

TRANSFORMATION AND RESOURCES POLICY AND PERFORMANCE COMMITTEE

Wednesday, 4 February 2015

Present: Councillor J Williamson (Chair)

Councillors P Doughty I Williams
M Daniel A Sykes
R Gregson T Anderson
M Patrick B Berry
C Muspratt T Pilgrim
L Reecejones P Gilchrist

Deputies: Councillors M Sullivan (In place of J Walsh)
C Povall (In place of K Hodson)

In attendance: Councillors A Jones A McLachlan

17 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST / PARTY WHIP

Members were asked to consider whether they had any disclosable pecuniary interests and/or any other relevant interest in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

Members were reminded that they should also declare whether they were subject to a party whip in connection with any item(s) to be considered and, if so, to declare it and state the nature of the whipping arrangement.

No such declarations were made.

18 MINUTES

Members were requested to receive the minutes of the meeting of the Transformation and Resources Policy and Performance Committee meeting held on 5 November, 2014.

Resolved – That the minutes of the meeting of 5 November, 2014 be approved.

19 COUNCIL TAX AND ACCOUNTS RECEIVABLE 2014/15

The Committee considered a report from the Head of Business Processes on the current status of Council Tax and Accounts Receivable as at 31

December 2014 compared with 31 December 2013. The report gave details of the actions taken by the service to recover the debts, including the number of summonses issued and the Council's Fair Debt programme.

Responding to comments from Members, regarding the non-payment of debts, the Head of Financial Services stated that every year there was an assessment of the money required to be set aside to fund those debts not settled. In the area of accounts receivable (sundry debtors) there was an amount of around £9m held to meet such debts.

The Head of Business Processes also responded to Members' questions and made the following comments:

- With regard to accounts receivable he was looking at bringing in additional staff as the more work done to improve collection the more income would come in.
- The exercise underway using the external supplier, Capacity Grid, to check that the Single Person Discount was not being abused would realise a potential additional council tax income of £420,000. This was an annual figure which would add to the Council Tax base each year.
- Terms of engagement were agreed with Capacity Grid through the tender process which included the letters and process to be used. Letters were sent in the Council's name stating that the Council had information which lead the Council to conclude the claimant was no longer entitled to the Single Person's Discount. If the claimant agreed that this was the case then the discount was withdrawn if not then the matter was investigated further and claimants could appeal directly to the Council not to Capacity Grid.
- The process was non-intrusive whilst recognising that the process was that the Authority was verifying a household's claim to a discount.
- There were three companies which did the type of work that Capacity Grid were undertaking for the Council and they were awarded the tender in late 2014. The firm was paid based on the numbers they found and the success of this one off exercise would be reviewed and a decision taken as to whether it was done annually.
- In respect of the numbers of reminders, summonses, liability orders, etc. issued and referred to in the report, he would circulate this information in a tabulated format.
- He would, in future reports, supply some examples under each directorate in respect of the amount of debt at each recovery stage.
- He acknowledged a typographical error in one of the figures for the collection of national non-domestic rates but confirmed that the collection rate showed a drop due to the fact that a lot of businesses had now moved to 12 monthly instalments rather than 10.
- Additional temporary staff would be brought into the Personal Finance Unit to get assessments back into line and then a view would be established as to whether permanent staffing was too low, too few or adequate.

- The figures on insolvency were reported to Cabinet in the financial monitoring reports and the minimum debt had to be £1,500, although insolvency was only used as a last resort and might link in to other debtors taking action.

Resolved – That the report be noted.

20 **FUTURE COUNCIL IMPLEMENTATION - UPDATE REPORT**

The Project Coordinator introduced a report from the Strategic Director of Transformation and Resources which provided the Committee with an update on the work to implement the Future Council proposals during 2014. The report referred to the progress made to remodel the Council's staffing structures and the decisions taken to address the forecast budget gap for 2015/16.

The budget gap for 2015/16 had been £38 million, however, previously agreed savings of £20 million had reduced this gap to £18 million. The forecast reduction in 2016/17 was £27 million and, according to current estimates, £25 million in 2017/18. Therefore, total savings required over the next three years were in the region of £70 million.

Responding to comments from Members, the Head of Human Resources and Organisational Development outlined the key part that the Trades Unions played in the consultation process regarding the remodelling project. Statutory consultation was opened with the Trades Unions at a number of different levels and some proposals were altered following this consultation. A weekly meeting was held with the Trades Unions Branch Secretary and Chair and they also had a meeting on a six weekly basis with the Leader and Deputy Leader of the Council and the Cabinet Portfolio holder for Support Services.

The Head of Financial Services responded to comments relating to the senior management savings. He stated that along with the remodelling savings of £9.4m over the two years 2014/15 and 2015/16, there would be savings made from senior management for which £1m was the target in 2015/16. He went on to outline the compensatory savings and the purpose and use of the remodelling reserve, which was set up to fund investment and one off workforce changes such as redundancy payments.

Resolved – That the report be noted.

21 **ICT STRATEGIC IMPLEMENTATION PLAN UPDATE**

The Chief Information Officer introduced a report which provided an update on the implementation of the Council's ICT Strategic Implementation Plan which was last presented to the committee on 23 September 2013 (minute 13 refers).

The increased reliance on technology to enable significant service transformation and the general expectation that digital services (e.g. web and email) would be available around the clock seven days a week, would increase the risk to the complete delivery of the strategy as pressure to deliver savings in the back office reduced the number of staff directly supporting front line services and the Council's Transformation Strategy. A new focus, within the ICT Service, on increased automation and customer self-service would mitigate this risk somewhat. The risks posed by obsolete equipment were being mitigated by the roll out of new desktop and laptop computers, the replacement of all windows servers and the corporate central disk storage.

The report gave details of the programme of works which had been initiated and their current status. The work was funded through a capital programme of £4m which had been used to procure major assets including, desktop and laptop PCs, Servers, Storage and Network equipment. As at the end of December 2014, £2.6m had been spent and a further £850,000 had been committed. In addition, £1.36m of revenue had been spent and a further £500,000 had been committed for items such as: software licences, cabling, network services, security and accessories.

The report gave details of the two items in the table rated with a current status of 'red', the re-procurement of fixed line call tariffs and the improvement of business continuity and then described the work being undertaken to address this.

A redrafted ICT Strategy would be presented to the Committee in the new municipal year so that Members' views were taken into consideration prior to seeking final approval for the strategy.

Responding to comments from Members, the Chief Information Officer stated that progress had been less than ideal in improving business continuity. The risk had diminished because of the significant investment programme. A lot of hardware had already or was in the process of being replaced and the central hardware such as servers and storage was now much more robust than 12 months ago. An options appraisal was being prepared around moving data centre facilities to significantly separate buildings: the options being considered were council owned locations, co-location with other public sector bodies, commercial co-location and commercial cloud services. The CIO assured Members that the problems which occurred during the power outage in 2013 should not recur and the Disaster Recovery capabilities were now more robust. Work was ongoing on a service by service basis to ensure business continuity was in place.

The Head of Financial Services commented that Mark Camborne, Senior Manager – Health, Safety and Resilience, and his team were working with Directorates to review and update Business Continuity plans for the key

services. In relation to work on developing Council systems discussions were ongoing regarding the compatibility of systems across the Council and with neighbouring authorities.

Resolved – That the report be noted.

22 **DIRECTORATE PLAN PERFORMANCE MANAGEMENT REPORT**

The Head of Financial Services introduced a report which outlined the current performance of the Department (as at 30 November, 2014) against its Directorate Plan for 2014/15.

The report also included appendices with exception reports on those six items which had been 'red' rated for non-compliance against the specified target. The six measures rated red were:

- Percentage of Performance Appraisals completed (TRCP03)
- Percentage of suppliers paid (or payment terms) within 30 days (TRDP06)
- Percentage of local SME suppliers paid within 10 days
- Reduction in the total number of published supplementary agendas for Council, Cabinet and Committee meetings (TRDP10)
- Percentage of Management Development Programme modules completed (TRDP12)
- Percentage recovery of Council Tax (TRDP14)

In response to comments from Members the Head of Financial Services stated that in respect of TRDP06, performance had improved since November and as at the end of December the figure had increased to 87% from 81.96%. There had also been an improvement in TRDP07 with the figure increasing from 33.47% in November to 47% as at the end of December. He also agreed that a breakdown by Directorate could be provided.

The Head of Human Resources and Organisational Development responded to comments on Performance Appraisals and acknowledged that these were disappointing figures. These would be re-started in April on a rolling basis. There were some areas where PAs were not taking place because of a more dispersed workforce and workers who were part-time, so the possibility of team PAs was being looked into targeted at specific groups of workers. She went on to assure Members that PAs did not play any part in redundancy criteria.

The Head of Legal and Member Services responding to Members' comments stated that work was in progress on accessing reports electronically at Committee meetings and discussions with Members would be had as to how best to support them.

Resolved – That the performance management report be noted.

23 FINANCIAL MONITORING 2014/15

The Head of Financial Services introduced a report which set out the financial monitoring information for month 8 (November 2014) in respect of the budget performance for the Transformation and Resources Directorate.

The report gave details of performance against revenue and capital budgets and in year efficiency savings for 2014/15. The Director drew the Committee's attention to the currently forecast underspend of £639,000 in respect of the revenue budget.

He gave details of the three savings which were red rated:

- Libraries and One Stop Shops - savings were initially predicated on revising opening hours, introducing lone working with support from volunteers and / or agile workers. These measures had yet to be introduced, but compensatory savings, primarily from vacant posts had been found. Cabinet and Council had, in December, 2014, agreed further proposals for future service provision and the undelivered savings would be implemented alongside these.
- Discretionary Relief – Cabinet, on 6 November 2014 had agreed to fund a Discretionary Relief scheme from the Business Rates Equalisation Reserve releasing budget.
- Credit Card Charges – Implementation of this charge on credit card transactions had been delayed.

He updated the Committee on the latest forecast underspend of the revenue budget as at the end of December, which was £670,000 and elaborated on the measures in place to address those savings which were red rated.

Resolved – That the report be noted.

24 WORK PROGRAMME UPDATE

The Committee considered a report from the Chair which updated Members on the current position regarding the Committee's work programme.

The Chair suggested that the Local Welfare Assistance Scheme (LWAS) Task and Finish review should continue so that the Panel could make recommendations as to how best to spend the underspend of £600,000 from the 2013/14 financial year which had been set aside for local welfare assistance. She suggested that those Members who had previously indicated they were willing to serve on this Review Panel should do so.

The Head of Financial Services confirmed that the £600,000 was held in a reserve. The grant of £1.3m for 2014/15 was on course to be spent by the end

of this financial year and should there be any underspend this would be added to the reserve. For 2015/16 no Government grant was being made available for a LWAS.

In response to a Member's request for information on office accommodation the Head of Financial Services suggested that the Head of Universal Services could bring a report on the latest position regarding office accommodation and the Asset Management Strategy.

Resolved – That the 2014/15 work programme be approved, including:

- (i). the continuation of the Local Welfare Assistance Scheme (LWAS) Task and Finish review and;**
- (ii). a report to be brought forward in the new municipal year on the review of office accommodation.**

25 ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR

At the suggestion of the Chair, and in line with the other Policy and Performance Committees, it was –

Resolved – That the next meeting of the Committee scheduled for 21 April be re-arranged to take place on Monday, 30 March, 2015 at 6.00pm.