

CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **CUSTOMER AND CENTRAL SERVICES OVERVIEW & SCRUTINY COMMITTEE** held at Room 14, Priory House, Monks Walk, Shefford on Monday, 21 June 2010

PRESENT

Cllr J G Jamieson (Chairman)

Cllrs J A E Clarke
P A Duckett
M Gibson

Cllrs R W Johnstone
D Jones
Ms J Nunn

Apologies for Absence: Cllrs A Fahn
D J Hopkin

Substitutes: Cllr J N Young (for Cllr D J Hopkin)

Members in Attendance: Cllrs D Bowater
A D Brown
M R Jones
S F Male
R C Stay

Officers in Attendance: Mr I Brown – Assistant Director Assets
Mr B Carter – Overview & Scrutiny Manager
Mr R Ellis – Director of Customer and Shared Services
Mr R Gregan – Head of Procurement
Mr C Jones – Assistant Director Customers and Systems
Mr L Manning – Democratic Services Officer
Mr I Porter – Assistant Director Strategy and Performance

CCS/10/23 **Minutes**

RESOLVED

that the Minutes of the meeting of the Customer and Central Services Overview and Scrutiny Committee held on 21 June 2010 be confirmed and signed by the Chairman as a correct record.

CCS/10/24 **Members' Interests**

(a) **Personal Interests:-**

None notified.

(b) **Personal and Prejudicial Interests:-**

None notified.

(c) **Any political whip in relation to any agenda item:-**

None notified.

CCS/10/25 **Chairman's Announcements and Communications**

The Chairman stated that, because some Members and officers would need to leave the meeting to attend to other duties, reports would now be considered in the following order:

- a) Portfolio Holder Update;
- b) Procurement and Commissioning Strategy;
- c) Remodelling of Customer Services Programme;
- d) Policy on Third Sector Funding;
- e) ICT Infrastructure Review;
- f) Asset Disposal Strategy;
- g) Work Programme 2010-2011 & Executive Forward Plan.

CCS/10/26 **Petitions**

No petitions were received from members of the public in accordance with the Public Participation Procedure as set out in Annex 2 of Part A4 of the Constitution.

CCS/10/27 **Questions, Statements or Deputations**

No questions, statements or deputations from members of the public were received in accordance with the Public Participation Procedure as set out in Annex 1 of Part A4 of the Constitution.

CCS/10/28 **Call-In**

No matters were referred to the Committee for a decision in relation to the call-in of a decision.

CCS/10/29 **Requested Items**

No items were referred to the Committee for consideration at the request of a Member under Procedure Rule 3.1 of Part D2 of the Constitution.

CCS/10/30 **Portfolio Holder Update**

The Committee received verbal updates from the Portfolio Holders for Finance, Governance and People, Policy and Performance and Customers, Systems and Assets.

The Portfolio Holder for Finance, Governance and People updated the meeting on developments regarding Government reductions in funding and in particular area based grants.

The meeting sought information regarding expenditure to date versus budget at both Council and Directorate level. In response the Portfolio Holder stated that expenditure was broadly on target but he was unable to be more accurate as the actual figures were not yet available due to officers focusing on the closure of annual accounts. Debate followed on the availability of up to date budget information and the timescale involved in its production. In particular it was felt that provisional monthly budget figures should be available to Portfolio Holders within three weeks of month end.

The Chairman requested that a brief report be submitted to the next Committee meeting on the implications to the Council of the Government's Budget. In response the Portfolio Holder for Policy and Performance stated that it was intended that a paper on this issue would be circulated to all Members before the next Committee meeting took place.

The Portfolio Holder for Policy and Performance reported that the Comprehensive Area Assessment (CAA) had been scrapped by the new coalition Government. This had resulted in uncertainty over what, if anything, would replace it and had implications for the role of the Audit Commission. The Portfolio Holder undertook to report back to the Committee on the Government's intentions for the Commission and the wider inspection regime and welcomed the Chairman's request that he participate in the report's preparation.

The Portfolio Holder updated Members with regard to shared services with Bedford Borough Council, partnership working and the Government's support for localism.

The Portfolio Holder updated the Committee on the progress made in bringing forward proposals for efficiency savings to meet the significant financial pressures facing the Authority over the next three years. The meeting noted that a report setting out the quantified savings would be submitted to the Leadership Team at its away day on 21 July. A budget report would then be submitted to Executive on 17 August and this would include details of the likely efficiencies to be achieved through the Delivering Efficient Corporate and Transactional Services (DECATS) programme, which was currently being worked up by officers.

The Portfolio Holder next referred to communications and updated the meeting regarding the Council's own 'News Central' magazine and its funding. Members raised the issues of advertising content and News Central's relationship to the Council's other, community based magazines. The Director of Customer and Shared Services undertook to advise the Assistant Director Communications of the points raised.

The Portfolio Holder for Customers, Systems and Assets updated Members on the progress of the Your Space programme including minor delays at Technology House, the possible future of the Council's relationship with its contractor Mouchel and the proposed acquisition of land in Flitwick town centre using Growth Area Funding. He reminded Members that two other matters of interest, customer services and ICT infrastructure, appeared later on the meeting agenda for discussion.

RECOMMENDED TO EXECUTIVE

that processes be implemented to ensure that Portfolio Holders receive provisional monthly budget figures within three weeks of month end.

CCS/10/31 **Procurement and Commissioning Strategy**

The Head of Procurement circulated two documents to Members. The first, in presentation format and entitled 'Corporate Commissioning & Procurement Strategy', provided an update on the progress made to date in implementing the Strategy within the Council, whilst the second, entitled 'Procurement Team Dashboard', provided a detailed 'snapshot', as at April 2010, of savings, contract spend, reviews and tenders, transactions, human resources and key performance indicators.

With regard to the Strategy document the Head of Procurement drew Members' attention to the main areas of Council expenditure. In connection with consultancy procurement, he explained that work was currently being undertaken to establish its content and scope.

Turning next to consider the Dashboard, and in particular information relating to contract spend, discussion took place on off-contract purchases which still accounted for a significant minority of all corporate purchases (22% of all stationery, HR temps/interims etc, advertising and ICT), and the means by which this could be prevented in order to achieve average savings of 17% of

the off-contract spend which equated to over £1m a year. In addition concerns were raised regarding the significant proportion of expenditure that was miscoded.

The proposal to prepare a Demand Management Strategy was discussed and mention was also made of the possibility of operating a recognition scheme for savings generated by employees as an example of such encouragement. However, the primary message from Members was the need to ensure compliance with on-contract purchasing and correct coding.

Members expressed some concern regarding the poor quality of service provided by some transport contractors.

In response the Head of Procurement suggested that the prevention of off-contract purchases and miscoding was linked to the need for a wider cultural change within the organisation which was still relatively immature. He also commented that he was aware of the quality issues that had been experienced and the challenge of meeting upward pressure to improve quality whilst also containing costs.

The Committee considered the need to ensure the level of service set out within a contract was fully and clearly defined.

Whilst welcoming the opportunity to examine the Dashboard the Committee recognised that the document was a management tool and contained too much detail for the Committee's needs. However, Members also felt that some additional information to enable effective monitoring would be welcome. The Chairman undertook to discuss a suitable format with the Portfolio Holder for Finance, Governance and People and the Director of Customer and Shared Services.

RESOLVED

that the Customer and Central Services Overview and Scrutiny Committee record its support for the work being implemented with regard to the Council's Corporate Commissioning and Procurement Strategy and thank the Head of Procurement for its progress and quality;

RECOMMENDED TO EXECUTIVE

- 1 that processes be implemented to ensure that Budget Holders strictly adhere to the Council's Corporate Commissioning and Procurement Strategy and not purchase off-contract except in exceptional circumstances;**
- 2 that processes be implemented to ensure that all contracts are reviewed in sufficient time to ensure that the Council is not required to extend a contract as a result of time constraints incorporated within procurement rules.**

(Note: The meeting adjourned at 12.05 p.m. for a short break and reconvened at 12.15 p.m.)

CCS/10/32 **Remodelling of Customer Services Programme**

The Committee's views were sought on a report to the next meeting of the Executive on 13 July 2010 setting out proposed key operational changes to Customer Services that would enable the Council to improve its customer management in line with the adopted Customer Services Strategy, whilst increasing value for money and addressing financial pressures.

The meeting considered the detailed options and information which had been provided for each of the following work streams:

- a) the creation of a single contact centre in Technology House, Bedford;
- b) the review of the telephone numbering strategy for Central Bedfordshire Council;
- c) the creation of Customer Access Points;
- d) the creation of Community Hubs;
- e) changes to the operating hours of the Customer Service Centres;
- f) Customer Relationship Management (CRM) system procurement;
- g) migration of services into Customer Services.

In connection with the creation of a single contact centre in Bedford consideration was given to the estimated travel costs to be incurred by staff transferring to the centre and the impact this had on the overall level of savings. The meeting noted that the travel costs arose through the implementation of legacy authority terms and conditions relating to employee work place relocation and were protected under the TUPE legislation.

Whilst there were concerns that TUPE protection could act as an impediment to change within the organisation it was important to note that in areas where legitimate business led organisational change was being carried out that resulted in changes to workforce numbers and/or functions (i.e. changes for economic, technical or organisational (ETO) reasons) then staff could be moved to Central Bedfordshire terms and conditions of service. The Chairman undertook to discuss related issues with the Chairman of the General Purposes Committee.

With regard to the CRM implementation the meeting noted that elements of this were now subject to the current review of capital projects and, as a result, the project was on hold. In view of the central importance of CRM to the proposed remodelling of customer services the meeting expressed concern at this

development and felt that it should no longer be included within the review, thus enabling the procurement process to continue on schedule.

A query was raised regarding the possibility of savings arising from the proposed reduction in operating hours for the Customer Service Centres. In response the Assistant Director Customer and Systems explained that, although there would be no financial savings as such, the revamped operating hours would allow more resources to be made available for peak hours whilst simplifying general staff management, provide an overall improvement in service provision and improve staff work/life balance by the removal of early and late starts.

NOTED

that the Remodelling of Customer Service Programme will be submitted to the Executive on 13 July 2010 for final approval.

RESOLVED

that, subject to the Recommendation to Executive below, the recommendations set out in the Remodelling Programme project work streams, attached as appendices to the report of the Portfolio Holder Customer, Systems and Property to the Executive on 13 July 2010, be endorsed and the Executive be advised of this decision.

RECOMMENDED TO EXECUTIVE

that, given that the Customer Relationship Management system procurement is an essential component of the Customer Service Remodelling Programme, it should be exempt from the current capital programme review to enable the procurement process to continue on schedule.

CCS/10/33 Policy on Third Sector Funding

Members were scheduled to receive a verbal update by the Assistant Director Strategy and Performance on the progress made towards formulating a policy for Third Sector funding. However, due to the late running of the Committee and the need for the officer to attend another meeting, it was felt that consideration of this matter should not proceed.

RESOLVED

- 1 that the Assistant Director Strategy and Performance circulate a briefing note on the progress made towards formulating a policy for Third Sector funding;**
- 2 that an item be placed on the agenda for the next meeting of the Committee to enable Members to raise any issues arising from the above report.**

CCS/10/34 **ICT Infrastructure Review**

The Committee considered the report of the Portfolio Holder for Customers, Systems and Assets which set out the key findings of an independent review of the Council's ICT infrastructure design and implementation, the management of ICT, the assurance over ICT, incident management and disaster recovery. The meeting was aware that, in addition, the review had addressed the controls and related issues that contributed to the major ICT system interruptions which took place earlier in 2010. Members also had before them a schedule of proposed actions prepared by the Assistant Director Customers and Systems (attached at Appendix A to the Portfolio Holder's report) in response to the recommendations made within the review.

The Portfolio Holder advised the meeting that a further report would be made to the Committee by the end of 2010 on the possible use of the Government Cloud (G Cloud) to provide a highly resilient data centre for the Council's core ICT infrastructure.

RESOLVED

- 1 that the findings of the independent review into the Council's ICT infrastructure be received;**
- 2 that the responses to the review recommendations, as set out in the schedule of proposed actions prepared by the Assistant Director Customers and Systems and attached at Appendix A to the report of the Portfolio Holder for Customers, Systems and Assets, be endorsed.**

CCS/10/35 **Asset Disposal Strategy**

A report was circulated to the Committee seeking Members' views on a proposed Asset Disposal Strategy which was to be considered by the Executive at its meeting on 13 July 2010.

In response to various queries the Portfolio Holder for Customers, Systems and Assets referred Members to the draft Strategy document which stated that its objective would be to optimise the proceeds from disposal for the benefit of the Council and the community. He emphasised that this was the guiding principle and that, if assets were to be disposed off, a strategy such as the one before Members was necessary.

In response to other comments the Portfolio Holder stated that the Council would retain control over the use of some properties through leasehold rather than freehold disposal and through other suitable agreements. He added that the monies raised through sales would be in the form of capital receipts and so could not be used for revenue purposes.

Further discussion followed during which the Assistant Director Assets advised the meeting that ward Members would be kept fully informed of asset disposal within their areas.

RESOLVED

that Executive be advised that the Customer and Central Services Overview and Scrutiny Committee supports the adoption of the draft Asset Disposal Strategy as set out at Appendix A to the report of the Portfolio Holder for Customers, Systems and Assets.

CCS/10/36 **Work Programme 2010-2011 & Executive Forward Plan**

The Committee considered its current work programme and the latest Executive Forward Plan.

The Chairman asked Members to contact him should they had any items they wished to see included in the work programme.

The Committee was advised of the creation of a Member Reference Group to provide advice on the provision of a case management system for Members' use. The Overview and Scrutiny Manager, in consultation with the Chairman, undertook to contact Members by email and seek approximately six volunteers to sit on the Group.

NOTED

(Note: The meeting commenced at 10.00 a.m. and concluded at 1.43 p.m.)