year	£1,046,048	£1,181,803	£1,111,110	£786,493
% of overpayments recovered in-year	54%	54%	58%	61%

Exhibit 5: Overpayment levels and recovery performance				
% of total HB debt recovered	17%	16%	14%	10%

Source: West Dunbartonshire Council

71. Although improving, the council's overpayment recovery performance in respect of in-year debt recovery, is considered low when compared to other Scottish councils where Audit Scotland has regularly seen in-year debt recovery performance above 70%.

72. Audit Scotland identified one risk to continuous improvement during the previous risk assessment in that there were no targets for the work of the dedicated benefit overpayment recovery team, and therefore the council was unable to accurately determine how effective the team was at reducing the level of invoiced debt.

73. We consider that this risk remains outstanding as there remains scope for the council to improve the level of performance information in respect of the work of the benefit overpayment recovery team to help assess the overall efficacy of the team in recovering invoiced benefit debt.

Risk to continuous improvement	
4	Although improving, the council's in-year debt recovery performance is considered low, when compared to other Scottish councils.

Appendix A

Progress against action plan update as at November 2017	
The system report that details new claims that have been outstanding for more than 25 days does not include new claims that have been received but not registered on the benefits system, and is therefore not a true reflection of the total number of new claims outstanding.	Completed
The planned actions to improve new claims processing times might not have the desired effect of significantly improving performance.	Completed
Accuracy performance is in decline, and there is no target to reduce the number of non-financial errors, which had increased from 15% at January 2013 to 23% at June 2013.	Completed
There is limited analysis of interventions outcomes to help identify trends and patterns, which would help the council, develop its interventions programme to be targeted to better effect. This would help ensure a better use of resources and provide the council with a more effective and efficient proactive interventions programme.	Completed
There are no targets for the work of the dedicated benefit overpayment recovery team, and therefore the council is unable to accurately determine how effective the team is at reducing the level of invoiced debt.	Outstanding

West Dunbartonshire Council – Risk assessment- Action Plan June 2018

Risk Number	Description of risk	Action to be taken	Responsibility		List of tasks to be carried out to remove risks	By when	Review date
			Lead officer	Partners			
1	Although there are targets for the benefit service, and performance is reported against these as part of the council's performance management framework, there are no targets for the two key HB performance indicators in the Resources Delivery Plan. As this is the key document against which performance is reported to the Corporate Services committee at the twice-yearly review of the plan, there is scope for the service to include performance against these indicators to allow members the opportunity to acknowledge good performance and to challenge and support the service to deliver improvements, if required.	The corporate format for 2017/18 Delivery Plans simply listed PIs with no actions, however the mid-year and end of year performance reports provide Members with information on actual versus targets, so performance against targets was reported. For 2018/19 Delivery Plans the PI format has targets included and performance will continue to be reported at half-annual intervals	Arun Menon	N/A	• 2018/19 Delivery Plan has targets for these two PIs included, as approved at Corporate Services Committee on 16 May 2018.	Complete	N/A
2	The council does not have a fast-track process to allow claims that have been received with all information to be priority processed	Introduce a process that allows for claims furnished with all relevant information to be prioritised over a claim awaiting further information	Ryan Chalmers	N/A	• Implement a fast track process for completed claims over claims awaiting information	Complete	1 September 2018
3	While the council performs well in this area, there is scope to consider reducing the volume of management checks carried out in order to help deliver improvements in claims processing times.	The checking in place at WDC ensures high levels of accuracy. By reducing checks will almost certainly result in this performance diminishing and overpayments being made, which needs to be dealt with administratively at a later date. WDC already use Risk Based Verification (RBV) and high risk score claims from RBV are managed by experienced employees, risk is based on likeliness of recurring overpayments (for	Ryan Chalmers	N/A	• Review current checking regime to consider appropriateness of reducing the checking levels in place to increase productivity versus the potential risk to accuracy and lost overpayments	30 September 2018	N/A

Risk Number	Description of risk	Action to be taken	Responsibility		List of tasks to be carried out to remove risks	By when	Review date
			Lead officer	Partners			
		example), the RBV does not assess risk in term of processing accuracy. However the potential of reducing management checking will be considered and implemented if felt appropriate.					
4	Although improving, the council's in-year debt recovery performance is considered low, when compared to other Scottish councils.	Review the in-year recovery against the level of write off and try and benchmark this with other Councils. WDC current policy is to minimise write-off's to ensure appropriate follow-up is efficient and effective. This policy would naturally result in different PIs to Councils which do undertake write-offs sooner than WDC	Ryan Chalmers	N/A	• Benchmark in-year recovery with practice's in terms of write-offs with other Councils, in order to review policy and efficiency	30 September 2018	N/A
5	There are no targets for the work of the dedicated benefit overpayment recovery team, and therefore the council is unable to accurately determine how effective the team is at reducing the level of invoiced debt.	Overpayment recovery is monitored on an ongoing basis by Assistant Section Leader and recorded on a spreadsheet. Individual targets are not viewed as being meaningful due to the random nature of whether an overpayment is recovered in full straight-away, or over time by recovery. For example our fraud team may identify a significant overpayment and benefit recipient may pay it immediately. This would result in one person in the Housing Benefits team being attributed with a significant recovery.	Ryan Chalmers	N/A	None	N/A	N/A

Risk Number	Description of risk	Action to be taken	Responsibility		List of tasks to be carried out to remove risks	By when	Review date
			Lead officer	Partners			
		Given that this would be a random recovery that in no way reflects individual performance, WDC believe team performance is therefore a better approach and what WDC presently monitor.					

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – People & Technology

Corporate Services Committee: 22nd August 2018

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Subject: Strategic Risks 2017-22

1.   Purpose

1.1   To provide an update on the strategic risks for 2017-22.

2.   Recommendations

2.1   It is recommended that the Committee note:

- The strategic risks as detailed at Appendix 1; and
- The next steps to further develop risks, aligned with the Delivery Plans for respective service areas.

3.   Background

3.1   Since the Council first developed and published strategic risks in 2008, they have been incrementally refined in line with strategic plans.

3.2   At the Council meeting on 25 October 2017, Elected Members approved the Council's Strategic Plan for the period 2017-2022. Consequently a review of the Council's strategic risks was undertaken, led by the Section Head – Risk and Health & Safety.

4.   Main Issues

Strategic Risk

4.1   In line with the Council's Risk Management Framework, a review of strategic risks has taken place as detailed within Appendix 1. Each risk is managed through internal controls, linked actions and associated milestones with the objective being to reduce or stabilise the level of risk through completion of linked actions over a period of time and / or ensure mitigation factors are adequate should the risks actually materialise.

4.2   Table 1 represents a risk dashboard that includes information on the original, current and target ratings for each strategic risk, as well as an assessment of the current risk status. For those newly identified strategic risks, the original and current rating will, for the purposes of this report, be the same. Each

strategic risk is identified and supported by more detailed information available on a "drill-down" basis in Appendix 1.

Table 1 Key Strategic Risk Information

Strategic Risk	Original Risk 2017	Current Risk 2018	Target Risk 2022	Risk Status Rationale
SR 001 Financial Funding.				
SR 002 School improvements.				
SR 003 Council Assets.				
SR 004 Information Technology.				
SR 005 Partnerships.				
SR 006 Citizens and Communities.				
SR 008 Cyber Attack.				
SR 009 Early Years Agenda.				
SR 010 Resourced Workforce.				
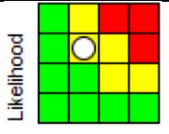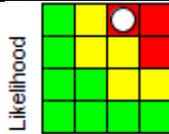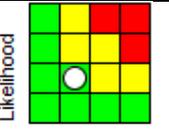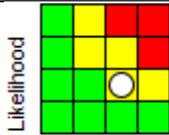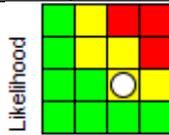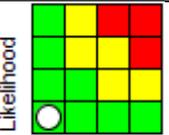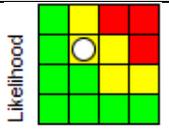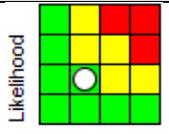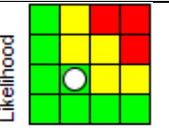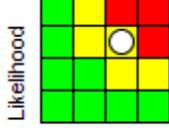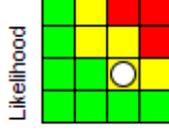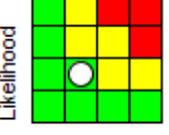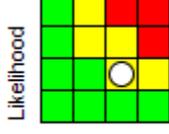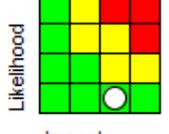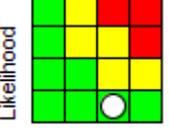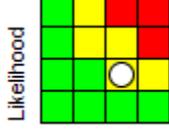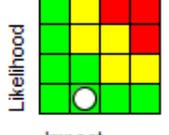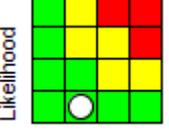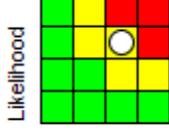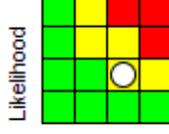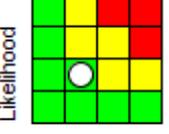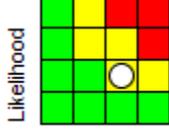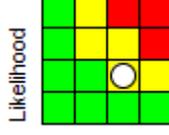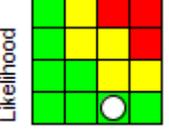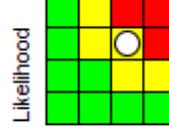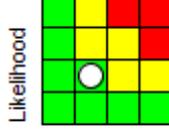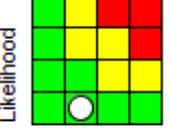
<u>Risk Methodology and Reporting</u>

4.3 Each strategic risk is now populated in Pentana in terms of the following template:

- Risk title and code;
- Description;
- Ownership;
- Potential effect;
- Measures of impact;
- Risk factors;
- Internal controls;
- Risk opportunity; and
- Linked actions.

4.4 Each risk has been scored using a "4 x 4" matrix for likelihood and impact in relation to:

- Current risk (with review dates set at pre-determined intervals); and
- Target risk (i.e. 31 March 2022 - the duration of the Strategic Plan).

The risk descriptors used in the "4 x 4" matrix are as follows:

<u>Likelihood</u>

<u>Score</u>	<u>Descriptor</u>
1	Unlikely
2	Likely
3	Very likely
4	Certain

<u>Impact</u>

<u>Score</u>	<u>Descriptor</u>
1	Minor
2	Moderate
3	Significant
4	Critical

4.5 For ownership, each strategic risk is "Managed By" a Strategic Lead and "Assigned To" a Service Manager. Strategic risks are reported on a bi-annual basis to the Performance & Monitoring Review Group and Corporate Services Committee.

Service Risk

4.6 The Section Head – Risk and Health & Safety has begun a series of meetings with strategic leads to continue to provide guidance and assistance in identifying service owned, operational risks (following the methodology in 4.3 to 4.4 above) and developing corresponding risk registers on Pentana.

4.7 A fundamental benefit exists in developing and managing service risks, namely that the identification and consequent mitigating actions serve to protect the organisation by ensuring that appropriate considerations have been made to minimise or remove any risk.

Strategic Risk Management Training

4.8 To continue to support the Strategic Leadership Group, a strategic risk management session is being developed in conjunction with the Council's third party insurance/risk administrator, Gallagher Basset, at no cost to the Council. This two hour session will include an overview of strategic risk management; consider risks from a strategic management perspective; offer an opportunity to discuss roles and responsibilities as strategic managers; and explore the Council risk management methodology.

5. People Implications

5.1 There are no people implications associated with this report.

6. Financial and Procurement Implications

6.1 There are no financial and/or procurement implications.

7. Risk Analysis

7.1 Failure to progress on risk management is likely to result in the Council being criticised by External Audit for not having an integrated approach to embedding risk management within the authority with the result that a "no scrutiny required" status will not be achieved.

7.2 Progressing with risk management will demonstrate that the Council is taking ownership of risk management so that effective measures will be put in place for the management of risk. The ability to demonstrate risk ownership should benefit the Council in terms of:

- Understanding risk and its potential impact on the Council's priorities and objectives;
- Reducing insurance premiums going forward by recognising that a mature approach to risk management will contribute to a reduction in the number and value of claims across a range of insurance classifications;
- Contributing towards incident prevention based upon post-incident

investigation;

- Meeting statutory/regulatory requirements; and
- Ensuring better partnership working with external and internal partners.

8. Equalities Impact Assessment (EIA)

8.1 An equalities screening was undertaken that identified no impact on a particular protected group.

9. Consultation

9.1 The strategic risks have been discussed with the Strategic Leads and Directors.

10. Strategic Assessment

10.1 At its meeting on 25 October 2017, the Council agreed that its five main strategic priorities for 2017 - 2022 are as follows:

- A Strong local economy and improved employment opportunities;
- Supported individuals, families and carers living independently and with dignity;
- Meaningful community engagement with active empowered and informed citizens who feel safe and engaged;
- Open, accountable and accessible local government; and
- Efficient and effective frontline services that improve the everyday lives of resident

10.2 The strategic risks in 4.1 have been identified to complement the main strategic priorities.

Name: Victoria Rogers
Designation: Strategic Lead People & Technology
Date: 19 July 2018

Person to Contact: John Duffy (Section Head) Risk and Health & Safety.
                             Telephone 01389 737897
                             john.duffy2@wdc.gcsx.gov.uk

Appendices: Appendix 1: Detailed Strategic Risk List

**Background Papers:**   Report to Council on 25 October 2017 - West
                             Dunbartonshire Council Strategic Plan 2017-22
   Risk Management Framework

Strategic Risk Report

Report Author: John Duffy
Generated on: 18 July 2018

	SR 001 Financial Funding	Current Risk Matrix
Description	The Council is faced with significant ongoing funding reductions from the Scottish Government. Austerity is expected to continue for a number of years into the future and likely to result in funding reductions. This coincides with a period where costs are expected to rise in relation to Social Care due to aging population and capped powers to raise funds through Council Tax.	
		Target Risk Matrix
Potential Effect	Shortfall in finances and therefore the Council is unable to provide all services as intended.	
Internal Controls	- 10 year Financial Strategy subject to regular review - Monitor and maintain General Services and Housing Revenue Account prudential targets - Reporting and monitoring of Treasury Management Strategy - Budgetary control process - Regular budgetary control and savings monitoring reports provided to CMT and Council / committees - Rigorous debt collection processes - Annual Internal Audit Plan - Work of External Auditors (external control) - Annual Governance Statement - Procurement Improvement Plan	
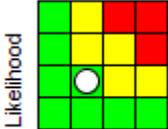
|	SR 002 School Improvements	Current Risk Matrix
Description	This risk concerns the delivery of excellence and equity for our young people to support them to attain and achieve at the highest level. In particular, it is aimed at bridging the attainment gap and breaking the cycle of disadvantage. This also includes the focus on intervention at early years to improve life chances at all points on the learning journey. A key driver is the Council's participation in the Scottish Attainment Challenge which will be delivered over 4-years from 2015. Year 3 commenced in April 2017 and will bring together the workstreams to deliver a self-improving school system programme.	
		Target Risk Matrix
Potential Effect	The national expectation for education would not be delivered. Improved outcomes for young people would not be attained and achieved. The Council would fail to meet the needs of individual learners. The Service would fail to bridge the attainment gap and break the cycle of disadvantage. The Council would fail in its legal duty for the education of young people within West Dunbartonshire. There would be reputational damage to the service and the wider Council. There would be a lack of income generation from external funding sources.	
Internal Controls	Raising Attainment Strategy Project management by Service Manager Raising Attainment/ Impact review Group (led by Chief Education Officer) Termly progress reports submitted as part of Educational Service committee reports	

|	Scottish Attainment Challenge Project Board Raising Attainment specialists in each secondary school Relevant CPD programme to support education staff Lead Officer responsible for managing Multi-Agency Family Support Team Meetings between WDC and Education Scotland/HMIE Standardised data collection templates Numeracy steering group Local Authority Coordinator Partnership working with University of Glasgow Learning Community Partnership Innovation Teams

	SR 003 Councils Assets	**Current Risk Matrix**
Description	Risk: That the Council's assets and facilities are not fully fit for purpose with consequent adverse impact on our ability to deliver efficient and effective services. Assets included in this assessment are; the Council's property portfolio, housing stock, roads and lighting, fleet and open space	
		Target Risk Matrix
Potential Effect	- Assets are not utilised in the most effective and efficient manner - Service cannot be properly delivered to the satisfaction of service users - Service users seek alternative service provision -Increase in reactive maintenance costs -Roads assets in poor conditions -Assets fail to meet relevant standards	
Internal Controls	- Corporate Asset Management Strategy - Schools Estate Strategy - Capital Investment Team - Existence of Asset Management Group with meetings held on a regular basis - Property Asset Management Plan - HRA Capital Investment Programme - Capital plan - Roads and Lighting Asset Implementation Plan - Fleet Asset Implementation - Open Space Asset Implementation Plan - Detailed asset database that shows relevant information on a property by property basis - Sustainability Policy - Housing Improvement Board - Housing Improvement Plan - Housing Asset Management Strategy	
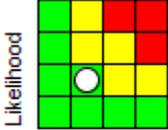
	SR 004 Information Technology	**Current Risk Matrix**
Description	Failure to keep pace with changing technology environment during periods of austerity and supplier rather than business led change	
		Target Risk Matrix
Potential Effect	A lack of consistent, sufficiently robust planning in respect of ICT arrangements is likely to result in the Council being ill prepared to meet future demands in key service areas and lacking the capacity to respond effectively to changing need.	
Internal Controls	- - Information & Communication Technology (ICT) Policy - Governance structures to support integrated planning and decision making in relation to ICT - Use of both internal IT resources from across the Council and skilled specialist advisers in key areas - Fit for purpose data centre (with remote back up site). New shared data centre went live in Dec	
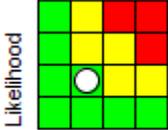
	2014 and new WDC data centre line January 2018. WDC and EDC are taking a lead role on data centre sharing across Scotland

✅	**SR 005 Partnerships**	**Current Risk Matrix**
Description	The Council fails to engage adequately with partnership bodies	
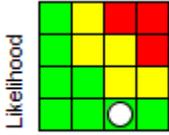
		Target Risk Matrix
Potential Effect	failure of partnership impacts on Councils obligations under Community Empowerment Act	
Internal Controls	- Robust partnership arrangements through community planning partnership - Align the Council's strategic plan with the Local Outcome Improvement Plan (LOIP) - Ensure that partners have signed up to deliver on the outcomes and targets set in the LOIP - Develop data sharing protocols with partner agencies - Participate in reform agenda as it impacts on Council area	
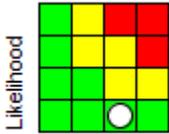
✅	**SR 006 Citizens and Communities**	**Current Risk Matrix**
Description	The risk is that the Council does not establish or maintain positive communications with local residents and the communities it represents	
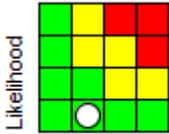
		Target Risk Matrix
Potential Effect	- Tensions develop with citizens and local community groups	
Internal Controls	- Ensure robust mechanisms for public feedback (Embedding the Strategic Engagement Framework) - Annual budget consultation events - Citizens Panel - Open Forum questions at Council meetings - continue to deliver 4 issues of housing news each year - delivery of effective communications and public information through social media - use of telephone survey	
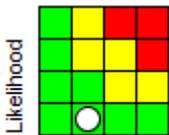
⚠️	**SR 008 Cyber-Attack**	**Current Risk Matrix**
Description	Data, systems and/or infrastructure are impacted as result of security attacks which are increasing in number at a time when this threat is already placing demands on resources to deliver increased levels of security controls.	
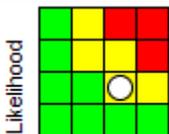
		Target Risk Matrix
Potential Effect	• Disruption of Services impacting service delivery to citizens • Loss of Data	

	• Staff and Citizen data loss with the potential for misuse such as identity fraud • Mis-information being delivered to the public via WDC communication channels • Potential for significant fines currently under the Data Protection Act and from May 2018 under the provisions of the General Data Protection Regulations • Reputational damage • Redirection of resources to deal with the effects of an attack and away from BAU work	
Internal Controls	• Implementation of internal Policies on Patching and hardware/software hardening • Annual PSN compliance audit including a comprehensive IT Health Check • Governance structure in place, ICT Board consisting of senior management and relevant stakeholders meeting once per month or as required in response to incidents/events • Programme of Internal and External ICT audits • PCI working group • Information Security/Data Protection forum • Multiple layers of Cyber defences Network Segration • Rolling programme of security awareness sessions • Interagency and cross Council working groups and sharing. • National Digital Office / Scottish Government Public Sector Security programme and guidance	

⚠	**SR 009 Early Years Agenda**	**Current Risk Matrix**
Description	Increase in entitled hours which the Scottish Government is planning to provide for early years children, from 600 to 1140 hours by 2020. In project management terms this is a complex piece of work of products, demanding timescales and dependencies across its duration.	
		Target Risk Matrix
Potential Effect	Reputational damage Failure to meet the Scottish Governments delivery plan to increase free ELC hours Children would not receive the best start in life Failure to meet our statutory duties Partner providers may be adversely affected	
Internal Controls	Reports to Education Services Committee Early Learning and Childcare Strategy 2016 - 20 Care Inspectorate Children and Young Peoples Act (S) 2014 HGIOELC	
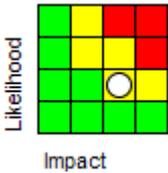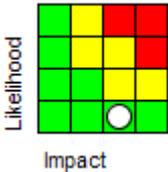
	Education Governance Board Early Years Project Board Financial reports - budget monitoring and review Inter-departmental working Partnership SLA's Workforce Development

✅	**SR 010 Resourced Workforce.**	**Current Risk Matrix**
Description	Failure to ensure that there is an appropriately resourced workforce in place to meet future organisational needs, either in effectively executing the Council's 2017-22 Workforce Plan, or in ensuring that the Plan is adapted over time if and when earlier assumed circumstances change.	
		Target Risk Matrix
Potential Effect	- Low staff morale - Inability to deliver services effectively - Reduced level of service - Lack of improvement or increase in staff absences - Council underachieves as an organisation - Employee conflict	
Internal Controls	- HR processes designed to meet service delivery needs - Develop new structures to reflect strategic priorities and aligned to Future Operation Model (FOM) - Align workforce plan to the Council's strategic planning processes (i.e. have the right people available at the right time with the right skills to fulfil properly all of the Council's strategic priorities) - Periodic review of pay arrangements in accordance with EHRC guidance (currently every 3 years) - Incorporation of succession planning into workforce planning framework - Identify training programmes to reskill staff as identified by training needs analysis - Effective use of SWITCH to support alternative careers - Flexible HR policies, in particular recruitment & selection, learning & development (including elearning), continuous improvement / development flexible working, attendance management, employee wellbeing related polices - Effective use of Occupational Health Service - Robust Be the Best Conversations process - Effective leadership and management behaviours and practice	

WEST DUNBARTONSHIRE COUNCIL

Report by Strategic Lead – People and Technology

Corporate Services Committee: 22 August 2018

_____

Subject: Cycle to Work Scheme (C2W)

1.   Purpose

1.1   To update the Committee on the participation in the Council's Cycle to Work (C2W) scheme during the current contract and to seek approval for the ongoing provision of the scheme to employees.

2.   Recommendations

2.1   The Committee is asked to:

(1) Note the success of the current scheme, and
(2) Agree to continue to offer a Cycle to Work salary sacrifice scheme on an ongoing basis, subject to ongoing legal basis for such a scheme.

3.   Background

3.1   The 1999 Finance Act introduced an annual tax exemption, which allows employers to loan bicycles to employees as a tax-free benefit. Employees make salary sacrifices for a set period of time to cover the cost of the bicycle, after which time ownership is transferred from the Council to the employee.

3.2   The recent C2W contract ran since 2014, and over 6 offerings, employees from the Council and Leisure Trust have purchased £315,000 worth of bicycles. This contract has now come to an end.

3.3   The Council's C2W contract was signed in July 2014 and the main supplier is Halfords. In order to maximise the opportunity for local businesses, employees can also choose to purchase from two local bicycle providers Magic Cycles and Cycleform. In addition to this, employees can also now redeem their vouchers and take advantage of offers and sale prices on-line at Cycle Republic and Tredz. They can also redeem their vouchers in any Cycle Republic store.

The scheme provides a number of additional benefits for the council including:

- 12.5% Cashback: employer cash back clause which generates a revenue stream that could be used to fund future active and sustainable travel initiatives.

Scheme member benefits were:

- Free 12-month BIKE CARE PLAN (servicing & maintenance on all Halfords bikes worth over £100);
- 20% discount voucher on all products in the Apollo range;
- 20% discount card for cycling parts and accessories for the duration of the initial hire agreement (we have removed the other offers as these are covered by the discount card);
- 10% off all cycle storage;
- 25% off Immobitag and Immobimark bike security products;
- 10% off all cycle carriers;
- 10% off all bike cleaning kits;
- 10% off all tools & maintenance kits;
- 10% off all cycle computers;
- FREE Sustrans bike maps; and
- £1 trial magazine subscription with Future Publishing.

For all employees:
- 10% discount off ALL Halfords products and services;
- All employees will receive 33% off MOTs, 15% off Servicing, 5% off repairs at Halfords; and
- Discounts at ALL Halfords Autocentres (various).

3.4 The scheme promotes healthier journeys to work and reduced carbon emissions associated with an employee's commute. It is anticipated that levels of physical activity of those employees participating would increase both in terms of travel to work and taking part in non-work time physical activities. The scheme would also reduce associated traffic noise, congestion, the negative effects of car fumes on human health and car parking demand.

4. **Main Issues**

4.1 The recent Halfords C2W contract expired in June 2018. The benefits to the Council and employees, as outlined above, support continuation of the scheme.

4.2 Over the duration of this contract, West Dunbartonshire Council (WDC) and its employees, as well as West Dunbartonshire Leisure Trust (WDLT) and Valuation Joint Board (VJB) and their employees, have benefited from the salary sacrifice by reducing income tax and national insurance contributions. Details of this benefit can be seen in the table below:

	WDC	**WDLT &VJB**
Total Purchases	£288,675.49	£25,199.51
Employee Benefit	£ 92,376.15	£8,063.84
Employer Benefit	£ 39,837.22	£3,477.53

4.3 The Council has also benefited from the scheme cashback whereby Halfords recycles 12.5% of the total purchases back to the Council. WDC have now committed to using this money to further promote active travel to its employees. Over the contract period, the 12.5% rebate amounted to £39,000.

4.4 As can be seen from the above, the scheme over the period of the contract has been successful, both in terms of encouraging employees to be more active and in making the cost of this more affordable; and also in generating financial benefits to the Council.

4.5 New government targets around active travel mean the demand for bicycles likely to increase over the next few years. In addition the Council continues to seek to assist employees to maintain or improve levels of fitness, linked to attendance at work; reduce carbon emissions, etc. As a result it would be helpful for the Council to implement the C2W scheme on an ongoing basis (provided the legal basis for the scheme remains).

4.6 As noted above, the previous C2W contract period has expired and a new contract requires to be accessed should Members agree that the scheme should continue. The procurement process for this will be reported to the Tendering Committee.

5. People Implications

5.1 The Cycle to Work scheme is an employee benefit, with personal savings realised through tax and National Insurance payments. The scheme is part of the Council's Healthy Working Lives commitment and the promotion of active travel and healthy lifestyles.

5.2 Employees will benefit from the salary sacrifice arrangement allowing them to spread payments over 18 months.

6. Financial and Procurement Implications

6.1 Financial Implications
The scheme will provide ongoing financial benefit to the Council in relation to the ongoing saving in National Insurance which is saved through the salary sacrifice process. Depending on the outcome of the procurement process there may continue to be a financial benefit from a rebate as was experienced in the previous contract. Although the Council does initially purchase the bicycles from Halfords, this is done using a suspense account which is paid back in full by direct deduction from employee's pay over a period of 18 months. There is therefore no budget requirement for the operation of this scheme.

6.2 Procurement Implications

All procurement activity carried out by the Council for supplies valued in excess of £50,000 is subject to a contract strategy. The contract strategy for the Cycle to Work Scheme has been produced by the Corporate Procurement Unit in close consultation with the Sustainability service. The contract strategy shall include but may not be limited to; contract scope, service forward plan, the market, procurement model and routes – including existing delivery vehicles, roles and responsibilities, risks, issues and opportunities and ongoing contract management. In anticipation of approval of this recommended approach the Procurement Unit has undertaken a procurement process and will report the outcome of this to the Tendering Committee.

7. Risk Analysis

7.1 One risk identified is that the Council does not recover the monies paid for the bicycle and equipment from an employee. A process has been put in place to ensure that all participants and their salary sacrifices are provided to payroll and those leaving the Council's employment will have any outstanding balance deducted from the final pay.

7.2 As the Council is paying the invoice per scheme offering and therefore avoids any finance agreements, the risk of over/under-payment is reduced.

8. Equalities Impact Assessment (EIA)

8.1 The Equality Impact Assessment of the Cycle to Work Scheme identified a number of potential positive impacts including improvements to health of the workforce and relevant supportive actions. The promotion of the scheme will be carefully targeted to minimise the risk of gender bias. Additionally, suppliers are committed to sourcing appropriate and adapted cycles for interested disabled employees.

9. Consultation

9.1 Results from the Staff Travel Survey indicate that employees are keen to see the Cycle to Work scheme repeated on a regular basis.

10. Strategic Assessment

10.1 The Cycle to Work Scheme supports the delivery of the Strategic Priority to ensure efficient and effective frontline services that improve the every day lives of residents. It does this by supporting the outcome to promote a committed and skilled workforce by listening to what benefits the workforce want, and delivering on those.

Victoria Rogers
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Appendices: N/A

Background Papers: Equalities Impact Assessment

Wards Affected: None