

Finance & Delivery Policy & Accountability Committee

Agenda

Tuesday 30 June 2015

7.00 pm

COMMITTEE ROOM 1 - HAMMERSMITH TOWN HALL

MEMBERSHIP

Administration:	Opposition	Co-optees
Councillor Ali Hashem Councillor PJ Murphy (Chair) Councillor Guy Vincent	Councillor Greg Smith Councillor Michael Adam	Tony Boys Erik Hohenstein Chris Littmoden Judith Worthy

CONTACT OFFICER: Craig Bowdery
Scrutiny Manager
Governance and Scrutiny
☎: 020 8753 2278
E-mail: craig.bowdery@lbhf.gov.uk

Reports on the open agenda are available on the [Council's website](http://www.lbhf.gov.uk/Directory/Council%20and%20Democracy):
<http://www.lbhf.gov.uk/Directory/Council and Democracy>

Members of the public are welcome to attend. A loop system for hearing impairment is provided, along with disabled access to the building.

Date Issued: 22 June 2015

Finance & Delivery Policy & Accountability Committee Agenda

30 June 2015

<u>Item</u>		<u>Pages</u>
1. MINUTES	To approve as an accurate record, and the Chair to sign the minutes of the meeting held on 28 th April 2015	1 - 8
2. APOLOGIES FOR ABSENCE		
3. DECLARATIONS OF INTEREST	<p>If a Committee member has any prejudicial or personal interest in a particular item they should declare the existence and nature of the interest at the commencement of the consideration of that item or as soon as it becomes apparent.</p> <p>At meetings where members of the public are allowed to be in attendance and speak, any Councillor with a prejudicial interest may also make representations, give evidence or answer questions about the matter. The Councillor must then withdraw immediately from the meeting before the matter is discussed and any vote taken unless a dispensation has been obtained from the Standards Committee.</p> <p>Where Members of the public are not allowed to be in attendance, then the Councillor with a prejudicial interest should withdraw from the meeting whilst the matter is under consideration unless the disability has been removed by the Standards Committee.</p>	
4. APPOINTMENT OF VICE-CHAIR	The Committee is asked to appoint a Vice-Chair for the 2015/16 municipal year.	
5. APPOINTMENT OF CO-OPTED MEMBERS	<p>The Committee is asked to agree the reappointment of the following co-opted members for the 2015/16 municipal year:</p> <ul style="list-style-type: none">• Tony Boys• Erik Hohenstein• Chris Littmoden• Judith Worthy	

6. MANAGED SERVICES PROJECT UPDATE

The Managed Services Project went live across the three councils of Hammersmith & Fulham, Kensington & Chelsea and Westminster in April 2015. A report outlining the implementation of the project is attached at agenda item 13 and is available to members only.

7. SECTION 106 AGREEMENTS RENEGOTIATED SINCE MAY 2014

9 - 12

To receive a report from Director for Planning, Growth and Regeneration on the additional funding negotiated by the Council

8. PROGRESS ON THE RECOMMENDATIONS OF THE CRITICAL FRIENDS BOARD

A report on the progress made implementing the recommendations of the Critical Friends Board is *to follow*

9. BUSINESS INTELLIGENCE PROGRAMME UPDATE

13 - 21

To receive a report from the Tri-Borough Director of Innovation and Change Management on the development of a Target Operating Model for a new Business Intelligence Strategy

10. DATES OF FUTURE MEETINGS

The following dates are proposed:

- Tuesday 22nd September 2015
- Tuesday 24th November 2015
- Wednesday 3rd February 2016
- Tuesday 1st March 2016
- Tuesday 19th April 2016

11. EXCLUSION OF PRESS AND PUBLIC

The Committee is invited to resolve, under Section 100A (4) of the Local Government Act 1972, that the public and press be excluded from the meeting during the consideration of the following items of business, on the grounds that they contain the likely disclosure of exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

12. EXEMPT MINUTES

22 - 24

To approve as an accurate record, and the Chair to sign the exempt minutes of the meeting held on 28th April 2015

13. MANAGED SERVICES PROJECT UPDATE - EXEMPT REPORT

25 - 29

To receive a report from the Interim Bi-borough Executive Director of Corporate Services on the implementation of the Managed Services Project. A further supplementary update is *to follow*

**14. SECTION 106 AGREEMENTS RENEGOTIATED SINCE MAY 2014 -
EXEMPT APPENDIX**

30 - 32

To note the exempt appendix to agenda item 8



London Borough of Hammersmith & Fulham

Finance & Delivery Policy & Accountability Committee Minutes

Tuesday 28 April 2015

PRESENT

Committee members: Councillors Ali Hashem, PJ Murphy (Chair) and Guy Vincent

Co-opted members: Erik Hohenstein (Community) and Chris Littmoden (Community)

Other Councillors: Michael Cartwright (Deputy Leader) and Max Schmid (Cabinet Member for Finance)

Officers: David Abbott (Committee Coordinator), Nigel Pallace (Chief Executive), Hitesh Jolapara (Bi-borough Director of Finance), Jane West (H&F Executive Director of Finance & Corporate Governance), Debbie Morris (Bi-Borough Director for Human Resources), Kathy May (Head of Waste Management Markets & Enforcement)

58. MINUTES

1. Minutes of the meeting held on 27 January 2015

Matters Arising

On page 3, 43 – Resolution 2 had not been completed.

ACTION: Officers to circulate the agreed information

On Page 6, 45 – Officers circulated the requested list of publically owned land and premises at the meeting.

Also on page 6, 45 – Members asked if the list had been ‘improved and developed in line with the authority’s transparency requirements’. Officers responded that the valuation department were in the process of procuring a

new database to hold the information and display it on the Council's website. Members requested a date by which this would be completed.

ACTION: Hitesh Jolapara to finalise date and send to members

On page 8, 50 – The action for the Head of Business Technology had not been completed.

ACTION: Head of Business Technology to report back on insurance issue

RESOLVED

That the minutes of the meeting held on 27 January 2015 be agreed as a correct record and signed by the Chair.

2. Minutes of the meeting held on 16 February 2015

Matters Arising

On page 12, 55 – Members requested clarification over the date that the Business Intelligence Strategy would be considered by the Committee. Officers responded that it would go to the meeting to be held on 30 June 2015.

RESOLVED

That the minutes of the meeting held on 18 February 2015 be noted and signed by the Chair.

59. APOLOGIES FOR ABSENCE

Councillors Greg Smith and Charlie Dewhirst.
Co-optees Tony Boys and Judith Worthy.

60. DECLARATIONS OF INTEREST

There were no declarations of interest.

61. THE FINANCES OF THE WESTERN RIVERSIDE WASTE AUTHORITY (WRWA)

The Committee received a report from the Executive Director for Environment, Leisure, and Residents' Services that updated members on the actions from the 24 November meeting regarding WRWA's budget and savings proposals.

Officers noted the following corrections in the report; in 5.2 the reference to 'Appendix 1' should be replaced with 'Appendix 2', and in 5.14 the reference to 'March 2016' in the first line should be replaced with 'March 2017'.

Cllr Michael Cartwright, Deputy Leader of the Council, informed the Committee that all members of the WRWA were conscious of the need to reduce costs and that they were focussed on ensuring the authority delivers savings to the constituent boroughs in the future.

The Chair noted that part of the agreement with WRWA involved increased recycling rates in the borough and asked for an update on progress that area. Officers responded that WRWA had applied to DCLG for funding for the 'golden ticket scheme' (a financial prize scheme that residents apply for by recycling) and were working with WRWA to implement that scheme. Officers were working with colleagues in other boroughs to promote the scheme to residents.

Officers also informed the Committee that, concurrent with the DCLG bid, an 'invest to save' project was investigating the most effective way to invest £50k in community-based initiatives and communications that increased the rate of recycling. A report was being prepared that detailed these activities.

The Chair asked officers to outline five recycling initiatives that would run in 2015. Officers responded with the following initiatives; vehicle panel advertising, 'door-stepping' (officers visiting residents at home to inform them about their recycling options), the aforementioned community-based incentive scheme, further publicity options that were being discussed with members, and working with housing colleagues and third-sector housing representatives on estate-space recycling.

The Chair requested that a note was circulated to the Committee on the five initiatives listed above including timings and success criteria.

ACTION: Kathy May to circulate note on recycling initiatives

Members asked if the waste management team and WRWA had links with the Council's business intelligence unit. Officers responded that they had and that they had worked together on a mapping project that facilitated better targeting for recycling work. Officers will review contact with the innovation team.

The Chair stated that there needed to be more focus on working with housing associations, schools, and other third-parties to improve recycling rates.

Members asked if there were recycling conditions attached to new housing developments. Officers informed members that there had been a project on that issue, particularly for high-rise developments, at the London Environment Directors Network (LEDNET) and guidelines on waste provision and separation had been produced for developers.

Members asked if those guidelines could be made compulsory for approval of planning applications. Officers advised that they could potentially be attached as planning conditions. Nigel Pallace, Chief Executive of the Council, noted that the Council's Local Plan was being consulted on and waste conditions could form part of that document.

ACTION: Kathy May – Request the planning department include waste conditions for new developments in the Local Plan

Members asked if front-line workers (refuse collectors etc.) had been asked for their ideas for changes and improvements. Officers responded that they had been in close contact with contractors and their crews and noted that officers also did 'route-riding' (travelling with a refuse collection crew) to gather actionable intelligence, and plan to do more of this as part of the forthcoming initiatives.

The Chair asked if WRWA had been forthcoming with innovative ideas and improvements. Officers responded that WRWA did set out their plans and report on them but information could have been better communicated to technical officers in the boroughs.

Members asked for clarity around the wording of 5.7 and whether the financial rules that dictated how capital receipts received by WRWA would be distributed to constituent boroughs had been finalised. Officers responded that there were no set rules, and that negotiations were ongoing. When the financial arrangements had been finalised it would be reported to the Committee.

Members asked if the authority hedged against the price of electricity and, if not, was it possible to do so. Officers responded that WRWA did not do any hedging and that they would ask the authority whether they had considered it.

Members noted that the budget paper from WRWA (Appendix 1 of the report) did not give a full picture of the budget and savings position and therefore requested a copy of the annual report and management accounts of the authority to better understand the financial operation of the organisation.

The Chair stated that progress from WRWA had been far too slow, their proposed solutions to increase the recycling rate were lacking, and the lack of detail in their financial plans was a major concern. The Chair requested that the dissatisfaction of the Committee was communicated to WRWA.

ACTION: Kathy May

62. OPTIONS FOR A NEW PERFORMANCE RELATED PAY SCHEME FOR SENIOR MANAGERS AT THE LONDON BOROUGH OF HAMMERSMITH & FULHAM

The Committee received a report from the Bi-Borough Director for Human Resources that outlined the existing senior management performance related pay (PRP) scheme and made comparisons with similar schemes in other London councils. Officers noted that a PRP scheme had been in place since the late 1980s while the current scheme had been in place since 2008. The current scheme was designed in line with Hay Group principles and was a contractual term and condition for senior managers at the Council.

The Chair informed members that he requested the report because he was not convinced the current scheme effectively motivated staff or drove improvement.

Officers informed members that staff not on PRP schemes were in pay bands that increased in spinal column points to the top of the band over a period of years. Each band represented an increase of around 2.5%. Once a person reached the top of the band they could not move to the next band unless they were promoted or they had a career graded post (which would usually necessitate gaining a professional qualification). In addition to the pay scale system, public sector staff receive the National Pay Award which for 2015-16 was set at 2.2%. Officers noted that two thirds of staff at the Council were at the top of their pay grades.

The Chair invited members to contribute their ideas on the future of the PRP scheme.

Members asked if all staff (other than those on PRP) were on the pay scale system, including contractors. Officers responded that if staff had gone through TUPE they would have the same pay and conditions as they had with the Council.

Members asked if all senior managers would have to be consulted on changes to the PRP scheme. Officers responded that if the scheme was substantively changed then there would need to be consultation and potentially new contracts would have to be signed. Amendments to the scheme would not need consultation.

Members noted that the success of PRP schemes was entirely dependent on setting meaningful targets and properly holding senior managers to account for their performance. Rather than focusing on the pay element, officers should improve the setting of targets and the appraisal process. Officers responded that the scheme was well administered and targets were well set but noted that there was always room for improvement.

The Chair asked how the scheme addressed the way the Council continued to change the way it worked to become more efficient and customer centric, while also improving staff satisfaction. Officers responded that targets could be set that addressed budget reduction, customer satisfaction, and staff satisfaction.

ACTION: Debbie Morris – to develop options for how the PRP scheme could be adapted to address the comments noted above

Nigel Pallace, Chief Executive of the Council, advised members that it was possible to set targets for budget savings, customer satisfaction, and staff satisfaction but noted the latter two were difficult to measure in a standardised way. Managers should only be given targets that were actionable and achievable.

Cllr Max Schmid, Cabinet Member for Finance, asked how integrated the pay scheme was with the appraisal process and promotion. Officers responded that they were not linked.

The Chair asked how effective the Council's appraisal process was. Officers responded that there was a strong appraisal process at the Council. HR officers had worked closely with managers and had offered training to ensure the standard was consistently high.

Members asked what officers thought the key areas for improvement were. Officers responded that there was not enough money available for staff training and development. It was also felt that staff were not encouraged to bring their ideas forward, and were not encouraged to work with residents enough. Staff needed to be empowered to make more decisions. Members supported all of the ideas noted above and requested a progress report to be brought to a future meeting of the Committee.

RESOLVED

1. That a report be brought to the next meeting of the Committee to provide members with options on how the PRP scheme could be adapted to reflect the Council's focus on reduced budgets, increased customer satisfaction, and increased staff satisfaction.
2. That a report be brought to a future meeting of the Committee (date to be confirmed by the Chair outside the meeting) updating members on progress for the following areas of improvement identified by officers; an increased budget for staff training and development, more opportunity for staff to bring ideas forward, staff to be encouraged to work more directly with residents, and empowering staff to make more decisions.

63. MANAGING ORGANISATIONAL CHANGE

The Committee received a report from the Bi-borough Director for Human Resources that outlined how organisational change could be better carried out by the Council and how staff could be better supported through the process. Officers informed members that the staff survey showed many members of staff did not think the organisation had dealt well with change.

Nigel Pallace, Chief Executive of the Council, informed members that, after the effective delivery of services, organisational change was his highest priority. There needed to be a greater focus on raising standards and making the Council customer-centric. Officers noted that they were currently in the process of drafting a new workforce strategy that would detail how this would happen.

Members advised officers not to focus exclusively on senior management when communicating messages of change. Frontline staff should be equally involved and encouraged to bring their ideas forward. Officers responded that

the Corporate Workforce Group included both management and frontline staff and encouraged open and honest discussion about areas for improvement.

Cllr Max Schmid, Cabinet Member for Finance, said it would be useful to have informal focus groups with the dissatisfied members of staff identified through the staff survey to better understand their issues.

ACTION: HR to arrange focus groups

Members asked how organisational change would work with shared services between the boroughs. Officers responded that it was a challenge because each of the boroughs had their own priorities and different ways of working, however RBKC were keen to work collaboratively on areas of change management.

Cllr Max Schmid, Cabinet Member for Finance, noted that housing was one of the biggest areas of complexity and a major source of complaints and would be a key area of focus for change management.

Cllr Michael Cartwright, Deputy Leader of the Council, said the training budget for Councillors was insufficient and new councillors needed high quality training for their roles. Members noted that law firms and other third-parties would be able to provide some free training for members.

Members suggested they should have similar appraisal processes to members of staff. The Chair asked how members could be involved in the appraisal process. Members suggested that the party whips could appraise their Councillors. Officers responded that RBKC had a training programme that could be valuable for members to attend.

The Chair stated that a change 'programme' was doomed to fail, change should be embedded in the culture of the organisation. The key to facilitating this was regular communication of the organisation's vision to staff. The Chair asked officers to consider what the systems and processes needed to be in place to support the vision for the future and how the Council could empower staff to contribute to its success.

64. COMMITTEE WORK PROGRAMME

The Chair requested that suggestions for work programme items be emailed to Craig Bowdery, Scrutiny Manager and Principal Committee Coordinator (craig.bowdery@lbhf.gov.uk).

65. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

That under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following items of business, on the grounds that they contain the likely disclosure of

exempt information, as defined in paragraph 3 of Schedule 12A of the said Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

66. MANAGED SERVICES PROJECT UPDATE

The discussion is contained in the exempt minutes.

RESOLVED

That the report be noted.

Meeting started: 7.14 pm

Meeting ended: 9.38 pm

Chairman

Contact officer: Craig Bowdery
Committee Co-ordinator
Governance and Scrutiny
☎: 020 8753 2278
E-mail: craig.bowdery@lbhf.gov.uk

	<p>London Borough of Hammersmith & Fulham</p> <p>FINANCE & DELIVERY POLICY & ACCOUNTABILITY COMMITTEE</p> <p>30TH JUNE 2015</p>
<p>SECTION 106 AGREEMENTS RE-NEGOTIATED SINCE MAY 2014</p>	
<p>Report of the Director for Planning, Growth and Regeneration</p>	
<p>Open Report</p>	
<p>For Review and Comment Key Decision: No</p>	
<p>Wards Affected: None</p>	
<p>Accountable Executive Director: Nigel Pallace, Executive Director of Transport and Technical Services</p>	
<p>Report Author: John Finlayson Head of Planning Regeneration</p>	<p>Contact Details: Tel: 020 8753 6743 E-mail: john.finlayson@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. Since May 2015 a number of s106 planning agreements and land contracts have been reviewed and renegotiated. The renegotiations subject to the various schemes proceeding have resulted in over £50m of extra benefits to the Council and borough residents.

2. RECOMMENDATIONS

- 2.1. The committee are asked to note the re-negotiations that have been undertaken since May 2014.

3. REASONS FOR DECISION

- 3.1. N/A

4. INTRODUCTION AND BACKGROUND

- 4.1. Planning obligations (or “section 106 (s106) agreements”) are an established and valuable mechanism for securing planning matters arising from a development proposal. They are commonly used to bring development in line with the objectives of sustainable

development as set out in relevant local, regional and national planning policies.

- 4.2. Planning obligations can be provided by developers “in kind” (where the developer builds or provides directly the facilities necessary to fulfil the obligation), by means of a financial payment, or in some cases a combination of both. In the case of financial contributions, payments can be made in the form of a lump sum or an endowment, or, if beneficial to all parties and not unduly complex, as phased payments over a period of time, related to defined dates, events and triggers.
- 4.3. Generally, in any matter where a s106 agreement includes the payment of money the application is considered by the planning committee at which Members of the committee approve the heads of terms for the s106 agreement. The usual practice is that officers then negotiate on the detail and the previously agreed commitments.

5. PROPOSALS AND ISSUES

- 5.1 Following the May 2014 election in relation to certain planning applications, the Leader, Cllr Cowan and officers have met with the developers and secured extra benefits in relation to the s106 agreements. The heads of terms of some of these s106 agreements had been approved by the planning committee under the previous administration but were yet to be signed. Negotiations were reopened and extra benefits secured whilst remaining within the agreed heads of terms.

- 5.2 The s106 agreements for the following sites have been, signed, sealed and executed and are in the public domain.

- Westfield extension - s106 agreement completed 5 Sept 2014.
- Hurlingham Retail Park - s106 agreement completed 19 Dec 2014.
- BBC Stanhope - s106 agreement completed 26 Feb 2015.

Shepherds Bush Market – s106 completed 30 March 2012. Signing of the s106 supplementary agreement is imminent.

- 5.3 Renegotiations have also taken place on a number of land contracts. The detail is still confidential and will be made public in due course, except where the information remains exempt from disclosure as is standard practice with land sale transactions.

6. OPTIONS AND ANALYSIS OF OPTIONS

6.1 Not applicable as the report summarises the re-negotiations that have been undertaken.

7. CONSULTATION

7.1 Not applicable as the report summarises the re-negotiations that have been undertaken.

8. EQUALITY IMPLICATIONS

8.1 Equality Impact Assessment is not required to accompany this report because the officer planning reports to committee are accompanied by Equality Impact Assessments.

9. LEGAL IMPLICATIONS

9.1 There are no direct Legal implications arising from the recommendations in this report. Report reviewed by Alex Russell, Bi-borough Senior Lawyer (Planning, Highways and Licensing). 020 8753 2771

10. FINANCIAL AND RESOURCES IMPLICATIONS

10.1 There are no additional financial implications beyond those set out in the main body of the report. Report reviewed by Mark Jones, Director of Finance and Resources 020 8753 6700.

11. IMPLICATIONS FOR BUSINESS

11.1 The various schemes offer significant opportunities for economic regeneration.

12. RISK MANAGEMENT

12.1 N/A

13. PROCUREMENT AND IT STRATEGY IMPLICATIONS

13.1 N/A

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS
REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Shepherds Bush Market planning applications ref 2011/ 02930/OUT 2013/05493/RES	Andrew Marshall ext 3340	Planning Regeneration. TTS HHTX 5 th Floor
2.	Westfield Extension planning applications ref 2011/02940/OUT ref 2013/00515/OUT	Andrew Marshall ext 3340	Planning Regeneration. TTS HHTX 5th Floor
3.	Hurlingham Retail Park planning application ref 2013/02870/FUL	Andrew Marshall ext 3340	Planning Regeneration. TTS HHTX 5th Floor
4.	BBC Stanhope planning application ref 2013/02355/COMB ref 2014/02531/COMB	Andrew Marshall ext 3340	Planning Regeneration. TTS HHTX 5th Floor

List of Appendices:

Appendix 1: Summary of Renegotiations *(please note that this appendix is currently exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

 London Borough of Hammersmith & Fulham	
FINANCE & DELIVERY POLICY & ACCOUNTABILITY COMMITTEE	
30th JUNE 2015	
BUSINESS INTELLIGENCE PROGRAMME UPDATE	
Report of the Divisional Director	
Open Report	
Classification: For PAC review & comment	
Key Decision: No	
Wards Affected: All	
Accountable Executive Director: Nigel Pallace, Chief Executive	
Report Author: Alan Boshier, Business Intelligence Programme Manager	Contact Details: Tel: 020 8753 6962 E-mail: alan.boshier@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. The 18-month business intelligence (BI) pilot is due to complete at the end of September 2015.
- 1.2. Work is under way to write the target operating model (TOM) that describes how BI will be delivered across the participating boroughs after the pilot. This describes how the organisation will work, what it will do and how it will be organised.
- 1.3. The approach to developing the TOM has been to
 - Understand industry best practice by seeking input from global BI consultancy
 - Understand customer views
 - Construct the TOM through collaborative workshops using learning from the pilot period.
- 1.4. Workshops are still ongoing but it is likely that the technical delivery of BI will be centralised in the ICT shared service with the exploitation through analysis and capability development being distributed to participating boroughs. The detail of how this will work is subject to further discussion.

1.5. Projects continue to progress well and details are provided in Appendix 1 (Section 7)

1.6. There are some emerging commercial opportunities for LBHF BI. These are described in section 8 – also in Appendix 1.

2. PURPOSE

The purpose of this paper is to provide the Delivery and Finance PAC with an update on the progress of the Business Intelligence (BI) programme since January 2015 and solicit input to the development of the Target Operating Model (TOM) that will take effect when the pilot completes in September 2015.

3. TARGET OPERATING MODEL

3.1. The BI programme is an 18 month pilot that started in April 2013 and so is due to complete at the end of September 2015.

3.2. The programme board agreed a set of critical success factors. These are set out below along with their current status as agreed by the board.

Criterion	Status
Incorporation of information into decision making across boroughs	Met – ongoing
Financial benefits realised.	Met – ongoing
Delivery of reusable work	Met
Project pipeline delivered	Met
Successful, effective team working	Not met - issues to be addressed in TOM
Proven, effective TOM for BI delivery	In progress
Innovation, continuous improvement	Met – ongoing

3.3. The final deliverable from the programme is a target operating model(TOM) that uses learning from the pilot and articulates how BI is enabled, delivered and promoted in the participant boroughs future

3.4. A TOM is a document that describes how the an organisation operates and is structured. It includes the following

- Vision
- Scope
- Capabilities
- Organisational structure
- Roles
- Financial model

4. PROGRESS

4.1. The approach we have taken to developing the TOM has three key components

- Understand the expert view
- Customer voice
- Collaborative workshops.

4.2 We commissioned review of the pilot by Cognizant Technology Solutions – a global BI consultancy. This covered:

- The current state of the service
- The future vision of the service
- Recommendations for Governance changes to meet the future vision
- Recommendations for Architectural changes to meet the future vision
- Approaches to transition to a BAU service from the current project structure

4.3. A series of interviews was undertaken with existing and potential internal customers to understand their views and aspirations and to feed into workshops involving the programme team and board.

4.4. Two workshops have been held to date that considered alternative high-level models with particular reference to:

- roles and responsibilities
- which elements of BI should be delivered centrally and which should be distributed to participating boroughs

4.5. For the purpose of the TOM the elements of the BI capability have been considered in three broad groups

4.5.1. **Delivery** - comprises the technical activity that builds, maintains and develops the technological elements that enable the exploitation of BI. This includes maintenance of technical infrastructure, installing and maintaining software, loading and refreshing of data.

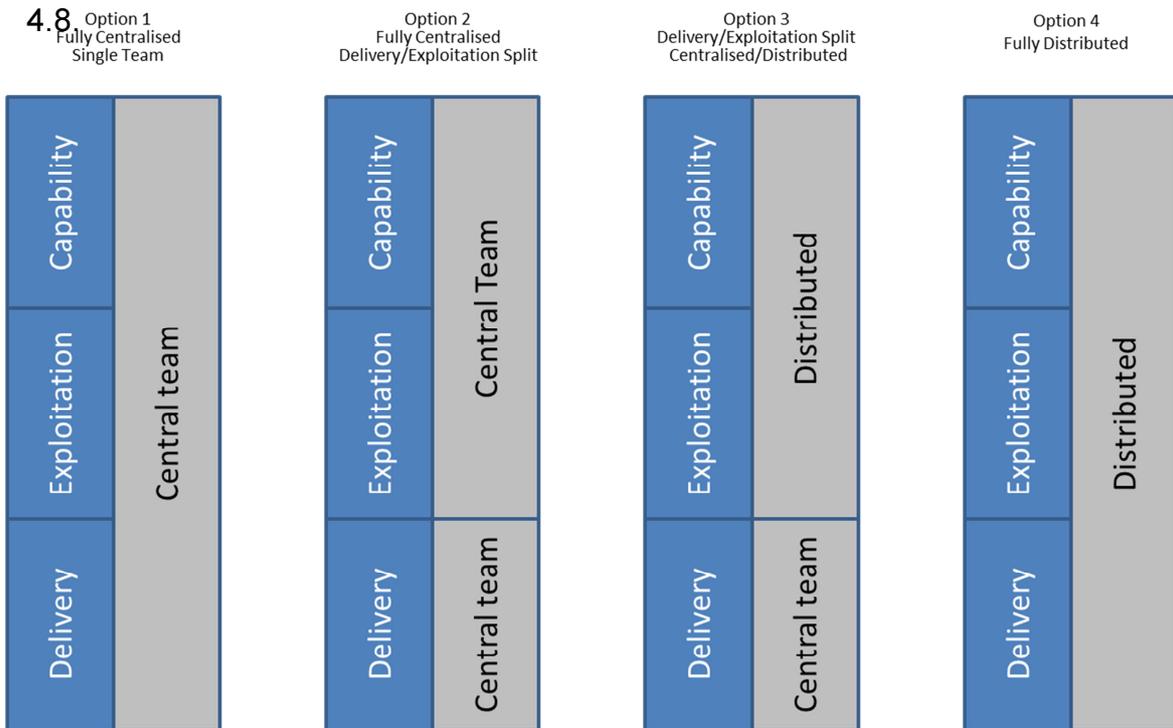
4.5.2. **Exploitation** - is the use of tools and data to deliver meaningful outputs in order to enable evidence-based business decision making and planning.

4.5.3. **Capability** - is the development of organisational awareness, understanding and capability to exploit BI in a way that is most beneficial to participating boroughs, their residents and customers.

4.6. Key considerations are

- Which of these elements should be delivered centrally by a shared service team?
- Which should be distributed and delivered by teams within participating boroughs under sovereign management?
- Which teams should perform these activities?

4.7. The diagram below depicts the four high-level options that have been considered



4.9. The pilot has been run as a virtual team involving analytical staff in LBHF and WCC and technical staff in WCC and RBKC. The team has effectively been under centralised governance by being run as a shared service programme reporting into the Corporate Services board and member steering group. This is effectively option 1. (excluding the BI exploitation that occurs in some of the shared services)

4.10. The data warehouse, associated infrastructure and tools built during the pilot are a shared ICT asset and so it has been agreed that accountability for their maintenance and development must sit within the ICT shared service. This is the purpose of the delivery function and so option 4 was discounted as it doesn't fit with this principle.

4.11. In consideration of a range of factors the preferred option is likely to be based on the exploitation and capability being distributed. It was felt that this would be more acceptable to members in the boroughs and that it was preferable to maintain established working relationships between BI specialists in boroughs and services. This resulted in options 1 and 2 being discounted. Consequently option 3 is the preferred option.

4.12. The TOM will therefore describe a BI capability that is dispersed across RBKC, WCC, LBHF and ICT rather than defining a single shared service.

5. NEXT STEPS

5.3. The following elements of the operating model are being developed as part of the next steps:

- What is the approach to governance of BI? This must ensure that a coherent BI strategy is established and followed. This must also include the approach to pipeline management how competing priorities are dealt with.
- How will exploitation and capability be provided in each of the participating boroughs?
- What roles will be required and how will they be funded?
- There will need to be clearly defined commissioning and working arrangements between the distributed function and centralised team.
- What protocols will need to exist to define which shared services receives BI support from whom.

5.4. The planned timetable for engagement and sign offs is as follows.

Shared Services	
Corporate Services Board	23/06/2015
Shared Services Board	01/07/2015
Corporate Services Member Steering Group	Sept 15 TBC
LBHF	
LBHF F & D PAC	30/06/2015
LBHF Officer Briefing Board	16/07/2015
LBHF Cabinet	07/09/2015
WCC	
Review and sign-off by Julia Corkey & Cllr Mitchell	July/Aug 15
RBKC	
Cllr Gardner Policy Board	Jul-15
RBKC Cabinet (if required)	Thu 17/09/15

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	None		

LIST OF APPENDICES:

Appendix 1 – Project Progress

APPENDIX 1 - PROJECT PROGRESS

6.1 Freedom Passes

This project is looking to ensure that the borough only pays for freedom passes that are held legitimately by checking whether the holder has, for example, moved out of the borough or died. Prior to this year we had found almost 2,700 ineligible passes - reducing the total by almost 10%. This year we have found a further 700. The charging arrangements for the scheme are complex and change frequently so it is not possible to predict savings accurately. London Councils will tell us the charge for 2016/17 in early autumn when we will be able to calculate the exact figure.

6.2 Single Person Discount

The service has developed a model to identify those households claiming single person council tax discount and the likelihood that this claim is erroneous or possibly fraudulent.

This has resulted in the closure of around 800 discounts generating additional revenue of £140k pa.

We have also commissioned DataTank (an external agency) to identify further incorrectly claimed discounts using credit agency data that is not available to us. The contract for this has recently been signed and we are working with the contractor to agree how the process will work.

5.5. Children's Services On-Track Programme

This project supports the On Track programme in identifying the characteristics differentiating children who do and do not go into care. Each child has a risk score based on how likely they are of becoming looked after.

The project is being piloted in LBHF. A model has been developed and we are working with Children's Services to establish where it will sit in terms of the customer journey. For example, at which stage will the scores be used – on first contact, when a score changes etc. and working on such details as how frequently will the scores and the model be updated.

5.6. ELRS Waste Dashboard

This project supports the aim to increase recycling rate to be in line with the EU target of 50% by 2020 and to help reduce environmental crime. It also supports the "Greening the borough" pledge to ensure cleaner streets and better recycling by:

- Reducing fly-tipping and tackling littering and dog fouling
- Making it easier for everyone to recycle as much waste as possible.

5.6.1. A BI solution is currently being developed to:

- Provide a consistent evidence base of organised data to support activities including targeting fly tipping hotspots and reduce recycling contamination.

- Enable the service to track trends on a regular basis to target interventions and to monitor the effectiveness of these and the performance of contractors.
- Identify how performance relates to initiatives and enquiry levels and which areas of the waste management service to focus on.

5.6.2. The expected outcome is

- Saving of officer time by automating the collation of data and production of dashboards - providing a toolset that will enable self-service by non-analytical staff.
- Major cost benefits would arise from a shift in tonnage from waste to recycling; based on current average waste tonnages, every 1% shift of waste from residual waste to recycled waste will save approximately £73k per annum and increase the municipal waste recycling rate by 0.8%
- Reducing contamination levels to 10% (from 15%) would save around £15k per annum in additional service charges to WRWA.

5.7. LBHF Customer Access

We are looking to build a reporting tool to establish a baseline for, and monitor all customer contact across the council. This is not immediately possible as we do not have a catalogue of the data collected across the multitude of customer access channels and contact points. It has been agreed that an initial project will develop a tool based on My Account (which is the Council's online application that enables customers to self-serve on a range of transactional council services such as paying council tax). In parallel to this a separate piece of work will be undertaken to investigate what data is collected across other channels and where there are gaps. Both of these pieces of work are in the early stages of definition.

5.8. Private Rented Sector (PRS) Landlord Licensing

The council has the power to introduce a licensing scheme for private sector landlords should there be evidence of high levels of antisocial behaviour (ASB) where there is high density of private sector accommodation.

In March 2015 Housing Minister Brandon Lewis stated that local authorities will not be able to license more than 20% of local Private Rented Sector or 20% of its geographical area without the agreement from the Secretary of State.

We found that there are areas where high levels of properties in the PRS correlate with high levels of ASB but these do not neatly fit into wards or output areas but they tend to focus on the three main town centre areas, and on the major thoroughfares of the borough.

We have developed a model to find the optimum level of properties in the PRS that does not exceed 20%, or exceeds 20% of the geographical area, but maximises the coverage of Anti-Social Behaviour. The model covers 19.9% of the private rented sector and 19.8% of the geographical area but

cover 34.1% of the ASB cases in the borough. A report of findings is being prepared and will be sent to TTS shortly.

6. IDEAS FROM FEBRUARY PAC BEING PROGRESSED

6.3. FGM

We have had initial discussions with the borough lead on Violence Against Women and Girls (VAWG). We agreed that there was potential for BI to be used to help identify girls at risk of FGM and potentially other forms of VAWG. This may reuse the work that was done with Children's Services for the On Track programme. We will be attending the VAWG executive group to look at how we take this forward.

6.4. Parking

Some innovative work has been done by Westminster to draw together data from multiple contractors to provide mapped information on parking occupancy. This has been used as the basis for a project to introduce parking sensors, improve the deployment of parking wardens and improve the parking experience for residents. This in turn has reduced congestion and improved customer satisfaction. We will be meeting with the LBHF head of service to look at opportunities for similar work in the borough.

6.5. Mapping those at risk from obesity and drug dependency

We have had initial meetings with Public Health about how BI might be used in this area and in support of the broader Public Health agenda. Their principle need is around joint working with other analysts around the Joint Strategic Needs Assessment (JSNA) programme and analytical ad-hoc support.

Specific needs are around better access to data, better understanding of work and deployment of resources. Some follow up sessions have been arranged to explore these in more detail. These may lead to BI projects.

7. OTHER EMERGING WORK

Some of the commercial opportunities being pursued:

- 8.1. A west London borough is buying LBHF services in order to run the Freedom Pass exercise on their behalf.
- 8.2. A different west London borough has agreed in principle to buy consultancy services from LBHF which leverages our BI capabilities together with our business analysis and consultancy capabilities.
- 8.3. A software solution provider is very keen for LBHF to partner with them in bidding, delivering projects and enabling their customers to exploit the potential of the software solutions. The company have their products already

installed in 60 public sector organisations in the UK. LBHF is a customer and seen as a thought leading user by the supplier.

- 8.4. LBHF have the opportunity to utilise 3rd party technology, at no cost for a trial period, to investigate the potential for 'Digital Nudge'. This is using technology and a supplier that is used by BMW finance for debt recovery. The initial thinking at LBHF is that we can trial this with sundry debtors.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted