

Support Services Overview and Scrutiny Panel

Thursday 24 November 2011

PRESENT:

Councillor James, in the Chair.

Councillors Browne (substituting for Councillor Berrow) Casey, Lock, Murphy, Rennie, Reynolds, Stark and Stevens.

Apologies for absence: Councillors Berrow, Delbridge, Evans, Lowry and Janet Isaac (co-opted representative)

Also in attendance: Councillor Ian Bowyer – Cabinet Member for Finance, Property and People, Mark Grimley – Assistant Director for Human Resources and Organisational Development, Eve Skuse – Head of Organisational Development, David Northey – Head of Finance, Sue Buddell – Group Accountant, Paul Chapman – Head of Value for Money and Efficiencies and Ross Johnston – Democratic Support Officer.

The meeting started at 10.00 am and finished at 12.30 pm.

Note: At a future meeting, the committee 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.

49. **DECLARATIONS OF INTEREST**

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

50. **MINUTES**

Agreed that the minutes of the meeting held on 27 October 2011 are confirmed as a correct record.

51. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

52. **SICKNESS POLICY REVIEW - PRESENT AND PRODUCTIVE WORKFORCE**

Ian Bowyer, Cabinet Member for Finance, Property and People and Mark Grimley, Assistant Director for Human Resources and Organisational Development presented a Sickness Policy Review – Present and Productive Workforce report.

The panel was informed that –

- (a) in order to deal with cultural issues around sickness absence, improved reporting mechanisms and data analysis tools had been put in place and

were presented in the report;

- (b) sickness levels at October 2011 was an average of 10.12 days per person per year which had been reduced by more than 2 days since October 2010 where it was 12.88 days per year.

In response to members questions it was reported that –

- (c) sickness absence had been targeted due to its high levels and because it had an impact both financially and on staff capacity throughout the organisation;
- (d) sickness figures had no real pattern other than through seasonal variations which saw more colds and flu's reported in the winter months;
- (e) the council's targets for sickness was 6 days per person per year which was monitored on an individual basis through back to work interviews;
- (f) punitive measures for sickness had been removed as this was seen as an unfair and unnecessary measure for staff who were genuinely sick;
- (g) the council's figures on ill-health retirement were considered to be average when compared to similar local authorities;
- (h) if staff were not fit to work in their current role then the first option before ill-health retirement would be redeployment;
- (i) there were genuine reasons for disproportionate sickness absence levels between directorates as, for example, social workers in the Children's Services directorate had a stressful job with high levels of long term sickness;
- (j) there were differences between general stress and work related stress and it was the responsibility of managers to determine and monitor stress to establish what kind of stress employees may be suffering with;
- (k) areas of work related stress were being surveyed, monitored and combated through the staff survey results from 2010;
- (l) the council employed its own independent occupational therapist which worked with staff who were absent from work on long term sick;
- (m) the goal was to provide staff with a clean, safe and fun environment to work in and this was partly being achieved through the Accommodation Strategy;
- (n) an employee assistance programme was out to tender at present and once this was completed it would be offered to all staff as a further

incentive to work for Plymouth City Council.

Members commented that the sickness level of school escorts was very concerning.

It was agreed that –

- (1) Mark Grimley, Assistant Director for Human Resources and Organisational Development would provide a written response to all members on the absence of school escorts;
- (2) Mark Grimley, Assistant Director for Human Resources and Organisational Development would provide a report to all members on employee sickness levels by grade;
- (3) the panel monitor performance in the next quarterly Finance and Performance report.

It was recommended that the Overview and Scrutiny Management Board review the results of the interim staff survey 2011 when they become available and determine whether the Support Services Overview and Scrutiny Panel should take any further action.

53. **APPRAISAL REPORT**

Ian Bowyer, Cabinet Member for Finance, Property and People, Mark Grimley, Assistant Director for Human Resources and Organisational Development and Eve Skuse, Head of Organisational Development presented an Appraisal report.

The panel was informed that –

- (a) the completion rate of staff completing appraisals was approaching 97 per cent with only 3.5 per cent not meeting expectations;
- (b) all staff who were due an incremental pay rise following their appraisal had now received that increment;
- (c) there was an intention to extend the appraisal process to cover agency staff working for the council;
- (d) this was now the second year that the appraisal process had been undertaken and had proved to be a worthwhile exercise;
- (e) appraisals data and statistics could now be compared with the previous year which would enable Human Resources staff to identify what had worked well and what needed to be improved for the 2012 appraisal process.

Following members questions it was reported that –

- (f) Human Resources Advisors were working with managers in

departments who had produced a high 'does not meet expectations' percentage in their 2011 appraisals to ensure that the appraisal process was fair and reasonable;

- (g) the appraisal process had raised awareness of issues where staff and managers needed further support; this support was now being provided;
- (h) the Chief Executives department, which had recently undertaken a major restructure, was being monitored closely on its appraisal completion rate as 83 per cent was recognised as not being good enough despite the substantial improvement on completion rates compared to 2010's figures of 45 per cent.

Members recognised that the major restructure had an impact on the appraisals process but were still concerned that the Chief Executives department should be leading by example in the appraisals process and considered that an 83 per cent appraisal completion rate was inadequate.

Agreed that Eve Skuse, Head of Organisational Development, email all panel members the current figures and statistics for the Chief Executive's Department appraisal completion rates and the guidance provided to departments on appraisal when going through a restructure.

Mark Grimley, Assistant Director for Human Resources and Organisational Development and Eve Skuse, Head of Organisational Development were thanked for their attendance.

54. **VALUE FOR MONEY (VFM) UPDATE**

Paul Chapman, the Head of Value for Money (VFM) and Efficiencies, provided the Panel with a VFM Quarterly Update. Councillors were informed that –

- (a) VFM was a key driver for the council with its main emphasis on:
 - delivering more effective core services;
 - aligning key services;
 - re-shaping front-line services;
 - improved liaison with Finance officers to realise financial benefits;
 - developing a consistent approach with partners;
- (b) delivering better control of expenditure across the council was key to delivering VFM and had been targeted through two projects Purchase to Pay (P2P) and Category Management;
- (c) in the first half of the 2011 – 2012 financial year the P2P project had

delivered tangible savings of £410k;

- (d) the Category Management project was being assisted by Agilysis, an independent external company, with a large focus on Asset Management to review the £19.5m of spend with over 1700 suppliers;
- (e) Category Management was also focusing on other areas of council expenditure including amongst others Printing and Document Services, Highways and Waste Services;
- (f) a major focus of the VFM project had been to review delivering of benefit realisation which had included assessing all tenders for quality and price;
- (g) the VFM project was robustly monitored and regularly reviewed by the Corporate Support Divisional Management Team.

Following questions from members it was reported that –

- (h) where procurement could be joined up with other council's it would be and all tenders used by the council and other local councils were now authorised and included on a Devon Tenders website. Furthermore, low value tenders (with a service cost of less than £75k) were included on the 'sell to Plymouth' portal for local companies to Plymouth to register and bid for work;
- (i) the VFM team encouraged feedback from managers and staff to assess value for money and the effectiveness of the products purchased and used across the council;
- (j) in an attempt to reduce the council's suppliers, promote local suppliers and reduce the council's carbon footprint the use of the 'sell to Plymouth' portal provided a framework which aimed to offer lower cost contracts to local smaller companies.

Agreed that –

- (1) Paul Chapman, Lead Officer would provide figures to all panel members on how many local suppliers were employed by the council;
- (2) the presentation slides would be circulated to all panel members.

55. **EXTRACT FROM PERFORMANCE AND FINANCE REPORT**

Ian Bowyer, Cabinet Member for Finance, Property and People, David Northey, Head of Finance and Sue Buddell, Group Accountant presented the Performance and Finance report. Members were informed that –

- (a) this report was continuously evolving and improving enabling it to become more meaningful and understandable;

- (b) as capital receipts were often difficult to quantify there was a proposal put to Cabinet to merge monies held in the Capital Receipt Reserve into the regular Capital Receipt Programme, which would create a greater transparency and accountability on funding of capital schemes.

Following questions from members it was reported that –

- (c) the Chief Executive's departments Delivery Plans that had been downgraded from green to amber were not significant to the budget delivery programme;
- (d) the budget delivery programme was in year one of a three year rolling programme and if budget delivery plans were not achievable there was an expectation on Directors to put forward further budget saving proposals;
- (e) for year one of the budget delivery programme 90 per cent of savings had been achieved or were on target to be achieved;
- (f) processing Housing Benefit claims had historically been a difficult service area, although it was believed that the recent restructure in Customer Services, Revenues and Benefits, Cashiers and Incomes and Creditors would see performance levels improve with costs being reduced;
- (g) the council had now received back 65 per cent of its money invested with the Icelandic Bank Heritable;
- (h) recently the Icelandic Supreme Court ruled that local authorities were to be included in the category of approved preferred creditors and it was now believed that approximately 95 per cent of the monies lost in the Lansbanki bank would be returned; 100 per cent of the monies lost in the Glitnir bank would be recovered. However, this money had previously been budgeted for in earlier accounts and would therefore not be additional money.

Agreed that members be provided with an explanation as to why Councillor Ricketts was not present for this item.

Councillor Bowyer, Cabinet Member for Finance, Property and People, David Northey, Head of Finance and Sue Buddell, Group Accountant were thanked for the excellent report presented and their attendance.

56. **BI-ANNUAL SCRUTINY REPORT**

The Panel noted the Support Services Overview and Scrutiny Panel's bi-annual scrutiny report.

57. **TRACKING RESOLUTIONS AND FEEDBACK FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

The tracking resolution document was noted.

58. **WORK PROGRAMME**

The Panel received their draft work programme for 2011-2012 and recommended to the Overview and Scrutiny Management Board that -

- (1) School Transfers to Academies is added as an item onto the work programme for a future meeting after April 2012;
- (2) Lord Mayoralty issues is added to the work programme for the 19 January 2012 meeting.

59. **EXEMPT BUSINESS**

There were no items of exempt business.