BUDGET AND PERFORMANCE OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of a meeting of the Budget and Performance Overview and Scrutiny Committee held on Wednesday 23rd May, 2012 at the Cabinet Suite - Shire Hall, Gloucester.

PRESENT:

Cllr Dennis Andrewartha  Cllr Sarah Lunnon
(Chairman)  Cllr Martin Quaile
Cllr John Burgess  Cllr Brian Robinson
Cllr Bill Crowther
Cllr Barry Dare

Substitutes:

Officers in attendance: Rob Ayliffe, Stephen Bace, Mark Branton, Jane Burns, Tony Childs, Neil Corbett, Deborah Greig, Duncan Jordan, Sidgoree Nelson, Steve Smart and Mark Spilsbury

Apologies: Cllr Shaun Parsons and Cllr David Prince

12. MINUTES OF PREVIOUS MEETING

These were agreed and signed by the Chairman.

13. CUSTOMER PROJECT

13.1 Duncan Jordan, Chief Operating Officer and Programme Sponsor, and the Programme Manager Steve Smart, updated the committee on the progress of the Customer Programme to date. Members understood that in November of the previous year it was established that there was a need to provide an overview of the customer within the county council. This was in response to the challenge of keeping the customer at the heart of the organisation as it made essential changes to services to achieve cost savings.

13.2 Over six weeks a piece of work was carried out to consider how the public, members and partners saw the County Council. This identified gaps in service, inconsistency of experience as well as opportunities to deliver improvements.

13.3 The aim of the programme was to deliver tangible benefits within the first 12 months and create momentum to develop and deliver longer term. The intention was for customers to feel the county council really understood their needs and to use this understanding to shape the way that services were provided. The customer should be able to contact Gloucestershire County Council and to connect to services easily and effectively, with a clear understanding of what to expect. The council would make it as easy as possible for customer to get what they need and would report progress against meeting those customer expectations.
13.4 The identified projects within the programme were:
   • Complaints
   • Customer Service and the Contact Centre
   • Meeting the Challenge
   • Customer insight
   • Customer Contact Strategy
   • Culture

13.5 One member identified the difference between complaints about how
the Council went about its business, and complaints due to customers not agreeing
with the statutory duties. It was important that robust disciplined processes were in
place to separate that out.

13.6 Work was ongoing to engage with relevant stakeholders to
understand the existing compliment/complaints data and management processes.
The example was given of the new fully transactional website supporting the use of
Apple Mac computers in making online complaints, the previous incarnation did not.

13.7 The committee offered feedback to officers, identifying the need to
ensure that consideration was given to the demographic of the county. With an
increase in older people, there was the possibility that technology (for example in
the form of the Fully Transactional Website) would not be the best access point to
the council services in all cases. It was recognised that a balance needed to be
found here; many of the council’s customers expected to be able to contact the
council and access services through multiple technologies.

13.8 In response to a question, it was clarified that this was the right time to
be looking to improve. This was about removing the inconsistency of the process,
not saying that all areas of the council had got it wrong. Some areas of the council
were performing well in this area, but there was an aspiration to get better.

13.9 Work had begun on refining the current management information
coming from the Customer Service centre and how that information could be used
to make responsive adjustments to day to day centre management. Going forward,
the Customer Contact Strategy would look to answer the question of how the centre
fitted into the council’s long term strategy and vision and how phone and other
contact could be managed in line with that. Members discussed the role of having a
one stop shop for queries but some members emphasised the need for queries to
be passed on to individual teams and areas of the council that could respond more
appropriately to the query.

13.10 The committee was informed that culture was a vital part of the
programme with the council needing to be focussed on its customers in whatever it
does and however it does it. This involved everyone at the council understanding
why and what the council was aiming to achieve and an understanding of the
individual role and responsibility in achieving this. A clear message was being given
about the ‘One Council’ and what it stood for needing to be articulated and
cascaded throughout the organisation.
13.11 Members also offered the advice that it was important that the programme reflected the need for partnership working; it should not be too inward looking, customers needed to be directed towards the right areas across organisations.

13.12 It was agreed that the Committee was to receive future updates on the project.

**ACTION**  Lead Members/ Steve Smart

14. STRATEGIC PERFORMANCE MANAGEMENT 4TH QUARTER 2011/12

14.1 Rob Ayliffe, Head of Policy and Performance, presented the 4th quarter report providing the committee with a strategic overview of the council’s performance. The presentation included details of the monitoring and challenge process as well as key issues regarding outcomes. This was aimed at providing members with an understanding of the progress that had been made against targets, in conjunction with the detailed performance indicators provided in the agenda pack.

14.2 For Outcome 1: 'Children, young people (CYP) and adults are safe from harm', members were informed that there continued to be a significant improvement in CYP social care services. This was following recent inspections by Ofsted which indicated that the Safeguarding service was rated as adequate with good capacity for improvement. As a result the Improvement Notice issued in 2011 had been lifted.

14.3 At the end of the year the percentage of young people who were not in Education, Employment or Training (NEET) was 4.8. This was an increase of 1% since March 2011. This compared favourably with the South West average of 5.3% and the all England average of 5.7%. Members were informed of the Grow Gloucestershire initiative to support vulnerable young people into work and training. In response to a question, it was confirmed that there was a relationship between Grow Gloucestershire and Gloucester First, but in regards to the NEET work it was being led by Prospects. Cllr Robinson had provided an update at Children and Young People Overview and Scrutiny Committee. Members would receive a briefing providing more details.

**ACTION**  Jane Burns/ Stephen Bace

14.4 With regards to Outcome 2: ‘People with a disability or limiting long-term illness to live as independently as possible’ members noted the improvement in giving people more say over their care through personal budgets, despite recognising that there was still a way to go. Current performance was at 38% against a target of 50%. Members questioned whether the improvement was caused by a change in how the indicator was being calculated or whether there was actual improvement on the ground. A robust Performance Improvement Plan (PIP) had been developed to address practice inconsistencies across localities on self directed support, assessments, reviews, reablement and carers.
14.5 Members noted that with regards to Outcome 3: ‘People & Communities are active and resilient’ the County’s Killed and Serious Injured figures had increased slightly compared to the 2010/11 figures.

14.6 The committee was informed that the milder weather had helped to prevent as many potholes forming as the same time in the previous year. This was reflected by a 50% drop in customer reported potholes, which had enabled the council to re-direct £720,000 into protecting the highway network from deterioration. Some members commented that they had not seen improvements in the roads in their areas. The committee requested that they be provided with further information on this.

**ACTION** Rob Ayliffe

14.7 Members discussed Outcome 5: ‘Young people reach adulthood with the skills and self confidence they need and vulnerable children and young people have the basic skills they need’. It was explained that at the end of the 2011 academic year, the council had 71 schools that were judged as outstanding, 142 schools that were judged as good, 73 schools that were judged as satisfactory and 10 schools that were judged as inadequate, with 7 of those in Special Measures. Some members noted the impact upon a school’s reputation once they were in Special Measures. There was some discussion suggesting that support given at an earlier stage, before the school reached special measures, would help to reduce this impact. It was suggested that this might be an area that Children and Young People Overview and Scrutiny would wish to consider in the future.

**ACTION** Chairman/ Stephen Bace

14.8 The committee were shown a graph showing the ‘% point gap for vulnerable groups compared to overall achievement at GCSE (5 A* -C grades). Members requested that they receive details for those that had achieved 5 A* -C including English and Maths.

**ACTION** Rob Ayliffe

14.9 The committee discussed Outcome 6: Gloucestershire and its communities are attractive places to live, work and invest. The redesigned bus network had delivered 126 new bus services maintained accessibility levels for communities and enabled the council to forecast savings of £2m in the first three years.

14.10 With regards to Outcome 7: ‘Good value for money for local citizens’, the county council’s sickness absence levels remained below the national average for larger public sector employers, although Gloucestershire Fire and Rescue Service sickness levels continued to be an outlier.

14.11 Mark Branton, Assistant Director, Adult Social Care Commissioning, and Deborah Greig, Head of Adult Social Care, answered members questions with regards to adult social care. Members received information on the development of the resource allocation system to provide an appropriate indicative budget to service users, giving an individual a figure to spend on their care. Priority was being given to ensuring that new service users were being provided with self
directed support and reassessment of packages was concentrated on existing users where there were safeguarding issues.

14.12 In response to a member's question it was clarified that the system worked on a statistical basis and worked for most cases. There would always be exceptions and that was where the human element came in. It was important to work with service users to understand their needs and discuss their indicative budget, this was just the first part of a negotiation.

14.13 Members expressed concern with regards to the role of the committee when it came to considering performance. The remit of the committee was to take a strategic look at performance and to consider the way in which resources were allocated alongside council priorities. Members commented that the way performance was reported to the committee sometimes encouraged detailed discussion and that could often lead to frustration from members when detailed responses to questions could not be provided. In addition there was information tabled at the meeting which member's felt would have been more valuable in advance. At the next lead members’ meeting, consideration would be given to the way performance was reported and the role of the committee.

**ACTION** Lead Members

14.14 Tony Childs, Waste Services and Sustainability Manager, provided members with some detailed performance data around waste tonnages in Gloucestershire. It was explained that waste tonnage figures were volatile, with annual changes in tonnage varying for Waste Collection Authorities between +4% to -4% in the past 10 years, and for Household Recycling Centres(HRC) from +18% to -10%.

14.15 The outturn forecast for 2011/12 in total was 280,239 tonnes. In response to a member’s question it was clarified that evidence had shown that collection changes introduced Districts and at the HRCs had led to a drop in waste tonnages and this could be due to a number of factors, including introducing charges for garden waste, fortnightly residual collections and introducing food waste collections.

14.16 One member questioned the Defra projections on their latest thinking on how waste tonnages would change up to 2020. It was explained that in the latest communication with Defra they stood by those projections.

14.17 Members asked for an explanation of the indicator on ‘average spend per child receiving commissioned services/goods through budget holding lead professional’ Particularly to explain why the figure had doubled.

**ACTION** Rob Ayliffe

14.17 Members discussed the need to focus attention on how targets are set in order to ensure that the targets allow the council to continually improve in line with priorities. In view of this, members asked for detail on who sets the target and thresholds for the following indicators:

- ‘Percentage of initial assessments carried out within 10 working days of referral’ (Children’s Social Care).
‘The % of children becoming the subject of a child protection plan for a 2\textsuperscript{nd} or subsequent time’ (Children’s Social Care)

‘Total number of learners’ (Schools education and skills)

**ACTION** Rob Ayliffe

14.18 The committee requested clarification on whether the negative figure given for the cost of the registration service indicated income.

**ACTION** Rob Ayliffe/ Eddie Coventry

15. **ASSET MANAGEMENT**

15.1 Neil Corbett provided an update on the current review of this service being undertaken alongside the implementation of the Council’s New Operating Model. The review had been led by the Interim Head of Asset Management and Property Services, looking to identify how best to reposition property services and the management of property assets as well as to define a new structure and way of working.

15.2 The committee was provided with detail of the new structure which included three new teams created in order to group activity to reflect new business relationships. These would be: Traded Services, Corporate Services and Strategic Services. Members were informed that the appointment of the new team leaders had been completed.

15.3 It was explained that work continued on the categorisation of land and property assets and detailed discussions on better, more effective use of assets had taken place with partners.

15.4 The number of offices occupied and the way these were managed was being reviewed in order to provide a core corporate accommodation approach. A new accommodation strategy team had been formed to include key professionals within different parts of the organisation to develop flexible ways of working, to ensure ICT is used to optimise the way we work, to challenge behaviours and change organisational culture and develop robust implementation plans.

15.5 It was clarified that disposal targets for year 1 was £10m. £9.2m had been achieved with deals ongoing that would meet the fall target. Work would continue in subsequent years with targets at £8.3m for 2012/13, £20m for 2013/14 and £6.5m for 2014/15. It was recognised that each year it would become more challenging to deliver targets.

15.6 There was some discussion around the framework for the provision of solar panels for Gloucestershire County Council buildings. This had been re-tendered following a change in government feed in tariff levels. In response to a members question it was confirmed that the contract was due to commence on 18 July 2012.
15.7 One member discussed a concern regarding schools not getting appropriate advice about lightning conductors on their buildings. It was explained that government would offer advice on this. It would be checked what advice was currently being offered.

16. PERFORMANCE REPORT 4TH QUARTER 2011/12 - STRATEGY AND CHALLENGE

16.1 Jane Burns, Director Strategy and Challenge, presented the 2011/12 year end performance report. All outcomes had been achieved during a period of change following a review of the service alongside the new operating model.

16.2 Members noted that the new website for the council had been launched in April 2012 introducing new tools to increase the number of service transactions which could be completed online over the next 3 years.

16.3 More security incidents are being reported due to the staff awareness campaign about data security. All incidents had been classified as insignificant or minor and discussed with relevant managers. It was noted that the number and complexity of Freedom of Information and Subject Access requests would continue to rise.

17. PERFORMANCE REPORT 4TH QUARTER 2011/12 - ENABLING AND TRANSITION

17.1 Mark Spilsbury, Head of Finance, presented the 2011/12 quarter 4 performance report. The Meeting the Challenge savings had been fully delivered.

17.2 The committee noted that there was a significant variance with regards to invoices paid within 30 days. To increase the speed at which adult care invoices were approved, a separate team was established to take responsibility for a new streamlined process which was designed as part of the Meeting the Challenge Lean initiative. This had not proved effective and so the team had been relocated and integrated back into the Care Services finance team from 1 April 2012.

17.3 One member questioned the statement within the report around the slightly higher risk of slippage in projects in 2012/13 for Meeting the Challenge. Progress against this would be reported in the first quarter report for 2012/13.

17.4 In response to a member’s question it was explained that there were detailed plans in place with regards to for the selling of assets.

18. FINANCE MONITORING
18.1 Mark Spilsbury, Head of Finance, introduced the report detailing the budget forecast outturn based on data to the end of February 2012 for the 2011/12 revenue budgets. Following transfers to the reserves, additional debt redemption and a revenue contribution to capital, the current forecast of the year end revenue position for 2011/12 was an under spend position of £4.7 million, equivalent to 1.2% of the budget.

18.2 The committee was informed that following the successful outcome of the legal action in Iceland, Gloucestershire County Council has now received a significant proportion of the original £12.5 million investment with the three Icelandic Banks. To date, £9.34 million had been received back. It was agreed by cabinet in April 2012 that the impairment reserve would be reduced to 3.1 million, with the balance of £3.965 million being moved to a new economic stimulus reserve, to partially fund the £4.3 million of the economic stimulus package as per the agreed Medium Term Financial Strategy.

18.3 Members requested that they receive an ongoing breakdown of reserves in future finance reports.

ACTION Mark Spilsbury

18.4 The committee was informed that there would be a full review of the strategic waste reserve linked to the waste project. In response to a question on the underspend of £0.306 million resulting from phased District services changes, the figure would be incurred in the next financial year.

19. PLAN FOR SCRUTINISING THE DRAFT 2013/14 BUDGET.

19.1 Members noted the report detailing the plan for scrutinising the draft 2012/13 budget. It was emphasised that this was a framework of meetings and could change depending on the information member’s received and the areas of the council’s business they wished to explore further.

19.2 The committee welcomed the opportunity to feed into the budget setting process at an earlier stage and agreed the plan.

CHAIRMAN

Meeting concluded at 13:15