Support Services Overview and Scrutiny Panel

Monday 6 August 2012

PRESENT:

Councillor Murphy, in the Chair.
Councillor Bowyer, Vice Chair.
Councillors Casey, Churchill, Gordon, James, Martin Leaves, Parker, Rennie, Stark and Stevens.

Also in attendance: Councillor Peter Smith – Deputy Leader, Mark Grimley – Assistant Director for Human Resources and Organisational Development, Neville Cannon – Programme Director for ICT Shared Services, Mel Gwynn – Operational Service Delivery Manager, Simon Arthurs – Panel Lead Officer, Ross Jago – Democratic Support Officer.

The meeting started at 3.30 pm and finished at 5.00 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.

16. **DECLARATIONS OF INTEREST**

    The following declarations of interest were made in accordance with the code of conduct -

Name	Minute Number and Issue	Reason	Interest
Councillor Alison Casey	21 School Academy Transfer Update	School Governor	Personal

17. **MINUTES**

    The Chair informed the panel that questions regarding the comparison of sickness levels between manual and administrative workers would be addressed during a later agenda item. The Democratic Support Officer would make enquiries into the make-up of the Capital Programme Board and inform the panel via email.

    <u>Agreed</u> the minutes of the meeting held on the 2 July 2012.

18. **CHAIR'S URGENT BUSINESS**

    There were no items of Chair's urgent business.

19.   **SICKNESS POLICY REVIEW**

Mark Grimley, Assistant Director for Human Resources and Organisational Development, introduced a report on the Sickness Policy Review as requested at the last meeting of the panel. In response to questions from the panel it was reported that –

(a)   the department were unable to provide a comparison between the sickness levels in the manual and administrative work force. This was due to the difficulty of obtaining this level of information from the software application in use. The work required to obtain this information would use a significant amount of resources, pose a risk to the successful implementation of a new software system and would not constitute an efficient use of current resources;

(b)   in general terms four per cent of the work force were reported as sick at any one time;

(c)   in the private sector staff could be financially penalised if they were to report sick, this often included the first three days of sickness being unpaid. This was not an approach council officers were considering as it was not proven to reduce sickness levels;

(d)   the standard lifetime for an IT system was in the region of five to seven years. The current system used by Human Resources had allowed the council to reach a certain point, however the implementation of a new system would allow for further developments such as employee 'self-service' and would cost less than upgrading the current system;

(e)   the top 100 staff on long term sickness were managed by Mark Grimley, this was a constantly changing group which was proactively managed. There had been several dismissals over the last month;

(f)   sickness figures did not give an indication on how sickness was being managed, the figures were available and were provided to the panel at the last meeting;

(g)   staff were able to claim back their leave and were asked to report when they were well again if sick immediately before any period of leave;

(h)   there had been no staff reinstated following dismissal under the sickness and absence policy;

(i)   the influenza vaccination pilot would realise savings not only in terms of staff sickness but mitigated the risk of outbreaks of influenza which could occur in health and social care settings with staff, patients and residents at risk of infection.

Agreed that the costs of temporary staff to cover employee sickness is distributed to the panel.

20. **SHARED SERVICES AND ICT UPDATE**

The Deputy Leader and Neville Cannon, Programme Director for ICT Shared Services, presented a report to update the panel on the ICT investment and progress toward ICT shared services. It was reported that -

(a)   Plymouth's approach to shared services was of national interest, and was being watched by several national bodies;

(b)   the overall strategy was to create a service vehicle that would ease the capital burden on the council, enable the transfer of risk, and to provide on-going benefits to the council and partners by offering standardised services at competitive rates;

(c)   the ideal client base was any public sector organisation in Plymouth and Devon, the initial focus was on delivering the business case to include Public Health, NHS Plymouth and Sentinel CiC;

(d)   there were two key gateways for delivery of the project by April 2014 –

- December 2012 - Business case agreed with the partners;
- May 2013 – Approval of system design and the service level agreements;

(e)   Plymouth City Council had 277 business software applications operating across all departments. The model of ICT infrastructure had grown through business needs and demands but had high overheads and complex interfaces which led to duplication. Nearly 30 per cent of the existing applications could be consolidated into the proposed core infrastructure;

(f)   the business case for the allocation of £3million in capital to invest in developing a core infrastructure would be presented to the Cabinet in September 2012 and would set out:

- The components of a core infrastructure that would enable customer service transformation and a modernisation and efficiency programme.
- The opportunity for application consolidation onto the core infrastructure.
- The development of a core suite of self-service applications to reduce internal costs.
- The opportunities for transformation of services and service redesign in every department over the next 2 – 3 years.

(g)   the first systems and departments to migrate would be human resources and organisational development.

In response to questions from members of the panel it was further reported that –

(h)   the specific risk levels and mitigating actions regarding shared services would depend on which organisations made up the final partnership. A risk register would be developed once final membership had been confirmed;

(i)   both Sentinel Community Interest Company (CiC) and Public Health (Plymouth) would be partners. Further discussions with other NHS areas and Plymouth Community Healthcare were on-going. Shared services would also be discussed at the September meeting of all Devon council Chief Executives;

(j)   the formation of a company, which could be set up as a community interest company (CiC) or social enterprise, could protect the investment made into shared services. The approach would provide improved technical facilities for the city and positively affect the economy by protecting and increasing highly skilled jobs;

(k)   surrender of control and investment was a concern of many potential partners. By adopting a CiC or social enterprise model the organisation could remain in public ownership. The surrender of some control should not be seen as negative as benefits would be delivered across public sector.

The panel agreed to request that final shared service business cases are presented to the panel for pre-decision scrutiny.

21.   SCHOOL ACADEMY TRANSFER UPDATE

Agreed -

(1) to note the update on the School Academy Transfer;

(2) To request a further update providing information on the take up by academy schools of services provided by the council.

22.   TRACKING RESOLUTIONS AND FEEDBACK FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD

Agreed to note the panel's tracking resolutions.

23.   WORK PROGRAMME

The panel agreed to add dates against the Budget and Performance Item (subject to management board approval) and an update on the Academy Schools Transfer.

24.   EXEMPT BUSINESS

There were no items of exempt business.