



## **Oversight and Governance**

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## **PERFORMANCE, FINANCE AND CUSTOMER FOCUS OVERVIEW AND SCRUTINY COMMITTEE**

Wednesday 24 July 2019  
3.00 pm  
Warspite Room, Council House

### **Members:**

Councillor Kelly, Chair  
Councillor Winter, Vice Chair  
Councillors Derrick, Hendy, Mrs Johnson, Singh, Vincent, Ms Watkin and Wigen.

Members are invited to attend the above meeting to consider the items of business overleaf.

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**Tracey Lee**  
Chief Executive

## **Performance, Finance and Customer Focus Overview and Scrutiny Committee**

### **1. Apologies**

To receive apologies for non-attendance submitted by Councillors.

### **2. Declarations of Interest**

Councillors will be asked to make any declarations of interest in respect of items on the agenda.

### **3. Minutes (Pages 1 - 4)**

To confirm the minutes of the previous meeting held on 12 June 2019.

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

To receive reports on business which in the opinion of the Chair, should be brought forward for urgent consideration.

### **5. Mapping of Corporate Plan to Scrutiny Committees (Pages 5 - 6)**

### **6. Revenue Monitor 2019/20 - Month 2 (Pages 7 - 20)**

### **7. Update on the Corporate Procurement Services - To Follow**

### **8. Customer Experience Programme Update (Pages 21 - 28)**

### **9. Performance discussion (Verbal)**

### **10. Work Programme (Pages 29 - 32)**

### **11. Tracking Decisions (Pages 33 - 34)**

## **Performance, Finance and Customer Focus Overview and Scrutiny Committee**

**Wednesday 12 June 2019**

### **PRESENT:**

Councillor Kelly, in the Chair.

Councillor Winter, Vice Chair.

Councillors Derrick, Dreaan (substituting for Ms Watkin), Mrs Johnson, Murphy (substituting for Hendy), Pengelly (substituting for Wigens) and Vincent.

Co-opted Representatives:

Apologies for absence: Councillors Hendy (Councillor Murphy substituting), Wigens (Councillor Pengelly substituting) and Ms Watkin (Councillor Dreaan Substituting).

Also in attendance: Jamie Sheldon (Democratic Advisor), Councillor Lowry (Cabinet Member for Finance), Andrew Loton Senior Performance Advisor and Paul Looby (Head of Financial Planning and Reporting).

The meeting started at 3.00 pm and finished at 5.00 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.*

#### **54. To Note the Appointment of the Chair and Vice Chair**

The Committee noted the appointment of Councillor Kelly as Chair and Councillor Winter as Vice Chair for the forthcoming municipal year 2019/ 2020.

#### **55. Declarations of Interest**

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

#### **56. Minutes**

Members agreed the minutes of the meeting held on 20 March 2019 as an accurate record.

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

Under this item the Chair discussed the approach to recommendations and how all recommendations would be taken after each item and be open and transparent. The Chair also discussed with members the possibility of changing the time of the Performance, Finance and Customer Focus Overview and Scrutiny Committee from 3pm to 2pm to be in line with other Scrutiny Committees.

Members agreed the change of time from 3pm to 2pm for all future Performance, Finance and Customer Focus Overview and Scrutiny Committees.

58. **Terms of Reference**

Under this item the Chair highlighted to Members the creation of the new Overview and Scrutiny Management Committee and drew attention to the specific terms of reference for the Performance, Finance and Customer Focus Overview and Scrutiny Committee.

Members noted the terms of reference document.

59. **Corporate Performance and Finance Outturn Report (To Follow)**

Councillor Mark Lowry (Cabinet Member for Finance), Paul Looby (Head of Financial Planning) and Andrew Loton (Senior Performance Advisor) presented the Corporate Performance and Finance Outturn Report -

- (a) In terms of performance against the Corporate Plan, this report provided analysis of quarter four (January to March 2019) performance against the Council's key performance indicators (KPIs), providing a detailed performance update against the Corporate Plan priorities.
- (b) This report formed part of the Council's Performance Framework and was a key part of our aim to achieve a 'golden thread' from the Corporate Plan and its KPIs, through to service and team level business plans, and ultimately to individual objectives.
- (c) The Council's gross revenue budget for 2018/19 was £501.679m which after allowing for income and grants was £185.556m. The financial outturn position before any adjustments was an overspend of £1.117m against the budget set in February 2018. Assuming the transfers to and from reserves a breakeven position will be declared i.e. an outturn of £185.556m.
- (d) In comparison to 2017/18 the overspend before any adjustments (e.g. the use of section 106 grants) was £2.411m. This year represents an improvement although the £1.117m will be drawn from the Council's working balance with the aim to repay this sum during the financial year starting 1 April 2019. This will be reflected within the developing Medium Term Financial Plan.
- (e) This report proposed a number of adjustments to the financial accounts following the financial review always undertaken by the Section 151 Officer at the end of the year. Decisions made as part of this report will feed into the Council's annual Statement of Accounts which was subject to external audit. The external audit was expected to commence at the start of July 2019 with the final accounts approved and signed off by our external auditors at the end of July 2019.

- (f) As at 31 March 2019 the Working Balance stood at £8.050m and the final Capital outturn position is £98.963m. The Working Balance has a recommended minimum set at 5% of the net revenue budget.
- (g) This minimum was approved by Council. Due to the continued pressures felt, the Council has had to make further use of its Working Balance reducing it to 4.3% of the net revenue budget.

The key areas of questioning from Members related to –

- the total savings target for 2019/2020 and the total of all extra grants;
- how do funds go back into the Working Balance;
- the Climate Change Emergency Plan;
- strategic Projects across Plymouth;
- acquisition of assets;
- Electoral Services Processes and Procedures.

The Committee noted the report.

The Committee requested Monthly Finance Monitoring reports to be circulated to members and a report to come to each Committee meeting.

60. **Draft Work Programme**

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

- Monthly Finance reports;
- Procurement Services update;
- Electoral Processes/ Performance data;
- Carbon Initiative;
- Communication Review report;
- The Homelessness Strategy;
- Street Services;
- People Directorate.

The Committee noted Work Programme.

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# MAPPING OF CORPORATE PLAN TO SCRUTINY COMMITTEES



Overview and Scrutiny Committee	Current Areas of Responsibility	Map to Corporate Plan Priorities <i>(some appear across more than one committee)</i>
Brexit, Infrastructure and Legislative Change	<p>Relevant policies in the Plymouth Plan</p> <p>Response to Central Government's Policy Making</p> <p>Capital Programme</p> <p>Strategic Procurement</p> <p>Corporate Property</p> <p>Development planning</p> <p>Strategic Highways</p> <p>Economic Development</p> <p>Heart of the South West Productivity Plan</p> <p>Strategic Transport policies and strategies</p> <p>Cultural Infrastructure</p> <p>Climate change and sustainability</p> <p>Reviewing impact of Brexit on the city</p> <p>Proposing measures that Government should take to provide stability for the council and partners in light of Brexit</p> <p>Exploring powers could be devolved from the EU directly to local authorities</p> <p>Hear call-ins relevant to the role of the committee</p>	<ul style="list-style-type: none"> <li>• An efficient transport network</li> <li>• A broad range of homes</li> <li>• Economic growth that benefits as many people as possible</li> <li>• Quality jobs and valuable skills</li> <li>• A vibrant cultural offer</li> <li>• A green and sustainable city that cares about the environment</li> <li>• A strong voice for Plymouth regionally and nationally</li> <li>• A welcoming city</li> </ul>
Performance, Finance and Customer Focus	<p>Relevant policies in the Plymouth Plan</p> <p>Corporate Performance Monitoring</p> <p>Financial Performance Monitoring</p> <p>Annual Budget Setting Process</p> <p>Medium Term Financial Strategy</p> <p>Revenues and benefits</p> <p>Homelessness</p> <p>Communications</p> <p>Human resources</p> <p>Audit and Risk</p>	<ul style="list-style-type: none"> <li>• A clean and tidy city</li> <li>• People feel safe in Plymouth</li> <li>• A welcoming city</li> <li>• Listening to our customers and communities</li> <li>• Motivated, skilled and engaged staff</li> <li>• Spending money wisely</li> <li>• Providing quality public services</li> </ul>

Overview and Scrutiny Committee	Current Areas of Responsibility	Map to Corporate Plan Priorities <i>(some appear across more than one committee)</i>
	<p>Transformation</p> <p>Bereavement Services and Register Office</p> <p>Community Safety</p> <p>Customer Services</p> <p>Street scene and Waste</p> <p>Parking</p> <p>Hear call-ins relevant to the role of the committee</p>	
Education and Children's Social Care	<p>Relevant policies in the Plymouth Plan</p> <p>Early Years Services</p> <p>Schools, colleges and other educational settings</p> <p>Child Poverty</p> <p>Special Education Needs, behaviour and attendance, narrowing the gap in outcomes</p> <p>Safeguarding Children</p> <p>Cared for children</p> <p>Youth offending</p> <p>Adoption and Fostering</p> <p>Corporate Parenting</p> <p>Hear call-ins relevant to the role of the committee</p>	<ul style="list-style-type: none"> <li>• Improved schools where pupils achieve better outcomes</li> <li>• Keep children, young people and adults protected</li> <li>• Focus on prevention and early intervention</li> </ul>
Health and Adult Social Care	<p>Relevant policies in the Plymouth Plan</p> <p>Integrated Commissioning</p> <p>Hospital and community health services</p> <p>Dental services, pharmacy and NHS ophthalmic services;</p> <p>Public health services</p> <p>Adult Social Care Services</p> <p>Adult Safeguarding Services</p> <p>Hear call-ins relevant to the role of the committee</p>	<ul style="list-style-type: none"> <li>• Keep children, young people and adults protected</li> <li>• Focus on prevention and early intervention</li> <li>• Reduced health inequalities</li> <li>• A welcoming city</li> </ul>



# Performance, Finance and Customer Focus Overview and Scrutiny Committee



Date of meeting:	24 July 2019
Title of Report:	<b>Revenue Monitoring 2019/20 – Month 2</b>
Lead Member:	Councillor Mark Lowry (Cabinet Member for Finance)
Lead Strategic Director:	Andrew Hardingham (Service Director for Finance)
Author:	Paul Looby (Head of Financial Planning and Reporting) Hannah West (Finance Business Partner)
Contact Email:	<a href="mailto:paul.looby@plymouth.gov.uk">paul.looby@plymouth.gov.uk</a> <a href="mailto:hannah.west@plymouth.gov.uk">hannah.west@plymouth.gov.uk</a>
Your Reference:	M2
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

This report outlines the finance monitoring position of the Council as at the end of May 2019.

The primary purpose of this report is to detail how the Council is delivering against its financial measures using its revenue resources.

As shown in Table 1 below, the projected revenue overspend is £3.958m against a revenue budget of £185.481m.

## Recommendations and Reasons

### 1. That Scrutiny note the month two monitoring position.

Reason: It is a requirement to report on the use of the Council's budget.

## Alternative options considered and rejected

None considered as it is a statutory requirement to report on the use of the Council's budget funds.

## Relevance to the Corporate Plan and/or the Plymouth Plan

This report is fundamentally linked to delivering the priorities within the Council's Corporate Plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth.

**Implications for the Medium Term Financial Plan and Resource Implications:**

Robust and accurate financial monitoring underpins the Council's Medium Term Financial Strategy (MTFS). The Council's Medium Term Financial Forecast is updated regularly based on on-going monitoring information, both on a local and national context. Any adverse variations from the annual budget will place pressure on the MTFS going forward and require additional savings to be generated in future years.

**Carbon Footprint (Environmental) Implications:**

No direct implications from the report.

**Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:**

*\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. The ability to deliver spending plans is paramount to ensuring the Council can achieve its objectives to be a Growing and Caring City.

**Appendices**

*\*Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable)						
		<i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Month 2 Revenue Monitoring Report							

**Background papers:**

*\*Add rows as required to box below*

*Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.*

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	<i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

**Sign off:**

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Originating Senior Leadership Team member: Andrew Hardingham,											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 08/07/2019											
Cabinet Member approval: Councillor Mark Lowry approved by Email Date approved: 08/07/2019											

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## MAY 2019 FINANCE MONITORING

**Table 1: Revenue Monitoring Position**

Directorate	Gross Expenditure	Gross Income	2019/20 Latest Approved Budget	Forecast Outturn	Forecast Year End Variation	Movement from Month 1
	£m	£m	£m	£m	£m	£m
<b>Executive Office</b>	6.458	(0.608)	5.850	5.850	0.000	0.000
<b>Finance</b>	22.564	(5.039)	17.525	17.942	0.417	0.000
<b>Customer and Corporate</b>	96.477	(81.149)	15.328	16.768	1.440	0.000
<b>Children's Directorate</b>	138.502	(91.812)	46.690	48.747	2.057	0.000
<b>Strategic Co-operative Commissioning Directorate</b>	124.991	(38.013)	86.978	86.728	(0.250)	0.000
<b>Office of the Director of Public Health</b>	18.600	(19.019)	(0.419)	(0.419)	0.000	0.000
<b>Place Directorate</b>	80.747	(57.100)	23.647	23.675	0.028	0.000
<b>Corporate Items</b>	10.679	(20.796)	(10.117)	(9.851)	0.266	0.000
<b>TOTAL</b>	<b>499.018</b>	<b>(313.536)</b>	<b>185.482</b>	<b>189.440</b>	<b>3.958</b>	<b>0.000</b>

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### **Plymouth Integrated Fund**

The financial position for the Plymouth Integrated Fund will be reported in the next monitoring report

**Table 3: Key Issues and Corrective Actions**

Issue	Variation £m	Management Corrective Action
<p><b>EXECUTIVE OFFICE</b></p> <p>Nil variance to report as at month 2.</p> <p>It is worth noting there are pressures held within the budget which are under review and more detailed plans are to be reported in month 3.</p>	0.000	<p>Within the Elections budget specifically, there is a five year rolling budget which will manage the pressures within it.</p> <p>Due to the nature of the budgets within this service and the requirement to contain pressures, vacancy management is being used which needs to be carefully managed as it does have an impact upon capacity.</p>
<p><b>EXECUTIVE OFFICE – Legal</b></p> <p>There is currently a pressure, £0.189m, which is carry forward from 2018/19 and is being managed.</p> <p>£0.100m was to be achieved from a Service review as indicated in the MTFP and £0.089m is apportioned Transformation legacy savings</p>	0.000	<p>Plans will be put in place for a service review to deliver savings. Vacancy management, where capacity allows, will be used to supplement the achievement of the savings target.</p>
<p><b>FINANCE</b></p> <p>The main budget pressures are legacy savings and target savings for Treasury Management which are at risk.</p> <p>The directorate includes total efficiency savings of £3.050m of which £2.314m are for Treasury Management.</p>	0.417	<p>All opportunities are being explored to meet the Treasury Management savings target. This includes working with our Treasury Management Advisors to explore new and innovative opportunities e.g. rescheduling LOBSs if market conditions are favourable.</p> <p>We are developing plans to deliver the Legacy savings target of £0.417m. Any reductions will have a direct impact upon staffing levels which are already managing challenging vacancy management targets.</p>

<p><b>CUSTOMER and CORPORATE – Customer Services</b></p>	<p>0.000</p>	<p>Budget savings for staff vacancies £0.192m and efficiency savings £0.268m are being managed through salary savings and other savings.</p>
<p><b>CUSTOMER and CORPORATE – Service Centre</b></p> <p>The budget pressure of £0.600m includes a £0.500m legacy saving.</p>	<p>0.600</p>	<p>CMT previously agreed to the transfer of other transactional services into the Service Centre. Benefits will be quantified in 2019/20. These can only be delivered by working in partnership and with co-operation from all service business areas.</p>
<p><b>CUSTOMER and CORPORATE – Human Resources &amp; Organisational Development</b></p> <p>There is a legacy savings target of £0.050m.</p>	<p>0.000</p>	<p>This pressure will be managed through vacancy management.</p>
<p><b>CUSTOMER and CORPORATE – Departmental</b></p> <p>The budget includes legacy savings of £0.879m which are being reported as at risk of delivery.</p>	<p>0.500</p>	<p>Plans are in the process of being developed e.g. a review of management overheads across the directorate and other challenging decisions which will need further discussion. Therefore at this stage it is prudent to declare a pressure of £0.500m.</p>
<p><b>CUSTOMER and CORPORATE – Transformation</b></p>	<p>(0.160)</p>	<p>£0.160m of savings has been achieved mainly due to vacancies within the salaries budget within the Project Management Team. Further savings are expected to be made and will be shown next month.</p>
<p><b>CUSTOMER and CORPORATE – ICT Commissioned Service</b></p> <p>There are a number of budget pressures being reported. Several budgets are lower than required; Unitary Charge £0.720m, PADS £0.066m and Payroll £0.074m.</p>	<p>0.500</p>	<p>Plans will be developed to mitigate these pressures. At this stage £0.500 is declared as a forecast outturn budget pressure.</p>

<p>Savings of £0.129m are shown against the financing charges for the way we work. Included in the £0.720m are identified additional savings of £0.184m. The DELT dividend is being forecast at £0.160m which is £0.270m lower than budget</p>		
<p><b>Children’s Directorate</b></p> <p>The Children Young People and Families Service are reporting a budget pressure of £2.803m at month 2.</p> <p>The cost of the care is particularly high due to the level of support needed to keep young people safe, such as specialist residential care placements with high levels of staffing and the need to place young people with complex needs in wrap around as no suitable placement is available.</p> <p>This increasing financial demand on Children’s Services is not just a local issue, but is seen nationally and is a culmination of rising demand, complexity of care, rising costs and the availability of suitable placements.</p> <p><b>Month 2 Placements Dashboard</b></p> <p>In the first 2 months of the year we are seeing additional staffing support for children with complex wrap around packages, temporary accommodated plans to move these to residential settings within 3 months. Initial pressure identified at £0.900m but Step Down plan developed</p> <p><b>Additional Service costs</b></p> <p>£0.238m This is a mixture of additional resource costs and cost of borrowing, already partly offset from savings in the Safeguarding Children's Board.</p>	<p>2.803</p>	<p>The following actions are in place to address the budget position.</p> <ul style="list-style-type: none"> <li>• Looked After Children - only one point of contact for all new entrants;</li> <li>• Fortnightly placement review to ensure step down of high cost placements;</li> <li>• Review of staying put arrangements and financial remuneration;</li> <li>• Maximize contribution from partners including Health and Education;</li> <li>• Maximize local residential placements to avoid higher out of area costs.</li> </ul> <p>Actions taking place against pressures:-</p> <p>Under constant review for full mitigation</p> <p>Senior Management will continue to review all items on the list and seek mitigation to cover in full</p>



<p><b>Unidentified savings plans £1.628m</b> Overall savings £6.258m, less plans in place £4.630m</p> <p><b>Delivery plans at risk £1.175m</b> Following a robust challenge by finance to the services, this is highlighting the risk against the overall delivery plan of £4.630 and comprises:-</p> <ul style="list-style-type: none"> <li>- End 2 End Review risk at 50% £0.300m;</li> <li>- Fostering risk at 50% £0.175m;</li> <li>- Placement review risk at 50% £0.700m.</li> </ul>	<p>(0.746)</p>	<p>Initial indications of savings to be derived from commissioning</p> <p>New Programme Lead and additional resource into the directorate to ensure we get back on track against the original target.</p> <p>Fortnightly Programme Boards now in place plus additional resources within the directorate to ensure we maximise the savings</p>
<p><b>PEOPLE - Strategic Cooperative Commissioning</b></p> <p>The Strategic Commissioning service is forecasting a favourable variation to budget of (£0.746m) at year end. Since setting the budget, clients numbers in ASC have dropped this is as a direct result of the work undertaken over the last year to deliver improvements in the management of the ASC front door, the implementation of a robust scheme of delegation and the close working arrangement with LWSW through budget containment meetings to address system pressures. This has resulted in a current underspend in expenditure, partly offset by a reduction of client contributions, as would be expected. The information coming out of Carefirst is already showing a small increase since the start of the year, which has been included as part of our forecast, however this will need to be reviewed closely as due to the demand led nature of the budget the position can change on a weekly basis.</p>		<p>Strategic Commissioning have been tasked with achieving savings of £4.765m, as well as £2.404m of savings brought forward from 2018/19 that were realised from one off savings and needed to be achieved in this financial year. At this time, it is thought that the full £7.169m will be achieved, however most of these will be achieved through one off savings again, which will cause further pressure in 2020/21.</p> <p>The development of the next phase of transformation is underway to support the delivery of sustainable savings during 20/21 and thus reduce the reliance on one off savings in future years.</p> <p>Additional savings of £0.250m targeted to support the overall Federated position</p>

<p><b>PEOPLE – Community Connections</b></p> <p>Community Connections is reporting a (£0.250m) favourable variation at month 2. At this time, B&amp;B numbers are being reduced, from those reported during 2018/19, through the use of alternative placements secured in existing contracts. This is being achieved and maximised through partnership working with the Alliance.</p>	<p>(0.250)</p>	<p>The department has been tasked with achieving savings of £0.030m, as well as £0.228m of savings brought forward from 2018/19 that were realised from one off savings and needed to be achieved in this financial year. At this time, it is thought that the full £0.258m will be achieved, however most of these will be achieved through one off savings again, which will cause further pressure in 2020/21.</p> <p>Additional savings of £0.250m targeted to support the overall Federated position.</p>
<p><b>People Management &amp; Support</b></p> <p>The People Management &amp; Support budget is currently forecast to balance to budget at year end.</p>	<p>0.000</p>	
<p><b>Office of the Director of Public Health</b></p> <p>The budget for the Office of the Director of Public Health (ODPH) is forecasting to come in on budget for 2019/20. The budget is made up of:</p> <ul style="list-style-type: none"> <li>• Public Health, which is grant funded and forms part of the Integrated Fund;</li> <li>• Public Protection Service; and</li> <li>• Bereavement Services.</li> </ul> <p>There has been a reduction in the Public Health grant received in 2019/20 of £0.405m from the previous year, which will be contained by a variety of management actions, mainly around the contracts that are held within the department.</p>	<p>0.000</p>	<p>ODPH have been tasked with achieving savings of £0.228m which, at this time, it is thought that will be fully achieved, whether through ongoing savings or one offs.</p>

<p>The Public Protection service, funded from RSG and other income streams, are forecasting to spend to budget, however there will need to be reviews of spending across the service during the year to achieve this.</p> <p>The Bereavement Service is showing an increase in the numbers of cremations budgeted for at this point in the year, although any surpluses from this service are ring-fenced and cannot be counted towards any favourable variations for the Directorate.</p>		
<p><b>PLACE - Strategic Planning and Infrastructure (SP&amp;I)</b></p> <p>The forecast SP&amp;I budget position shows a net £0.198m negative variation. This pressure is largely as a result of forecast shortfalls in planning application fees (£0.200m) and building regulation application fees (£0.021m). This adverse variation has been partly mitigated by additional Section 106 contributions for non-commercial routes.</p>	0.198	<p>A review of both planning and building control fees will ensure maximising income for the rest of the year. Vacancy management arrangements will also be reviewed in light of the projected adverse variation. If required, areas of departmental activity may be stopped for the remaining part of the year if the next few months of monitoring do not show a significant improvement in the projected outturn position. All areas are tasked with maximising income to address budget pressures.</p>
<p><b>PLACE - Management Support</b></p> <p>Of the £0.451m opening efficiency target £0.150m has been reallocated to Street Services.</p>	0.000	<p>Overall Place monitoring on-going will need to contain Management efficiencies by reducing costs and maximising potential income opportunities. All income lines are being maximised with any surplus above current Place targets being allocated to cover this pressure in the first instance’.</p>
<p><b>PLACE - Economic Development</b></p> <p>Forecast income generation from Asset Investment Fund acquisitions have enabled:</p>	(0.170)	<p>Efforts will continue to be taken to maximise income and reasonably contain costs.</p>



<p><b>Highways and Car Parking:</b> Highways are currently forecasting to come in on budget, although there are risks around 2019/20's additional car parking income target.</p>	0.000	
<p><b>CORPORATE ITEMS</b></p> <p>These cover budgets which are not specifically allocated to a service. They contain pressures of up to £0.516 and relate to reserves movements and legacy budget savings which are at risk of being delivered. These include Procurement savings £0.186m, efficiency savings £0.080m and increase in fees and charges £0.250m.</p>	0.266	<p>Plans are in place to deliver the majority of these savings but at this stage £0.266m are at risk and declared.</p> <p>As part of the Project 151 review in the autumn 2018, CMT recommended capitalisation of revenue budgets amounting to £0.550m. This needs to be allocated to capital projects to realise the target budget.</p>
<p><b>TOTAL</b></p>	<p><b>3.958</b></p>	

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# Performance, Finance and Customer Focus Overview and Scrutiny Committee



Date of meeting:	24 July 2019
Title of Report:	<b>Customer Experience Programme Update</b>
Lead Member:	Councillor Taylor (Education, Skills and Transformation)
Lead Strategic Director:	Andy Ralphs (Strategic Director of Customer and Corporate Services)
Author:	Pete Honeywell – Transformation Architecture Manager
Contact Email:	peter.honeywell@plymouth.gov.uk
Your Reference:	CEP/07/19
Key Decision:	No
Confidentiality:	Part I - Official

## Purpose of Report

To update the committee on the progress made to deliver the changes to be delivered through the Customer Experience Programme.

To seek their recommendations on the proposed elements of the programme

## Recommendations and Reasons

Scrutiny to consider, and make recommendations to amend where necessary, the proposed structures to deliver the programme of work. Specifically following workstreams:

- End to end reviews
- Operating model
- Digital
- Workforce Modernisation
- Community Engagement
- Accommodation
- Procurement

## Alternative options considered and rejected

- 1/. Meeting budget challenges solely through an allocation of savings to each department/directorate
- 2/. Wholesale outsourcing of services to achieve budget savings

## Relevance to the Corporate Plan and/or the Plymouth Plan

The Corporate Plan, as well as the Plymouth Plan have been taken and key inputs for the Customer Experience Programme. The mission in the Corporate Plan: “Making Plymouth a fairer place, where everyone does their bit”, is central to the goals and outcomes for the Customer Experience Programme.

### Implications for the Medium Term Financial Plan and Resource Implications:

The specific contribution made by the Customer Experience Programme to the MTFP is being defined. Whilst there will be both costs and benefits associated with all the components of the work, the majority of the financial benefits will be delivered through the implementation of the findings of the Opportunity Assessments. Each assessment will therefore develop an outline business case for the recommendations it makes, as such the big contribution that the Customer Experience Programme will make to the MTFP will be defined incrementally.

### Carbon Footprint (Environmental) Implications:

There are currently no implications.

### Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

*\* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

Specific implications for the programme will be described as recommendations for changes are developed in Opportunity Assessments or from the enabling programmes.

## Appendices

*\*Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable)						
		If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Briefing report							

## Background papers:

*\*Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7



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**Sign off:**

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Andy Ralphs (Strategic Director of Customer and Corporate Services)

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 16/07/2019

Cabinet Member approval: *Councillor Jon Taylor approved by email*

Date approved: 16/07/2019

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## Introduction

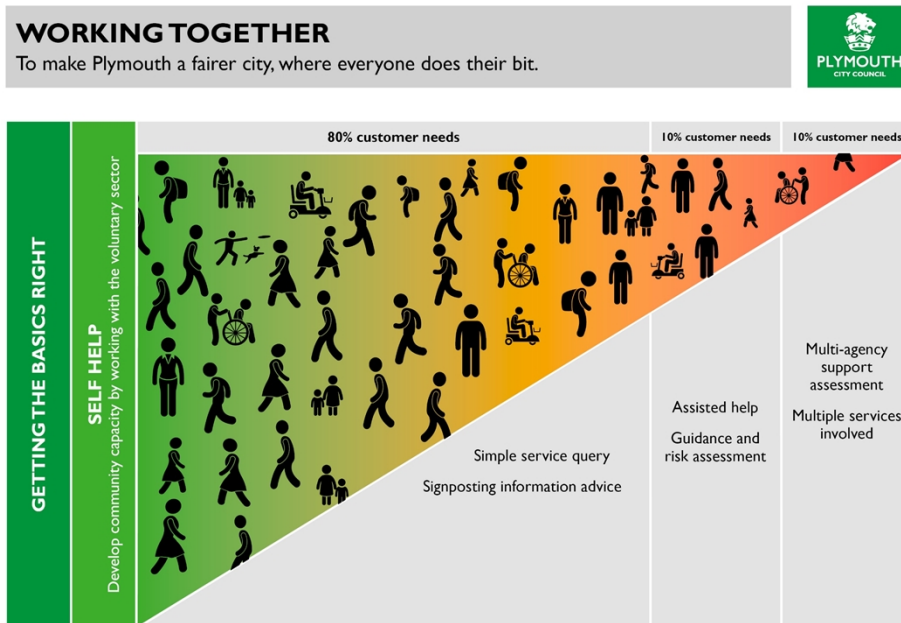
This report builds upon the previous updates provided to the panel describing the defining of the Customer Experience Programme. At the last update the programme purpose, goals and high level description of how the Council needed to change in order to achieve a more consistent customer experience was validated by the Panel. Since then the focus of the work of the programme has been to develop a structure to deliver on the outcomes required and to plan out the work. In the last few weeks we have started the first End to End Review focused on Street Scene and Waste.

### 1. Programme Drivers

The programme has defined the following as the drivers that the programme needs to respond to:

- Customer expectations – the changes in what customers expect from Plymouth City Council and what that means for the Council
- Empowering and supporting communities – the need to involve all stakeholders in the design and delivery of services. Ensuring that we enable access to right information and best resources to meet customer needs
- Financial sustainability – spending wisely and maximising income to the Council in order to balance the books
- Reputation – being known for delivery

At our last update with the panel we presented the following slide to describe how we were planning to remodel our services:



Official :

The diagram describes how we want to focus on:

- Reducing failure demand
- Enabling and supporting individuals and communities to help themselves
- Maximising economies of scale and digital delivery to meet 80% of customer needs
- Creating insight from our data to target and support customers with more complex needs

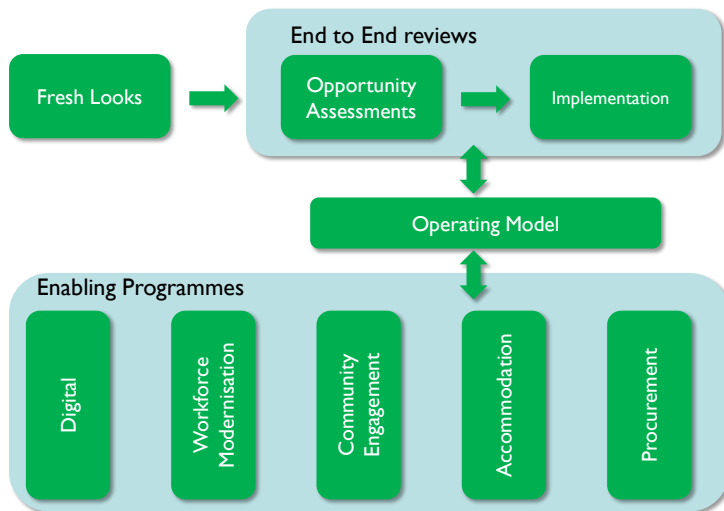
### 2. Structure of the Programme

Delivering the changes to achieve the outcomes described above has required us to plan for a collection of programmes as outlined in the diagram below:

OFFICIAL

## Mobilising for Delivery

### Proposed Programme Structure



Official :

### 3. End to End Reviews

This structure proposed shows how changes will be made in the organisation through the work of the End to End Reviews. This element of the work will build on the ideas generated from the Fresh Look sessions by drawing the customer experience currently delivered by the service and then using this to identify where the experience could be improved for customers and where the service could be better aligned with other services across the Council to create economies of scale and/or more consistent customer experience.

The review process will break into 2 phases, with the first focused on identifying opportunities for improvement. This phase of work will conclude with a business case for the changes recommended to proceed to implementation. One key aspect we are focusing on during the opportunity assessment phase is engagement with stakeholders (customers, staff and Members) to ensure their views and input is accounted for whilst the work is on-going. To do this we will be establishing a space where those interested can drop in to see what the work of the assessment is and offer their input on the services being considered. Our first review is taking place in Street Scene and Waste with the room established at Chelson Meadow.

### 4. Operating Model

Both informing and being informed by the work in the opportunity assessment phase of the review, the operating model will describe the guidelines and policies that will bring us to start to achieve greater levels of consistency in how we work as well as how our customers experience the services we deliver. Examples such as establishing standard measures such as customer satisfaction on any business process offered by the Council or standardising on one agreed payment processing mechanism to be used wherever the Council sells something or requires payment to be made by customers.

### 5. Enablers

#### 5.1 Digital

The digital enabler is organised around 4 sub sets of work:

- Digital inclusion – identifying and removing the barriers that prevent customers from using digital access channels to present their needs to the Council.

- Digital infrastructure – ensuring that high speed digital connectivity is available where the city needs it, this includes both full fibre broadband and 5G mobile networks
- The Council’s digital services – organising the projects to develop and improve the delivery of digital services to replace and/or add to analogue service delivery
- Digital Place – Exploring and exploiting the potential to use sensors to create data about people and things in our city. The work will also look at how we use technology to consolidate and manage the data and to generate insight from this it.

## 5.2 Workforce Modernisation

This component of the work is to align behaviours, values and talent, of our workforce, to the goals and outcomes of the Council in order for a digitally capable, customer focused, socially entrepreneurial and accountable culture to emerge. The work will include: the delivery of a new HR/payroll system as well as other technology work to take data from our HR and our Finance systems to support management decision making and much clearer accountabilities for all corporate resource management. It will also cover the work to embed a set of organisation design principles, some clearer expectations about what it means to be employed by PCC all geared to delivering the defined set of cultural outcomes.

## 5.3 Community Engagement

The finalisation of the programme mandate for this part of our work is not yet complete, at the moment we are proposing that this work seeks to;

- Identify things that people can do for themselves, which will give them tangible benefits to their lives / their environment / their experience, as well as support Council budget challenges
- Develop an understanding of how we best engage with, and support, people to do this. This will require us to consider different communities (which might be communities of interest, of practice or of geography), and the different assets that they have. Engaging with the wider VCSE, and building on much good practice already underway in Plymouth, will be key.
- ‘operationalise’ – build tools to support this happening, and to measure the impact, and to feed into the next cycle

As a hypothesis, we might anticipate that;

- Some groups are already doing these things, or might simply need ‘permission’ (*community engagement through communication*)
- Some groups may need a little support in taking thing forward; perhaps using current assets to help to organise this (*community support*)
- Some groups may need an approach which is more akin to *community development*

## 5.4 Accommodation

This work will respond to the requirements arising from the operating model and Opportunity Assessments where they are looking to create or vacate accommodation. It recognises that accommodation represents a significant component of our cost base and that where it is possible to increase the ratio of staff to desks and/or share it with delivery partners it will achieve savings as well as potentially simplify the “front door” we present to customers.

## 5.5 Procurement

This work recognises that around two thirds of our net budget is spent externally on goods and services. The procurement work will review our contracts with a view to identifying the opportunity to consolidate suppliers as we achieve greater consistency in how we work, by so doing we expect to be able to deliver savings as well.

## 7.0 Next Steps

The mobilisation of all the work described above is currently underway. We have started work on the first End to End Review in Street Scene and Waste. The panel as a group or as individuals would

be welcome to drop in to experience the Opportunity Assessment and provide their input to the work being done.

Resourcing the roles required to deliver the plans for the enabling programmes is currently underway.

**Performance, Finance and Customer Focus Overview  
Scrutiny Committee**

Work Programme 2019-2020



**Please note that the work programme is a 'live' document and subject to change at short notice. The information in this work programme is intended to be of strategic relevance.**

For general enquiries relating to the Council's Scrutiny function, including this Committee's work programme, please contact Jamie Sheldon, Democratic Advisor on 01752 304001.

<b>Date of meeting</b>	<b>Agenda item</b>	<b>Prioritisation Score</b>	<b>Reason for consideration</b>	<b>Responsible Cabinet Member / Officer</b>
<b>12 June 2019</b>	Corporate Finance Monitoring Report Q4 and Outturn	(5)	To monitor the Council's financial position and Performance and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham/ Andrew Loton
<b>24 July 2019</b>	Monthly Finance Report Month 2	(5)	To monitor the Council's financial position and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham
	Procurement Services	(5)		Councillor Lowry/Andrew Hardingham
	Customer Experience Programme update	(4)	To receive an update on the Customer Experience Programme	Councillor Haydon/Andy Ralphs/Pete Honeywell
<b>2 October 2019</b>	Monthly Finance Report Month 5		To monitor the Council's financial position and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham
	Corporate Finance Monitoring Report Q1 and Outturn 2019/20	(5)	To monitor the Council's financial position and Performance and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham/ Andrew Loton
	The Homelessness Strategy	(5)		Matt Garrett

Date of meeting	Agenda item	Prioritisation Score	Reason for consideration	Responsible Cabinet Member / Officer
	Update on Alliance Contract 6 month review'		To review progress	
<b>27 November 2019</b>	Monthly Finance Report Month 6	(5)	To monitor the Council's financial position and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham
	Corporate Finance Monitoring Report Q2 and Outturn 2019/20	(5)	To monitor the Council's financial position and Performance and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham/Andrew Loton
	Customer Experience Programme update	(4)	To receive an update on the Customer Experience Programme	Councillor Haydon/Andy Ralphs/Pete Honeywell
<b>22 January 2020</b>	Monthly Finance Report Month 7	(5)	To monitor the Council's financial position and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham
<b>18 March 2020</b>	Monthly Finance Report Month 10	(5)	To monitor the Council's financial position and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham
	Corporate Finance Monitoring Report Q3 and Outturn 2019/20	(5)	To monitor the Council's financial position and Performance and identify areas of concern for further scrutiny	Councillor Lowry/Andrew Hardingham/Andrew Loton
	Customer Experience Programme update	(4)	To receive an update on the Customer Experience Programme	Councillor Haydon/Andy Ralphs/Pete Honeywell
<b>Items to be scheduled 2019/20</b>				
	Customer Satisfaction Survey			
	Staff Survey Update			
	Electoral Processes/ Performance data			
	Carbon Initiative			
	Communication Review report			



<b>Date of meeting</b>	<b>Agenda item</b>	<b>Prioritisation Score</b>	<b>Reason for consideration</b>	<b>Responsible Cabinet Member / Officer</b>
	Street Services			
	People Directorate			
<b>Select Committee Reviews</b>				
<b>To be scheduled</b>	Gypsy Roma and Travellers Unauthorised Camps	(4)	Member request	Councillor Penberthy/Matt Garrett
<b>Joint Select Committee Reviews</b>				

**Annex I – Scrutiny Prioritisation Tool**

		<b>Yes (=1)</b>	<b>Evidence</b>
<b>Public Interest</b>	Is it an issue of concern to partners, stakeholders and/or the community?		
<b>Ability</b>	Could Scrutiny have an influence?		
<b>Performance</b>	Is this an area of underperformance?		
<b>Extent</b>	Does the topic affect people living, working or studying in more than one electoral ward of Plymouth?		
<b>Replication</b>	Will this be the only opportunity for public scrutiny?		
	Is the topic due planned to be the subject of an Executive Decision?		
	<b>Total:</b>		High/Medium/Low

<b>Priority</b>	<b>Score</b>
<b>High</b>	<b>5-6</b>
<b>Medium</b>	<b>3-4</b>
<b>Low</b>	<b>1-2</b>

## Performance, Finance and Customer Focus Overview and Scrutiny Committee: Tracking Decisions

Minute No.	Decisions	Target Date, Officer Responsible and Progress
June 2019  Corporate Performance and Finance Outturn Report	The Committee requested Monthly Finance Monitoring reports to be circulated to members and a report to come to each Committee meeting.	<b>Date:</b> June 2019 <b>Officer:</b> Paul Looby/Councillor Lowry <b>Progress:</b> Complete – Month 2 Monitoring report added to July 2019 agenda.
June 2019  Work Programme	The Performance, Finance and Customer Focus Overview and Scrutiny Committee agreed to schedule the following items - <ul style="list-style-type: none"> <li>• Monthly Finance reports;</li> <li>• Procurement Services update;</li> <li>• Electoral Processes/ Performance data;</li> <li>• Carbon Initiative;</li> <li>• Communication Review report;</li> <li>• The Homelessness Strategy;</li> <li>• Street Services;</li> <li>• People Directorate.</li> </ul> The Committee noted Work Programme.	<b>Date:</b> June 2019 <b>Officer:</b> Jamie Sheldon <b>Progress:</b> Complete – items have been added to the Work Programme.

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