

ENVIRONMENTAL SERVICES JOINT SCRUTINY COMMITTEE

9 FEBRUARY 2015

JOINT CLIENT TEAM REVIEW

REPORT OF SERVICE MANAGER (CONTRACTS MANAGEMENT TEAM)

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

This report provides a summary of the conclusions of the review of the Joint Client Team which forms part of the JCT Improvement Plan for 2014/15.

The review was considered by JESC at its meetings on 26 November and all recommendations were approved. Actions are already underway to implement these with the aim of all changes being in place by April 2015.

RECOMMENDATIONS:

That the committee raise any significant concerns regarding the conclusions of the review and refer these to a future JESC meeting for consideration.

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DETAIL:

1 Introduction

- 1.1 This report describes the conclusions of a review of the Joint Client Team (JCT) review which was a key action in the JCT improvement Plan for 2014/15.
- 1.2 The review report is attached as Appendix A and in line with the original terms of reference for the review includes the following key areas:
 - The purpose and roles (client and agents roles) of the overall team
 - Review of all staff resources required for directly delivering the client role for the management of the joint contracts.
 - Resource allocation across both councils based on the workload in both Districts.
 - Review of staff resources required for systems support and management, project support and management, etc.
- 1.3 The review takes into account the effectiveness of trial arrangements introduced during the current financial year as well as the need for re-allocation of some service areas which do not form part of the core function of the JCT's contract monitoring responsibilities.
- 1.4 The review was considered by JESC at its meetings on 26 November and all recommendations were approved. Actions are already underway to implement these with the aim of all changes being in place by April 2015.

OTHER CONSIDERATIONS:

2 COMMUNITY STRATEGY AND PORTFOLIO PLANS (RELEVANCE TO):

- 2.1 The delivery of the contracts services contributes towards the aims of the High Quality Environment outcomes of the Community Strategy

3 RESOURCE IMPLICATIONS:

- 3.1 The resource implications arising from the review are set out in sections 10.2 and 10.3 of the report. Matched savings to fund these have been found within service budgets to allow virement of funding and progression of the recommendations during the current financial year.

4 RISK MANAGEMENT ISSUES

- 4.1 The proposed changes to the structure and function of the JCT will help to ensure satisfactory contractor performance and minimise reputational risk from service

5. BACKGROUND DOCUMENTS:

None

6. APPENDICES:

Appendix A - Joint Client Team Review Report

Joint Environmental Services Client Team Review

Appendix A

November 2014

1.0 Introduction

- 1.1 This report is a staffing-based review of the Joint Environmental Services Client Team (JCT). This team comprises officers employed by both EHDC and WCC who manage three joint service contracts (for waste collection, street cleansing and grounds maintenance, and public convenience cleaning).
- 1.2 EHDC are the administrative authority for the partnership, which entails employing the key senior officers in the JCT as well as being the contracting authority for the three joint contracts.
- 1.3 The JCT was formed in April 2011 based on a design developed late in 2010, using predictions of the likely workloads that would be arising from the new joint partnership and joint service contracts. With over 3 years experience of the structure it is now appropriate to review the structure and prepare it for the challenges ahead.

2.0 Background

- 2.1 The Joint Environmental Services Client Team (JCT) was created in April 2011, through the combination of the two existing Environmental Services Client Teams at EHDC and WCC. Due to the size of the two combined districts (over 420 square miles), the team operates out of the two main council office sites at Petersfield and Winchester. The current structure chart is included at Appendix 1.
- 2.2 Whilst the structure was designed primarily to manage the contracted services some residual functions remained within the JCT and as part of this review it is appropriate to review these aspects including the 'OppsTech' Team who carry out land drainage, flooding response, street furniture installation and play site inspections/repairs.
- 2.3 The review and this report have been structured into the following key areas:
 - i) The purpose and role of the JCT
 - ii) Comparisons of workloads
 - iii) Non core functions
 - iv) KPIs and Scrutiny
 - v) Job Roles & Structure
 - vi) IT Issues
 - vii) Budget Implications & Cost apportionment

3. Purpose and Role of JCT

- 3.1 As the start of this review process JCT staff participated in a team workshop at which they carried out various exercises including a SWOT analysis of the team and comparisons of the core and non-core functions currently carried out within the team.
- 3.2 The team's conclusion was that the main purpose of the JCT is to

“deliver the front-line services by monitoring and managing work under the three main joint service contracts”.

3.3 A similar exercise to establish the purpose of the JCT was carried out with questionnaires being completed by members of the Joint Environmental Services Board. One of the questions asked for a definition of the JCT (in one short sentence). Answers provided were:

“To ensure that the requirements of the contract are met and to advise on future developments of contracted services”, and

“To deliver front-line services through monitoring and managing the performance of the councils’ various service contractors”

3.4 The 2 responses are very similar and encouraging in that both groups of individuals are clear about the function. One of the aims of this review is therefore to ensure that these shared aims are met. The review will also take into account the progress made with some of the actions required to address the weaknesses which have been completed to date.

3.5 One issue that has not been raised previously but should be considered at this stage is the branding of the team as the Joint ‘Client’ Team. Discussions with various stakeholders have confirmed that many individuals find the title confusing and it does not really properly communicate the function of the team. The JCT staff members also feel similarly and there is an appetite to change the team name so as to better reflect its role. Various options have been considered but **it is recommended that the title ‘Contract Monitoring Team would be more understandable in terms of communication and can then be used in branding of PPE clothing so that the public are aware that contract monitoring processes are taking place. The job title of the JCT Manager would need to be changed to reflect this change in name.**

4. Comparison of Workloads

4.1 With 3 years of data available and service performance of both contractors starting to stabilise it is now possible to more accurately analyse the ‘business as usual’ workloads across the JCT using the Lagan system operated by the Winchester CSC for recording customer service requests. This can also be matched with service data including grounds maintenance and street cleaning work volumes.

4.2 The decision to use the WCC CSC was partly based upon the ability to use the existing WCC “Lagan” customer contact software system, which has been rolled-out for the JCT to use as a case management system. Whilst Lagan has been a successful common platform for both the JCT and the two major contractors to utilise for contract communication purposes, it is not designed specifically as a contract management product. As a consequence JCT Contract Monitoring Officers (CMOs) find they spend a disproportionate amount of time in the office updating cases on the system.

4.3 A time-recording exercise previously carried by JCT staff produced the following average results for the CMOs:

Time on site monitoring contracts/visiting residents	32.3%
Time editing/raising Lagan cases	33.9%
Other office activities (e-mails/phone calls/meetings/training)	33.8%

This split of time limits on-site contract monitoring activity which is a key requirement for the team so a technical and process based solution needs to be found to reduce the time in the office and increase the extent of on-site monitoring activity.

4.4 It is also clear that there is a difference in the workloads across the 2 Districts. This was originally identified in an analysis carried out in 2013 as shown in the table below

March/April 2013	WCC District				EHDC District			
CMO Area	1	2	3	4	5	6	7	8
Biffa Lagan Cases	148	162	72	91	105	90	49	93
TLG Lagan Cases	87	81	73	59	66	42	60	44

4.5 As part of this review further analysis has been carried using 3 years of contract data.. The conclusions of this work are as follows

- On average Winchester based CMOs have more Lagan cases to deal with
- Within each District there is an imbalance of the CMO workloads
- The Winchester District has a greater caseload due to grounds maintenance activities with larger numbers of formal gardens, hedges, shrub beds and differing grass types (The Winchester elements represent 80% of the TLG contract costs)

4.6 Based on these conclusions and the findings of the next section of this report there is a clear need to review the current allocation of resources across the 2 Districts. This aspect will be dealt with later in this report.

5. Non Core Functions

5.1 At the time of inception the JCT was established with the core function of managing and monitoring the 3 main contract areas. However, there were a number of areas that previously sat within the EHDC contract monitoring team which were not reallocated and experience has shown that these have a significant but sporadic impact upon the core work of the JCT. These areas include:

- EHDC Streetcare Technicians Team management
- Flooding and Land Drainage – management and response
- EHDC Play Sites – management and inspection of 16 sites
- EHDC Street Furniture – street nameplates and bus-shelter maintenance
- EHDC Out of Hours Customer Service

5.2 The EHDC Contract Manager also retained responsibility for a significant amount of financial administration because EHDC are the Administering Authority for the joint partnership and receiving all of the associated contract invoicing for both councils.

5.3 This latter aspect is increasingly being resolved as the 2 Contract Managers take on increasing amounts of budgetary responsibility for their own lead areas and both have

led the process to prepare the 2015/16 budget using zero based principles. However, there is still a need to transfer the management of the peripheral EHDC services elsewhere at EHDC in future.

- 5.4 There are clear links with these services and the Facilities Management functions of EHDC as the team provide operational services for that team as well as other teams within EHDC. Until recently the FM function was integrated with the Property Team so absorption within that team could have presented difficulties. However, with the proposal to split that team into the 2 separate functions this is an ideal opportunity to transfer the Opps Tech team to that function. This would also enable the service to continue to develop an income generation approach in line with EHDCs corporate aspirations. Initial discussions have taken place with the Service Manager in charge of this area who is receptive to the proposal.
- 5.5 Another anomaly is the retention by the EHDC based contract monitoring team of envirocrime enforcement, particularly fly tip investigations. Whilst the JCT does have responsibility for the prompt removal of fly tip investigation and prosecution of offenders does not constitute core business and can be particularly time consuming.
- 5.6 This approach is not replicated at Winchester where the JCT still retain responsibility for removal by the contractor but enforcement sits within a Community Safety/Neighbourhood Support Team who carry out investigations and try to reduce the numbers of incidents using a deterrent basis. This approach allows the staff in that team to use appropriate staff with the investigative and evidence gathering skills required. It makes sense for a similar approach to be implemented at EHDC in order that the right functions sit within the right team and do not act as a distraction from core contract monitoring work.
- 5.7 The timing for this development is topical as EHDC consider the funding of PCSOs for there are and who can carry out litter, fly posting, graffiti and dog fouling enforcement using accredited powers once appropriate delegation schemes have been established. Whilst fly tipping investigations do not form part of these proposals as the Police do not consider this part of their responsibilities it would be possible for a part time enforcement officer post to be established who could work closely with the PCSOs under the direction of the Neighbourhood Quality Service Manager.
- 5.8 A similar approach could also be taken to abandoned vehicles which although is subject to a removal contract via HCC does not form part of the core function of the JCT. **It is therefore recommended that abandoned vehicle administration is transferred at the same time as fly tipping investigations at EHDC and the transfer of the function to the Neighbourhood Services Team at WCC be agreed in principle and discussions to commence on the best way to achieve this in practice.**

6. KPIs and Scrutiny

- 6.1 Over the last 3 years there have been gradual improvements in the way the overall, scrutiny of the JCT takes place. Scrutiny of the JCT is primarily carried out through the Joint Environmental Services Board (JESB) currently on a monthly basis, with matters requiring formal member approval taken forward to the bi-monthly Joint Environmental Services Committee (JESC). Key Service Performance results are

reported to both meetings and the recent development of Performance Dashboards has helped to streamline this process..

- 6.2 In 2013 a Environmental Services Joint Scrutiny Committee was established which is to provide a first stage of scrutiny with any matters of concern referred on to the appropriate parent committee at each Council. This process includes annual attendance by JCT Managers and senior officers from Biffa and The Landscape Group. This scrutiny process is still being refined as members become more familiar with respective roles of the various meetings and it is hoped that during 2015 it can gradually develop to a 'business as usual' position.
- 6.3 In addition to this scrutiny performance results are also regularly reported to management meetings at both Councils and in future the dashboard will be able to provide this data with the minimal of re-analysis.
- 6.4 The collation, preparation of interpretation of this monitoring data has been increasingly identified s a key priority for the team and the process to do has been improved by grouping the key officers together in a Project & Support Team on a temporary basis during 2014. This has greatly improved the collation of the data and development of the dashboard as well leading other projects such as Business Process reviews and writing of procedures both of which were identified as a weakness in a recent audit of the JCT.

7. Job Roles & Structure

- 7.1 This review has included analysis of the actual job roles carried out when compared against the original job descriptions (JDs) developed for each post. This was carried out in three separate job groups (Managers, Contract Monitoring Officers, Administrative staff).
- 7.2 The review has highlighted significant variations in tasks across the 2 geographical areas which when linked to the workload differences described earlier show inconsistency in approach across the team as a whole. In simple terms EHDC CMOs balance out the fewer Lagan cases they have to deal with enforcement activity which at WCC is carried out by the Neighbourhood Wardens Team (abandoned vehicles, litter fines, fly-tipping enforcement actions). However, this can have an impact on routine contract monitoring work as enforcement case can involve staff in lengthy preparation work and liaison with Legal officers, for a relatively low "return". At these times, contract monitoring work becomes limited to responsive action on Lagan cases only, with little or no proactive checks being done.
- 7.3 This inclusion of enforcement responsibilities within the CMO Generic JD is therefore not helpful and is reinforcing the differing approaches to contract management across the 2 geographical teams. With the proposal described earlier to relocate these functions outside of the JCT it is therefore recommended that the generic CMO Job Description is amended to remove all enforcement activities. Following this change, it will also be necessary to move the responsibility for carrying out Abandoned Vehicles administration elsewhere within WCC and the administration for Abandoned Vehicles, Litter Fines and Fly-Tipping Enforcement within EHDC as described earlier.
- 7.4 Since the JCT was created each of the three managers were line-managing one administrative post each. Experience has shown that this has hampered integration of the admin functions, which existed very much in three separate "parts". Another issue was the lack of independent verification of data within the JCT in order to ensure that

reports and information are accurate. In addition a recent audit established the need to have a clear system and process owner/expert within the team in order to ensure fit for purpose processes and provide an interface with service providers such as the Winchester CSC and IT Department.

- 7.5 In order to address these issues a temporary acting up arrangement using the Project Officers as a Project & Administration Team Leader has been in operation since May 2014. The role directly line-managed the following posts:
- Data & Performance Officer
 - Support Officers (2)
- 7.6 This new team has provided a central “hub” within the JCT providing reliable data and information for performance reports which have been developed into a dashboard for the various audiences. They have also led a programme of business process reviews in order to improve contract monitoring procedures as identified in the same audit described earlier. This work will continue and in future the team will co-ordinate performance improvement projects, mainly in the areas of recycling and street cleanliness which to date have had to be deferred whilst the Project Officer was carrying out the team leader duties.
- 7.7 **Because of the success of this post it is recommended that it is made permanent.** There is already £29K of funding available for the post from previous growth for a Data & Support Officer which was included for 2014/15 budget but has not yet been allocated.
- 7.8 There is also a need to create a budget for the delivery of the Waste Minimisation Plan actions which can be funded from reduced subscription costs to Project Integra to create a WCC/EHDC/HBC pooled budget for this purpose if appropriate.
- 7.9 In terms of CMO workload sections 4 & 5 of this report have described the issues to be addressed which in order to resolve the imbalance in workload between the CMOs in both Districts.
- 7.10 At the time that the JCT was established it would appear that the resources allocated across the team as a whole to manage the contracts were correct. However, experience has shown that based on volumes of work (as opposed to the quality of service delivered) there is a need to reconfigure the allocation of resources across the 2 districts and also to try and maximise any opportunities presented by cross boundary working.
- 7.11 Based on these factors **it is recommended that the following steps are taken :**
- a) **It is recommended that the title of the team be changed to ‘Contract Monitoring Team’ to better reflect its function.**
 - b) **The number of CMOs monitoring the EHDC aspects of the contracts should be reduced from 4 to 3 FTE.**
 - c) **The number of CMOs monitoring the WCC aspects of the contracts should be increased from 4 to 5 FTE.**

- d) **The boundaries of the CMO Districts should be re-drawn and opportunities taken to remove the artificial ‘barrier’ of the demarcation between the 2 Districts.**

8. IT Issues

- 8.1 This review has also considered the role of the Lagan CRM system and the links between this and the CMOs/CSC in order to monitor performance. Lagan has been in use for sometime and is need of improvement/replacement as the case handling processes are laborious and hamper contract monitoring procedures.
- 8.2 During 2014 work has begun to explore an alternative web-based system called ‘My Council Services’ which has significant potential improve the speed to contract monitoring and also offers the opportunity of mobile working by CMOs to access service inspection databases on site using tablet computers and to record contract monitoring checks/respond to customer complaints. The ability to update cases on site should result in significantly greater amounts of time spent by CMOs out of the office carrying out monitoring.
- 8.3 The details and cost of such a system is still being explored and the potential to link the work with work at EHDC on a new CRM system. The JCT will undertake a feasibility project with the WCC and EHDC IT Departments during 2015 to scope the potential after which a Project Initiation Document will be brought to a future JESB for consideration.

9. Review Conclusions and recommendations

- 9.1 This review has identified that changes are required to the current JCT structure and functions in order to prepare it for future developments and contract monitoring requirements. The conclusions of the review accord with the audit of the JCT recently reported to JESC.
- 9.2 The team have not yet established itself into a “Business As Usual” position for a number of reasons. The key issues are listed below:
- Not enough time being spent on-site monitoring work of contractors
 - The retention of non core functions within the team (particularly within the EHDC based team) which impact upon contract monitoring capacity
 - Lack of clear contract monitoring processes including data ownership and coordination of administration
 - Unbalanced CMO workloads across the 2 Districts
- 9.3 In order to address these issues the following recommendations should be implemented
- a. **It is recommended that the title of the team be changed to ‘Contract Monitoring Team’ to better reflect its function**
 - b. **The number of CMOs monitoring the EHDC aspects of the contracts should be reduced from 4 to 3 FTE.**
 - c. **The number of CMOs monitoring the WCC aspects of the contracts should be increased from 4 to 5 FTE.**

- d. **The boundaries of the CMO Districts should be re-drawn and opportunities taken to remove the artificial ‘barrier’ of the demarcation between the 2 Districts.**
- e. **All non-core activities within the EHDC JCT are re-allocated to other services within EHDC as follows**

<u>Function</u>	<u>Transferred to</u>
EHDC Streetcare Technicians Team management	Facilities/Emergency Planning
Flooding and Land Drainage – management and response	Facilities/Emergency Planning
EHDC Play Sites – management and inspection of 16 sites	Facilities/Emergency Planning
EHDC Street Furniture – street nameplates and bus-shelter maintenance	Facilities/Emergency Planning
EHDC Out of Hours Customer Service	Facilities/Emergency Planning
Fly Tipping Investigations	Neighbourhood Quality
Litter Enforcement	Neighbourhood Quality
Abandoned Vehicles	Neighbourhood Quality

- f. **The resources from the removal of 1 FTE CMO post at EHDC described in recommendation (a) be split between Neighbourhood Quality and Facilities/Emergency Planning to cover the costs of providing these functions.**
- g. **The abandoned vehicles function at WCC is transferred to another enforcement team within the City Council and discussions to commence on the best way to achieve this in practice.**
- h. **The generic CMO Job Description is amended to remove all enforcement activities.**
- i. **The Project & Administration Team Leader post is made permanent and the post subjected to a job evaluation and recruitment process.**

9.4 The effect of these recommendations on the JCT structure is shown at Appendix 2 which shows the existing and proposed structures.

10. Budget Implications & Cost Apportionment

10.1 Because of the proposed changes there is a need to review costs per authority using the previously agreed cost apportionment model. This review has considered whether the model should be amended but it is the view that it is still fit for purpose and has improved since the start of the contract as resource allocation and recording

becomes better refined. Some of the recommendations in this report such as mobile working solutions linked to improved CRM processes will improve matters further and ensure that cost allocation is as accurate as possible.

- 10.2 Using the changes proposed in this review it is possible to provide an estimate of the likely budget implications of the proposals based on current budget information on existing salaries and acting up arrangements which have been in place for the last 6 months as follows. Using the cost apportionment principles gives the following results:

<u>Costs</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>
Projects & Admin Team Leader Post	47000	47000	47000
Mobile Working Solution Licences	5000	5000	5000
One off Mobile working costs	15000		
	<u>87000</u>	<u>72000</u>	<u>72000</u>
<u>Funding</u>			
Existing staffing budget unallocated	29000	29000	29000
	<u>49000</u>	<u>49000</u>	<u>49000</u>
Net Cost	<u>38000</u>	<u>23000</u>	<u>23000</u>

- 10.3 Impact per authority

	<u>WCC</u>	<u>EHDC</u>
Additional 1 FTE CMO	+ £32,000	
Share of Projects and Admin Team Leader	+ £9,000	+£9,000
Mobile working licences	+£2,500	+£2,500
Total	+£43,500	+£11,500

JCT Structure as Established



