

# **SCOTTISH BORDERS COUNCIL AUDIT AND SCRUTINY COMMITTEE**

MINUTES of Meeting of the AUDIT AND SCRUTINY COMMITTEE held in Council Chamber, Council Headquarters, Newtown St Boswells on Thursday, 23 August 2018 at 10.00 am

-----

- Present:- Councillors S Bell (Chairman), H Anderson, K Chapman, J. Fullarton, S Hamilton, N Richards, H Scott, R Tatler and E Thornton-Nicol.
- Absent:- Councillor Fullarton.
- Also Present:- Councillor M. Rowley, T. Weatherston.
- In Attendance:- Service Director Customer and Communities, Customer Services Manager, Financial Inclusion & Support Team Leader, Principal Internal Auditor (S. Holmes), Clerk to the Council, Democratic Services Officer (F Henderson).

## **1.0 WELCOME AND INTRODUCTIONS**

The Chairman welcomed those present to the meeting.

## **2.0 MINUTE**

There had been circulated copies of the Minute of 26 June 2018.

## **DECISION**

**(a) APPROVED for signature by the Chairman.**

**(b) NOTED that, in respect of recommendation 3(ii), the Chief Officer Roads would provide an update to Members at the next meeting of the Committee in respect of corrective action in place to address the issues identified in the Fleet Management Workforce Plan.**

## **3.0 WELFARE BENEFITS SERVICE CHANGES PETITION**

3.1 There had been circulated copies of an extract from the Audit and Scrutiny Committee Petitions procedure and the Chairman explained the procedure to be followed. The Chairman welcomed Ms Jenny Mushlin, Lead Petitioner who was in attendance to present a petition on the Welfare Benefits Service changes and was accompanied by Jenny Smith – Chief Officer (Borders Care Voice) and Marc Bremner - Member of the Mental Health & Wellbeing Forum.

3.2 Ms Mushlin commenced her presentation by explaining the subsequent workload which had been created by the change to the Welfare Benefits system, in that people currently with indefinite awards of disability living allowance (DLA) were being migrated to Personal Independence Payment (PIP). By October 2017 over 97,000 people within Scotland had been reassessed of which nearly £17,000 (17.3%) had not been given any award. Of the Appeals made against these decisions, 65% were successful, appeals made locally had been carried out by the previous Welfare Benefits Service and Citizens Advice Bureau (CAB). Ms Mushlin went on to explain that six major benefits had been transferred to Universal Credit (UC), with the full service recently going live in Scottish Borders. This benefit is an online claim, regardless of the claimant's IT skills. Transitional protection (where you keep your current rate of benefit) may also be different. It was possible that claimants may only keep the benefit until a change of circumstances and then they would

not receive it if they claim Universal Credit before being invited, but this had yet to be finalised. Ms Mushlin continued with her statement, covering each request within the petition.

**3.3 SBC employ Welfare Benefits Assistants or other Staff who have a specific remit to assist with initial completion of form application.**

It was explained that the PIP application form was 40 pages long with 12 pages of guidance and used a points system which was unfamiliar to most people. There were examples of staff in a range of organisations spending hours completing forms rather than doing the job they were employed to do. It was advantageous to have a well completed form, should it go to appeal. The same was true of Employment Support Allowance (and its equivalent form in UC). Dedicated staff know which details were relevant and how to sensitively approach people dealing with a claim which was very personal and potentially distressing to complete.

*The petition requested that all Customer Services Staff were well trained to handle welfare benefits queries and recognise all queries, which may appear deceptively simple, and should be handled by a Financial Inclusion Officer. It was further requested that SBC recruit sufficient staff for initial form completion and should demand outstrip supply, further staff be recruited.*

**3.4 Regularly Monitor and listen closely to Citizens Advice Bureaux on their workload with initial and pre-assessment support, including waiting times for the public**

The Citizens Advice Bureaux do not exclusively provide Welfare Benefits Advice and have an extensive caseload dealing with various aspects of debt and all aspects of life. They are staffed mainly by volunteers who have to work at a paralegal level. The CAB are based only in major towns and people cannot necessarily access the service.

*The petition requested that a transparent report be provided detailing any increase in trends of Welfare Benefits casework to CAB, particularly with form filling and pre-assessment support. This seems to be where people are being directed from SBC. These reports should be public and reported regularly (quarterly) to Borders Care Voice and the Mental Health & Wellbeing Forum.*

**3.5 SBC offer a comprehensive service, giving advice on all aspects of the welfare benefits system - from initial claims to representation at tribunals**

Both PIP and UC were relatively new benefits with little from the Upper Tribunal, which was binding in law. There have been 2 major Upper Tribunal PIP decisions – one on psychological distress in the mobility component and one on safety. It was anticipated that there would be many more decisions which would change the goalposts and claimants were likely to be unaware that they were wrongly refused a benefit and this required to be addressed at the Welfare Benefits Advice level. There was concern that the current staffing resource was not adequate for the future demands that welfare benefits changes would create as anecdotally the appeal involved two days work per case.

*Action requested in the petition – Request that the number, type of claims and appeals, success rate and demographics of those accessing the Financial Inclusion Service, as well as the amount generated for the local economy, should be publicly available and reported to Borders Care Voice and the Mental Health & Wellbeing Forum on a regular basis.*

**3.6 SBC ensure that home visits are provided, at any stage, for those unable to physically or financially get around (this was not currently recognised in the Equality Impact Assessment)**

Ms Mushlin was astounded that the removal of home visits had not been recognised in the Equality Impact Assessment, given the rurality of the Borders. The high cost of public transport presents real difficulties for those reliant on the service to access building based

services and those claimants with physical disabilities and long term conditions have great difficulty travelling anywhere for advice. There are tight deadlines at all stages of the claim process from initial claim to appeal which are easy to miss if advice cannot be accessed timeously.

*The petition requested that home visits are available for those unable to travel and that these requests and home visits undertaken be monitored and reported.*

**3.7 SBC ensure that there are sufficient staff resources within SBC for maximisation of benefit within the Borders and that all receive a right to a fair hearing**

Due to the changes and the high level of error in PIP assessments, there was concern that the current staffing level was not adequate.

**3.8 SBC acknowledge the error made in not carrying out any public consultation prior to the changes to the Welfare Benefits Service**

Ms Mushlin reported a lack of consultation with members of the public and those who claim benefits in respect of the changes. Assumptions were made which did not have any evidence to support them. There was no evidence to date of any public consultation either for the proposed service redesign or any monitoring of the impact of the changes. There appeared to be little understanding of the issues people claiming benefits were facing.

**3.9 Monitor and report the impact on the groups with protected characteristics listed as negatively impacted by the Equality Impact Assessment (EIA)(poverty, age, disability, and those classified as living in remote small towns, accessible rural and remote rural areas.**

The Carer appeared to have been omitted in the EIA as negatively impacted. Anything that negatively affects the income, support and health and wellbeing of the person cared for will automatically negatively affect the carer.

*The petition requested that the impact on all groups with protected characteristics with the addition of carers should be reported regularly to Borders Care Voice and the Mental Health and Wellbeing Forum. Those living in areas defined as remote small towns, accessible rural and Remote Rural be included in the general impact monitoring of the change of service and reported to Borders Care Voice and the Mental Health and Wellbeing Forum.*

**3.10 Ms Mushlin requested that there be extensive consultation on the new service to find out how well it works for individuals and the other services which support them. Those claiming benefits should be consulted as to what required to be improved. In conclusion, Ms Mushlin advised that there was known to be association between financial uncertainty, money worries and poor mental health. Fewer than 1 in 10 people without mental health problems have debt problems, this rises closer to one in four among those with depression or anxiety. Problems with welfare benefits and poverty could trigger both known and new mental health problems. Ms Mushlin urged Scottish Borders Council to recognise that the Welfare Benefits Service was a vital service for the mental health and wellbeing of all in the Borders and requested that monitoring of the effects of the changes be undertaken and appropriate action taken.**

**3.11 In response to questions from Councillors with regard to evidence of a drop in standard of support, Ms Mushlin advised that there was anecdotal evidence of the lack of support. Ms Mushlin was of the opinion that SBC should be collecting information about the impact of the changes in service had on claimants. Ms Mushlin further explained about the Upper Tribunal, if there was a point of law it would be taken to the Upper Tribunal and the law could be changed by cases taken to the Upper Tribunal and the goal posts changed all the time. In relation to engagement with CAB, it was explained that the Development Officer for Borders Care Voice had general meetings with Financial Inclusion Officers, RSLs and Citizens Advice. In response to further Members' questions, Ms Mushlin**

advised that the previous service had been professional and accessible. However, while the service remained professional it was only accessible if people could find out about it.

- 3.12 Jenni Craig, Service Director Customer & Communities was present with Councillor Weatherston, Executive Member for Adult Social Care and explained that since 1 November 2017 Customer Services, the Homelessness and Welfare Benefits Services had merged and restructured to become one integrated service called Customer Advice and Support Service. Welfare Benefits Officers were now known as Financial Inclusion Officers, forming part of the Financial Support and Inclusion Team along with the Scottish Welfare Fund Team and sat within the wider Homelessness and Financial Support Team. The aim of the restructure was to ensure that the level of service provided continued and in some areas improved, ensuring Scottish Borders Council (SBC) was prepared for ongoing Welfare Reform including the rollout of Universal Credit. The Department for Work and Pensions (DWP) expectation on customers to self-serve online had created increased demands on Council services to assist customers. Prior to 1 November 2017 the equivalent of 1.7FTE Welfare Benefit Assistants were employed to assist with basic benefit enquiries including form filling with customers. There were now 49 Customer Advice & Support Advisors (CASAs) across a wider range of locations, with a remit to assist customers at the first point of contact with their enquiry whether they present in a locality office, face to face, over the telephone or online. These Advisers already deal with a range of benefit enquiries and applications as well as carrying out assessments for blue badges. The aim was to provide a holistic service where a customer could speak to the same member of staff on a range of topics.
- 3.13 The re-development of some former welfare benefits staff into other areas within CASS had retained their expert knowledge and skills within the service. Both customers and staff were therefore benefiting from easier knowledge and service accessibility and the new structure provided wider, better accessibility to learning opportunities, access to systems, training and support. SBC had contracted the Borders Citizens Advice Consortium (BCAC) for many years to provide services to customers including benefit, money and debt advice and assistance to challenge benefit decisions. Contract monitoring meetings occurred quarterly between SBC managers and BCAC managers. Quarterly liaison meetings were held between front line SBC team leaders and BCAC managers to discuss trends, issues and share best practice. SBC and BCAC staff regularly attended external meetings to discuss current benefit related issues and SBC team leaders were in regular contact with BCAC managers via email or telephone to immediately respond to any issues. Housing Associations also provide help for tenants, representing them at Appeal Hearings.
- 3.14 Mrs Craig acknowledged, that in hindsight, a consultation with service users may have been beneficial. The new model integrated staff who very often were giving advice to the same people and provided a wider service for those who needed it. There was a misconception about what was trying to be achieved and help was available for the completion of applications and a home visit would be provided should it be required. Mrs Craig stated that staff had reported that there was no back log of applications, they were coping with the work coming in and were not turning people away. It was perhaps a case of making it clearer that specialist advice was available. It was challenging to get a clear idea of the problems, but this would be monitored closely together with the level of demand. Mrs Craig would be pleased to hear from users of the service and Councillor Weatherston gave positive feedback received from clients using the contact centre. Mrs Craig also gave some details of the new Scottish Social Security Agency and the change from DLA to PIP. The new Agency would have a presence in each local authority area from spring 2019, and would offer advice, help people to fill out forms and offer home visits. Specialist advice needed to be clear going forward, and Mrs Craig was happy to share the available data with Ms Mushlin, although it would be helpful to hone in on what would be the best key indicators to monitor.

- 3.15 Councillors sought clarification on the processes in place and the Financial Inclusion & Support Team Leader explained that each request would be assessed individually as every case was different, should a home visit be required, then it would be undertaken. In response to a question about the number of staff, Mrs Craig advised that there were 2 Financial Advisers and a McMillan post who would represent clients at tribunals. The 49 front-line staff had completed online training modules using SBLearn. The Customer Services Manager further explained that the service now had Development Officers and Assistants with a specific role in training any staff on changes to benefits, with built in escalation routes if staff did not know the answer to any question raised by an applicant. It was further explained that each Adviser had a caseload of 60 clients which were at various stages, which was considered manageable and the Advisers stayed involved until resolution. The level of caseloads was monitored regularly. Mrs Craig advised that it was difficult to measure impact of contact with SBC – numbers of people contacting SBC were held but there were no tracking outcomes if passed to other agencies. However, assistance would be provided to individuals if requested to contact agencies on their behalf. With regard to advice given, this was monitored by the Development team to check whether any adjustments were required to process. In terms of Ms Mushlin's requests, Mrs Craig agreed that communication on level of service provision and how to access required further clarification. Although thorough examination of the requests within the petition was required, Mrs Craig did not consider it unsurmountable on a first look. The Service worked with CABs to establish what information could be gleaned from CAB systems, with CAB staff working at the Council and vice versa to gain knowledge of the different processes.
- 3.16 On being asked to sum up by the Chairman, Ms Mushlin made reference to the complexity of Universal Credit having a strain on CAB and RSLs which could impact on support for people on PIP, etc. There had to be an understanding of what a PIP claim entails for applicants. It could be very demoralising to be faced with completing a 40 page form, which had to be very detailed, which in itself could cause distress to the individual as it brought home the reality of an individual's condition when they had to say what they could not do. The procedure could take 2 hours to complete which may be daunting for someone with depression or a mental health issue to sit in a small meeting room for that length of time. Letters to applicants moving from DLA to PIP could also be confusing for some individuals.
- 3.17 The Chairman then commented that while it was normal practice for officers to put recommendations on committee reports, when providing a briefing note in response to a petition this may not be appropriate. With regard to the decision to be reached by the Committee, there were 3 options available: refer the matter to another Committee or Director with or without comment; refer the matter to a relevant Community Planning Partner with or without comment; or take no further action. The Chairman made reference to the statement on the petition and Members considered what action to take.

## **DECISION**

### **AGREED:-**

- (a) **that the service provision for welfare benefits claimants continue to be monitored on a regular basis, including seeking the views of clients on the service being provided;**
- (b) **that consultation, including with service users, be carried out prior to any future changes to service provision;**
- (c) **that communications be developed on how the service worked and could be accessed to try to address some of the misconceptions around claiming for benefits;**

- (d) **the Service Director Customer & Communities would work with Border Care Service to agree on the criteria for key performance indicators; and**
- (e) **the Service Director Customer & Communities would review the requests within the petition and provide a briefing note to the Audit & Scrutiny Committee and the petitioner on what could be put in place.**

#### 4.0 **URGENT BUSINESS**

Under Section 50B(4)(b) of the Local Government (Scotland) Act 1973, the Chairman was of the opinion that the item dealt with in the following paragraph should be considered at the meeting as a matter of urgency, in view of the need to make an early decision and to keep Members informed.

#### **BROADBAND IMPROVEMENTS REVIEW**

- 4.1 With reference to paragraph 8 of the Minute of Executive Committee held on 21 August 2018, whereby the Audit and Scrutiny Committee had been asked to undertake a review of the progress made in delivering improved broadband services in the Scottish Borders by the Digital Scotland Superfast Broadband Programme. The Chairman had invited Councillor Mark Rowley, Executive Member for Business & Economic Development, to the meeting to advise Members of the background to the programme. Councillor Rowley explained that Scottish Borders Council had contributed significantly to the roll-out of the Scottish Government's Digital Scotland Superfast Broadband (DSSB) programme, contributing £8.4M to help extend the roll-out as far as possible in the Scottish Borders and achieve 93.8% coverage, but this coverage had not been achieved, and many Borders homes remained without connections for superfast broadband. The new R100 broadband programme was out to tender at the moment and the proposed review would feed in to this to enable the Council and the Borders to get the most out of this new programme. The Chairman then advised that he would be speaking with the Executive Director, Mr Dickson, and the Chief Officer Economic Development to agree the format of the review and what papers would be available for the Committee to consider. Councillor Chapman referred to a 2016 report by the Scottish Rural Parliament which could be helpful for the review and this would be investigated further. It was likely that additional meetings would be required for the Committee which had been asked to report back to the Executive Committee by 4 December 2018.

#### **DECISION**

**AGREED to undertake the review of the Digital Scotland Superfast Broadband Programme in the Scottish Borders, including its outcomes.**

#### **MEMBER**

Councillor Tatler left the meeting following consideration of the above item of business.

### **SCRUTINY BUSINESS**

#### 5.0 **DELIVERY OF THE IT STRATEGY AND PLAN WITHIN SCOTTISH BORDERS**

- 5.1 With reference to paragraph 2 of the Minute of 30 November 2017, the Chief Financial Officer was present to report on the IT Strategy and Plan within the Scottish Borders. Mr Robertson explained that the presentation would focus on the Enterprise Resources Planning (ERP) system and the vision for the Digital Customer Access (DCA) Portal, with no commercial detail from the contract being put forward in this public session. The CGI contract was a £90m plus investment over a 13 year period with the potential for extension which would provide a platform for change and transform the Council's IT function. The contract deliverables included the delivery of a new ERP System, a new DCA solution, a full refresh of the Council's hardware, protection against technical obsolescence, Cyber security resilience and market leading innovation. CGI would also set up a new Borders Service Centre, with up to 200 jobs over 5 years. Mr Robertson went on to advise that what had been delivered to date with CGI included major contract outsourcing; IT resilience, stability, security and refresh; and a major upgrade of the

Council's complicated and antiquated IT infrastructure. There had been issues with implementing the ERP system but rectification was largely complete and an upgrade to Milestone 7.2 was planned. The DCA project had been re-scoped and specification agreed. The Council's previous financial information system (F.I.S), HR/Payroll System (Resourcelink) and Purchasing System (Proactis) had all been replaced with a single integrated Finance and HR System. The benefits of having the one system included self-service, standardisation, integration and "one version of the truth". Mr Robertson reported that some of the lessons learned included addressing deficiencies in the post go live environment; retaining specialist consultants as system architects; issues identified with build post rectified by CGI at their cost, although SBC had put in staff time; and the detailed specification for the DCA project was now being developed jointly between Council staff and CGI. Not insisting on test system prior to going live turned out to be a significant shortcoming, and insufficient focus on end to end testing of processes prior to going live had resulted in testing being carried out in a live environment. Mr Robertson reassured Members that CGI had met the costs of rectification, although the Council had paid CGI for further enhancements not in scope in the original contract. When the contract had been signed, it was thought that Edinburgh City Council would be the pathfinder for the development work, but SBC moved forward more quickly so SBC had implemented ERP and Edinburgh had not yet done so. There had been too much focus on April 2017 go live date and an over reliance on the third party integration specialist (Agilysis) who had not provided the complete overview of all the workstreams involved as had been expected.

- 5.2 The Service Director Customer & Communities advised that in terms of DCA, this was a significant project alongside ERP in the contract. The original proposal for the digital platform for DCA was not fit for purpose and had to be re-designed. The contract with Agilysis had been terminated and Council staff had worked together with CGI staff to arrive at a new solution which was about to be agreed. The aim was to create a digital platform that customers would want to use, although the Council would still have face to face and telephone contact for those who could not or would not want to go online. A report on the Customer Strategy was due to be presented to Council in September. The key principles of DCA were the provision of a suite of different products, joined up in the background, but giving customers a digital front door with a 360° view: an example being, if someone reported a pothole then they would hear back on what was happening to it. The difference would be keeping people up to date and letting them know what was being done, trying not to pass people between Departments within the Council. The future DCA portal vision was to have Council back office systems linked up seamlessly, with further links to the national patient portal and Scottish national account. As a customer coming in to the system, the individual would have a range of options and would only have to input their details once. It was anticipated that DCA would take a year to implement this to full effect for customers. The Chairman referred to some detail within the private report to Council in March 2016 and the targeted savings associated with digital transformation. Savings of £1.5m had been anticipated this year but only £600k had been achieved and the gap needed to be filled. Mr Robertson explained that there had been delays in the implementation of both ERP and DCA, although a number of savings had been achieved. The scale of the Council's ambition for savings had not yet been realised but officers were still endeavouring to deliver these within the Financial Plan expectations, identifying alternative savings where necessary. The impact of the contract was included in financial monitoring reports to the Executive Committee, although there were no separate monitoring report specifically on the CGI contract. CGI was currently working on the Service Centre location in the Borders, employing Modern Apprentices, unbundling IT structures and working on schools, with the latter commitment to schools being met.
- 5.3 In response to Members' questions, Mrs Craig advised that the upgrade to the Confirm system (roads management) was included as part of the CGI contract; this upgrade would then provide a link to the Councils' website which would map where potholes were and their status. Mr Robertson confirmed that CGI had been included in the national procurement framework with the contract led by Edinburgh Council – this had saved SBC

c.£1.8m costs in arranging a separate tender. Two companies – CGI and Capita – had been involved in the original bids with CGI the winning bid. With regard to the delivery date for the live ERP system, there had been contractual agreements between CGI and Agilysis to deliver on that date and while there had been assurances from both companies that the live system would work, in reality it was not ready. There had been elements of parallel running with some of the old systems e.g. payroll tests had run for 3 months, but the option to parallel run with all systems had not been given to the Council. The reality was the company was building the system as it was being brought in so no test system was available. Mr Robertson gave assurances to Members that despite what had happened, it had to be recognised that the Council had gone live with a very complex network and had done so before 2 other much larger Councils which were still trying to make the necessary changes.

#### **MEMBER**

Councillor H. Scott left the meeting during consideration of the above item of business.

#### **DECISION**

##### **AGREED:**

- (a) to note the update on the work underway as part of the CGI contract;
- (b) that Members would check the private report on the ICT Review which had been considered by Council in March 2016 and send any questions to the Chief Financial Officer and Service Director Customer and Communities in advance of another meeting of Audit and Scrutiny which would consider further the delivery of the Council's IT Strategy and Plan.

#### **6. URGENT BUSINESS**

Under Section 50B(4)(b) of the Local Government (Scotland) Act 1973, the Chairman was of the opinion that the item dealt with in the following paragraph should be considered at the meeting as a matter of urgency, in view of the need to make an early decision and to keep Members informed.

- 6.1 The Chairman advised Members that a Call-in Notice had been received from Councillor Ramage on a decision of the Executive Committee on 21 August 2018 relating to the Monitoring of the General Fund Revenue Budget Monitoring 2018/19. A special meeting of Audit and Scrutiny Committee would need to be set up to consider the Call-in.

#### **DECISION**

**AGREED** that a special meeting of Audit and Scrutiny Committee to consider the Call-in would be held on 31 August 2018, depending on officer/Member availability.

*Meeting concluded at 1.10 p.m.*