

## CENTRAL BEDFORDSHIRE COUNCIL

At a meeting of the **CUSTOMER AND CENTRAL SERVICES OVERVIEW & SCRUTINY COMMITTEE** held at Room 15, Priory House, Monks Walk, Shefford on Monday, 21 March 2011

### PRESENT

Cllr J G Jamieson (Chairman)  
Cllr D J Hopkin (Vice-Chairman)

Cllrs J A E Clarke  
P A Duckett  
M Gibson

Cllrs D Jones  
Ms J Nunn

Apologies for Absence: Cllrs A Fahn  
R W Johnstone  
R C Stay

Substitutes: Cllr L Birt (In place of R W Johnstone)

Members in Attendance: Cllrs D Bowater  
M R Jones  
S F Male  
B J Spurr

Officers in Attendance: Mr P Ball – Senior Finance Manager  
Mr B Carter – Overview and Scrutiny Manager  
Mr R Ellis – Director of Customer and Shared Services  
Mr P Fraser – Head of Partnerships and Performance.  
Mr A King – Head of Financial Strategy  
Mr L Manning – Committee Services Officer  
Mr J Unsworth – Interim Assistant Director of Finance

CCS/10/133 **Minutes**

### RESOLVED

**that the Minutes of the meetings of the Customer and Central Services Overview and Scrutiny Committee held on 17 January 2011 and 24 January 2011 be confirmed and signed by the Chairman as correct records.**

**CCS/10/134 Members' Interests**

**(a) Personal Interests:-**

None.

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

None.

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

None.

**CCS/10/135 Chairman's Announcements and Communications**

The Chairman thanked the Vice-Chairman, Members, Portfolio Holders and officers for their hard work and contribution over the preceding year.

**CCS/10/136 Petitions**

No petitions were received from members of the public in accordance with the Public Participation Procedure as set out in Part D2 of the Constitution.

**CCS/10/137 Questions, Statements or Deputations**

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

**CCS/10/138 Call-In**

No decisions of the Executive were called-in to be reviewed in accordance with the Call-In Procedure as set out in Part D2 of the Constitution.

**CCS/10/139 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/10/140 Portfolio Holders' Updates**

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

The Portfolio Holder for Finance, Governance and People advised Members that a Recovery Programme for the Customer and Shared Services Directorate was being undertaken and was overseen by the Member Reference Group composed of the Leader, Deputy Leader, himself as Portfolio Holder and officers. He added that there were seven workstreams covering the Directorate and, arising from these, the aim was to introduce more cost effective working practices from June 2011 through to March 2012.

The Chairman reminded the meeting that discussion on this topic would take place following the submission of a detailed presentation to the Committee in June.

In response to a query on the appointment of a Section 151 Officer the Portfolio Holder and the Director of Customer and Shared Services reported on the progress made to date. It was noted that, subject to confirmation, the appointee would begin work at the end of June. The meeting further noted that it was envisaged that the appointee would work in tandem with the current Interim Assistant Director of Finance during a 'handover' period of three months.

The Portfolio Holder for Customers, Systems and Assets reported on the recent ICT problems which had been experienced and explained how they had arisen. The Portfolio Holder stressed that the fundamental problem lay with the Council's dependence on centralised server provision, a requirement which was reinforced by the Council's need to comply with the Government's CoCo protocols. Unfortunately, should a single element fail, the whole system was unable to operate. However, it was noted that work was being undertaken to make the system more robust and the provision of the dual network was proceeding. The Portfolio Holder suggested that use of the Cloud could provide a longer term solution.

The Portfolio Holder advised the meeting that it was intended to operate project management software from 1 April in order to track the use of ICT officer time and that from September the software use would be automated. He explained that the underlying aim was to secure greater control of ICT projects. The meeting concurred with his suggestion that the Committee should give consideration to an update on this matter in June or July. Following a query from a Member the Portfolio Holder undertook to advise her of the cost.

The Portfolio Holder reported on the movement of back office tasks to Customer Services and explained that delays had arisen, though with good reason. The meeting concurred with his suggestion that progress be reviewed by the Committee.

The Portfolio Holder referred to problems which had occurred with regard to the failure to cancel bookings for unneeded meeting rooms and that consideration was being given on how to deal with this.

With regard to office requirements the Portfolio Holder reported that three and a half years remained on the Technology House lease before the lease break

point but it was envisaged that all employees currently based at that building would have been relocated to either Watling House or Priory House by that date. Further, there was no indication that a centralised replacement office building would be required. The Portfolio Holder stated that additional home working would be encouraged coupled with hot desking if an employee's work often took place on site. Permanent desk allocation would only occur if an employee was permanently office based. In addition document scanning would reduce the requirement for filing cabinets and associated storage space. Further discussion followed during which the Director of Customer and Shared Services referred to the savings which would arise through the rationalisation of Council office accommodation. In response to a Member's comment regarding the cost of relocating employees he referred to proposed changes to employees' terms and conditions regarding the payment for 'excess' travel.

The Chairman suggested that the Council's accommodation requirements be considered further at a future meeting.

#### CCS/10/141 **Quarter 3 Corporate Budget Management Report 2010**

The Committee considered a report by the Portfolio Holder for Finance, Governance and People which set out the corporate financial position to the end of December 2010 (Quarter 3) and the latest forecast position.

The Portfolio Holder drew the meeting's attention to the revenue forecast overspend of £1.954M which, despite taking into account expenditure commitments for the last quarter of the year, represented a significant reduction. He also referred to the £12.076M of efficiencies identified within the 2010/11 revenue budget and stated that £11.987M of efficiency savings had been identified as being on track to be delivered by the end of the year. Last, the Portfolio Holder stated that the capital programme was significantly underspent with a year end forecast of £4.776M underbudget.

The Chairman congratulated those involved in achieving the financial position. He queried the final probable overspend level and was advised by the Portfolio Holder that the outturn was likely to be on or near budget. Following further queries from a Member the Portfolio Holder reported that Children's Services would need to retain the Connexions staff to fulfil some statutory requirements. He also reported that, with regard to the Music Service, the outcome of the national Henley Review was awaited and that significant changes could arise with the possibility that funding would be allocated directly to schools. In connection with the Music Service the Chairman commented that a consultation process was now in operation and that comments would be passed to the Chairman of the Children's Services Overview and Scrutiny Committee.

Following comment by the Chairman the Portfolio Holder acknowledged that budget profiling and accruing required further work.

The Chairman reminded Members that the Committee had commented in the past that the length, content and style of budget reports should be revised so

that they were easier to produce and simpler to read. The Portfolio Holder concurred with the Chairman and it was felt by Members that the appropriate action should be taken.

## **RESOLVED**

**that the format of budget reports be reviewed so as to provide simpler and more consistent reports in the new municipal year but with no loss of information.**

## **NOTED**

**the Quarter 3 Corporate financial position and the latest forecast position.**

### **CCS/10/142 Budget Management Report Quarter ended 31st December 2010 for Customer and Shared Services**

The Committee considered the report of the Portfolio Holders for Finance, Governance and People and Customers, Systems and Assets which set out the financial position for the Customer and Shared Services Directorate for the period to 31 December 2010 (Quarter 3) and the latest forecast position.

With regard to the forecast variance of £1,033k the Portfolio Holder for Finance, Governance and People reminded the meeting that the Recovery Programme was designed to overcome the underlying problems within the Directorate. In response to comments by the Chairman the Portfolio Holder acknowledged that a contributory factor had been budget build errors but referred to the influence of other issues, in particular to the need for Finance to provide detailed information to Directorates rather than being left to focus on the strategic overview. He stated, however, that this position should change as Directorates assumed greater responsibility for producing financial information internally.

In response to further comments by the Chairman the Director of Customer and Shared Services stated that although he was unable to give complete assurance that the base budget for 2011/12 would be totally free of errors he was able to state that the number of errors would be substantially less than had been experienced before. The Portfolio Holders for Finance, Governance and People and Customers, Systems and Assets concurred with this assessment, the former referring to the benefits which had arisen as a result of the base budget exercise last year.

A Member referred to Appendix E to the report which listed overdue debtor invoices with a value greater than £10k and sought clarification on the origin of the two largest amounts. In response the Senior Finance Manager provided information regarding the outstanding amount of £119,095.18 and undertook to establish and then email information regarding the outstanding amount of £189,000.00. Members also requested that summary details of items below £10k be included in future reports.

**NOTED**

**the financial position for the Customer and Shared Services Directorate for Quarter 3 and the latest forecast position.**

CCS/10/143 **Budget Management Report Quarter ended 31st December 2010 for the Office of the Chief Executive**

The Committee considered the report of the Portfolio Holder for Policy and Performance which set out the financial position for the Office of the Chief Executive for the period to 31 December 2010 (Quarter 3) and the latest forecast position. In connection with the latter the meeting noted that the forecast outturn variance was an underspend of £255k (5.2%). The Senior Finance Manager stated that there were no major operational issues and that difficulties relating to the production of the News Central magazine had been overcome.

**NOTED**

**the financial position for the Office of the Chief Executive for Quarter 3 and the latest forecast position.**

CCS/10/144 **Treasury Management Quarter Three Report**

The Committee considered a report by the Portfolio Holder for Finance, Governance and People which provided an update on treasury management activity for Quarter 3 of the financial year 2010/11.

The Chairman thanked the Head of Financial Strategy for incorporating the previously requested information on cashflow and debt in the report.

The Chairman referred to Appendix D to the report, which included a graph setting out an analysis of daily cash movements, and commented that it would be of assistance if the cumulative position for each day was added to it.

The Chairman then drew the meeting's attention to the Council's fixed interest loans and queried whether, in view of their size, the break fees were also substantial. In response the Portfolio Holder explained that these loans were examined on a regular basis and action taken where possible. The Interim Assistant Director Financial Services added that the situation was affected by the current volatility of the market.

**NOTED**

**the update on treasury management activity for Quarter 3.**

## CCS/10/145 **Quarter 3 Performance Report**

The Committee considered a report by the Portfolio Holder for Policy and Performance which highlighted the Quarter 3 performance for the Customer and Shared Services Directorate and Corporate Health Indicators for the Council.

The Head of Partnership and Performance drew Members' attention to the corporate sickness absence rate and advised that this had increased slightly in Quarter 3 although the increase could be regarded as reasonable given the issues faced by the Authority and the normal seasonal increase in levels of illness. The officer also referred to the long term sickness rates and the skewing affect this could have on the overall rate. He explained that if long term sickness was removed the sickness levels dropped to the average rate. Nonetheless the Chairman commented on the number of employees on long term sickness

In response to a query from the Vice-Chairman the Head of Partnership and Performance advised the meeting of the protocols followed by managers in response to employee absence through long term sickness.

Lengthy discussion on various aspects of this issue took place during which concern was expressed regarding the levels of absence. The Chairman requested that a presentation be made to the Committee's July meeting on absence management and sickness support.

Members turned to consider the level of Council tax collection and service provision by Customer Services. With regard to the latter a Member advised of a problem experienced at a Point of Presence (PoP). In response the Portfolio Holder for Customers, Systems and Assets explained the remedial measures that had been introduced to overcome such situations and enable more effective advice and assistance to be offered to members of the public.

The Committee examined the time taken to process Housing Benefit and other claims. In response to a comment by the Chairman on the time taken (37 days) to process claims the Interim Assistant Director of Finance stated that the Authority was on track to reduce this figure to 29 days. He pointed out that the issue was recognised as fundamental hence its inclusion within the Recovery Programme. He added that further improvements were anticipated in 2011/12.

### **NOTED**

**the Quarter 3 performance for the Customer and Shared Services Directorate and Corporate Health Performance Indicators for the Council.**

CCS/10/146 **Work Programme 2010-2011 and Executive Forward Plan**

The Committee received its current work programme and the latest Executive Forward Plan. Members were aware that additional reports had been identified during the meeting for consideration by the Committee.

**NOTED**

**that the following items have been added to the Committee's work programme:**

- a) progress on the transfer of back office functions to Customer Services (no date specified);**
- b) progress on medium term accommodation strategy (no date specified);**
- c) update on the Council's ICT time recording project (June/July 2011);**
- d) absence management and sickness support (July 2011).**

(Note: The meeting commenced at 10.00 a.m. and concluded at 11.22 a.m.)

Chairman.....

Date.....