

# Performance, Finance and Customer Focus Overview and Scrutiny Committee

**Wednesday 24 July 2019**

## **PRESENT:**

Councillor Kelly, in the Chair.

Councillor Winter, Vice Chair.

Councillors Derrick, Mrs Johnson, Murphy, Singh, Vincent, Ms Watkin and Wigans.

Apologies for absence: Councillor Hendy.

Also in attendance: Councillor Lowry (Cabinet Member for Finance), Andrew Hardingham (Service Director for Finance), Councillor Penberthy (Cabinet Member for Housing and Co-operative Development), Councillor Jon Taylor (Cabinet Member for Education, Skills and Transformation), Councillor Haydon (Cabinet Member for Customer Focus and Community Safety), Andy Ralphs (Strategic Director for Customer and Corporate Services), Peter Honeywell (Transformation Architecture Manager), Siân Millard (Oversight and Governance Manager), Andrew Loton (Senior Performance Advisor) and Amelia Boulter (Democratic Advisor).

The meeting started at 3.00 pm and finished at 6.19 pm.

*Note: At a future meeting, the Panel will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.*

## 61. **Declarations of Interest**

There were no declarations of interest made by Members in accordance with the code of conduct.

## 62. **Minutes**

Agreed the minutes of the meeting held on 12 June 2019. The Committee highlighted that the minutes did not reflect the full debate around the year end position agenda item.

## 63. **Chair's Urgent Business**

The Chair on behalf of the Committee wished Jamie Sheldon a speedy recovery.

## 64. **Mapping of Corporate Plan to Scrutiny Committees**

The Mapping of the Corporate Plan to Scrutiny Committees would be a standing item on the agenda. For information and to be used as a reference against the Committee's terms of reference.

65. **Revenue Monitor 2019/20 - Month 2**

Councillor Lowry (Cabinet Member for Finance) and Andrew Hardingham (Service Director for Finance) were present for this item and referred to the report in the agenda.

Councillor Lowry highlighted that officers were working hard to address the current overspend of £3.958m against a revenue budget of £185m. During this period also received a reduction in Government funding and were required to make savings of £11m. There continued to be pressures within the Children's Services and were lobbying Government as were a number of other local authorities on the increase of children in care. They were working towards having a sustainable council over the next 3 years.

The Chair reported that at the last meeting had agreed that this Committee would provide more challenge around the budget and would be presented with more detail on the areas of spending pressures and revenue generation. This would enable this Committee to provide suggestions and improvements so that we could add real value.

Councillor Lowry responded that he recalled an action from the meeting was for this Committee to receive additional budget savings plan which he had agreed to be forwarded to the Committee. This clearly has not been actioned but was happy for this to be provided. It was suggested that if the Committee has a particular line of enquiry to explore and would happy to provide that information.

In response to questions raised, it was reported that –

- a. the pressures within Children's Services was a national problem and finances would become unquestionable which would result in cuts to public services to address this. The Leader and Chief Executive recently met with the Minister regarding the scale of the problems in Plymouth;
- b. following the meeting with the Minister they were asked to help create appropriate scheme similar to the BELWIN Scheme. BELWIN was an insurance type scheme to help local authorities primarily hit with a natural disaster that couldn't predict and Government would step in and assist financially. Officers have been tasked to look at a similar scheme with regard to the excessive costs in relation to the care packages outside of the norm then we could go to the Government with the evidence for extra financial support;
- c. over the last month extensive amount of work undertaken around the budget and have looked at every service on how we can be more efficient and hoped that over the next two weeks would have a definitive list that would improve the current position, drive out costs and maintain reserves and balances to an adequate and sustainable level;

- d. we share children's functions with Torbay and at the last Cabinet meeting, Councillor Laing (Cabinet Member for Children and Young People) reported on the reconfiguration on Children's Services to drive out costs at both Plymouth and Torbay;
- e. it was further reported that information requested should be made available to Councillors, however, it would be down to the Councillor requesting the information to chase this with the relevant Cabinet Member;
- f. following the meeting with the Ministers that there was a sense that Government recognised that there were issues around the growing pressures around children in care but were unsure on how to solve it. It was further reported that there would be a comprehensive spending review before the summer and whether children services would get resolved as part of this review;
- g. it was unclear what grants would be received from Government and as a result were make a number of assumptions when looking at the budget for next year;
- h. there were unexpected costs for the clean-up of Mount Batten Beach., however, we do have contingencies for unexpected events but ultimately this would put pressure if something else happened;
- i. they have to balance the books and would like to give assurances that they do not go below the working balance of 5% but cannot promise what was beyond their control. They were looking to replace the deficit over the next three years. They wanted to assure the Committee that they were working hard to balance the books.

The Committee noted the Revenue Monitoring 2019/20 – Month 2 position and agreed that the Committee receive at the next meeting a more detailed explanation on the revenue streams and biggest areas of concerns for the Committee to further explore.

#### 66. **Update on the Corporate Procurement Services**

Councillor Penberthy (Cabinet Member for Housing and Co-operative Development) and Andrew Hardingham (Service Director for Finance) were present for this item and referred to the report in the agenda.

Councillor Penberthy highlighted the importance of community wealth building and how we use strategic procurement to add to the growth agenda for Plymouth. Andrew Hardingham added that they were providing a framework within the Council to provide support around contract management. The Procurement Team were also looking at how to make it easier for local companies to bid for work at

the Council to increase the postcode spend thus adding to the growth agenda. They were also looking to pull together a Public Procurement Partnership to have a more joined up approach to shared procurement and commercial policies.

In response to questions raised, it was reported that -

- a. the Procurement Team were focussing on reviewing existing contracts and refining processes to find further savings. It was reported that the spending figures within the Plymouth postcode for May 2019 was at 57.9% which was in excess of the target which was 55% however they noted that they were below the target for the year;
- b. despite the team achieving the target they have been running at a sub-optimal level. Positions have been offered for the Category Leads and Category Manager but the recruitment of the Head of Procurement had been challenging;
- c. with regard to moving to a shared service approach, it was stated that they were still in negotiations with partners and therefore could not discuss this matter further;
- d. OJEC would still apply if we left the European Union because we need to continue to deliver on international commitments on how we spend;
- e. a separate team sat within Economic Development looks at commercial leases and opportunities and are the experts in this area;
- f. they would be happy to undertake full member briefings but would be difficult to undertake on an on-going basis, however, they were looking to produce an annual report to share the key indicators and outcomes;
- g. they were looking to have a more proactive approach to procurement by building and shaping the market in the local area over the next 1 to 2 years;
- i. a great deal of work had been undertaken by the team whilst trying to recruit, it was reiterated to the Committee that the Head of Procurement position they were finding challenging to fill.

The Committee notes –

- I. the current activity and status around the Procurement Service, endorsing the proposed plans for the service is the right way forward for the Council, whilst acknowledging the challenges in advancing the changes; and

2. To be informed when the Head of Procurement position is filled.

(Councillor Murphy left part-way through this item.)

67. **Customer Experience Programme Update**

Councillor Jon Taylor (Cabinet Member for Education, Skills and Transformation), Councillor Haydon (Cabinet Member for Customer Focus and Community Safety), Andy Ralphs (Strategic Director for Customer and Corporate Services) and Peter Honeywell (Transformation Architecture Manager) were present for this item and referred to the report in the agenda.

Councillor Jon Taylor reported that there was a need to empower and support communities and to provide financial sustainability to respond to the challenges but was important to emphasis the scale of the task.

In response to questions raised, it was reported that -

- a. they were looking at how savings could be made whilst still providing good public services. They were moving away from the Customer Experience Programme to the Way We Work Programme focussing on how we work with customers, businesses and visitors. They were further refining the programme and looking at where generate savings could be generated;
- b. there was a need to maintain a way for our most vulnerable groups to continue to access services other than via digital and to share with customers when they arrive at First Stop that there were other methods to deal with their queries. The was a challenge on how we make savings whilst still making services accessible to those that need them the most;
- c. by making the digital experience accessible to more and promoting this in a positive way was a principle they wanted to work on. They need to learn from the customers the issues they face accessing public services and to take corrective action and to stop it happening again;
- d. they had removed the need to sign in to resolve an issues when using a computer/tablet. They were also exploring social media and using artificial intelligence to spot a compliant or a request, looking at speakers for those customers with disabilities to be able to talk into a speaker with their request. With regard to an app, they were expensive to maintain and would rather focus on simplifying the process.

Councillor Haydon invited members of this Committee to visit the Contact Centre and highlighted that the Contact Centre took over 12,000 calls last month with 49% of called answered under 1 minute with a majority of these calls relating to missed

bins and street services. However, a small cohort of people would continue to want face to face service and there was a need to get the basics right and to better communicate and manage expectations.

The Committee noted the progress made to deliver the changes through the Customer Experience programme and for Members to take the offer to visit the Contact Centre.

(Councillor Murphy was not present for this item.)

## 68. **Performance discussion**

Andy Ralphs (Strategic Director of Customer and Corporate Services), Siân Millard (Oversight and Governance Manager) and Andrew Loton (Senior Performance Advisor) were present for this item and provided the committee with the presentation attached.



Performance and  
Accountability System

In response to questions raised, it was reported that –

- a. they were working on creating headspace within the team to spot trends and to have the curiosity and ability to analyse particular information where there was something of interest;
- b. the 4 levels; City and Residents, Organisation and Residents, Service and Individual link together and the flow was good between the 4 levels. It was reported that some of the indicators had been running for a long period of time and were looking at the strategic direction to set the vision and to identify how best to measure moving forward;
- c. the team were moving into the deeper analysis phase and were confident with the indicators within the Corporate Plan. They were also responsible for the business planning and this had strengthened the performance. Change was always happening and the team want to do better and go deeper with the analysis;
- d. that there were some areas that were more open to change and the organisation had moved forward in a positive more engaging direction over the last 2 years. There was a push from the Corporate Management Team to move the Council to a performance management approach;
- e. that ultimate accountability stops with the Corporate Management Team which has the oversight. They were making improvements at action planning around looking at root causes

and implementing actions to rectify any issues;

- f. that the team act as business partners to help inform decisions around service delivery.

The Committee noted the Approach to Performance Management presentation.

(Councillor Murphy was not present for this item.)

#### 69. **Work Programme**

The Performance, Finance and Customer Focus Overview and Scrutiny Committee agreed to schedule the following items –

- Parking (to include 1000 extra parking spaces and parking permits);
- Street Services End to End Review

A further suggestion was put forward for this Committee to look at Plastic Free City 2020. It was highlighted that it wasn't within the remit of this Committee to look at this, however, Councillor Winter with his remit as Britain's Ocean City Plastics Taskforce Chair, reported that the Council over the summer would be evaluating the Council's position with regard to becoming plastic free.

(Councillor Murphy was not present for this item.)

#### 70. **Tracking Decisions**

The Committee noted the progress made against the tracking decisions and noted that a request for Monthly Finance monitoring reports were requested but not received.

(Councillor Murphy was not present for this item.)