

**OVERVIEW AND SCRUTINY
 MANAGEMENT BOARD
 26 OCTOBER 2017**

PRESENT: COUNCILLOR R B PARKER (CHAIRMAN)

Councillors L A Cawrey (Vice-Chairman), T Bridges, Mrs J Brockway, R L Foulkes, C S Macey, C E H Marfleet, N H Pepper and E W Strengiel

Added Members

Church Representatives: Mr S C Rudman

Parent Governor Representatives:

Councillors: C J T H Brewis, R D Butroid, D McNally, P A Skinner, M A Whittington and B Young attended the meeting as observers

Officers in attendance:-

Arnd Hobohm (Corporate Services Support Contract Manager), (Paul Briddock (Partnership Director for SERCO), David Coleman (Chief Legal Officer), Claire Machej (Head of Finance (Corporate)), Sophie Reeve (Chief Commercial Officer), Daniel Steel (Scrutiny Officer), Fiona Thompson (Service Manager - People), Nigel West (Head of Democratic Services and Statutory Scrutiny Officer), Richard Wills (Executive Director, Environment and Economy), Catherine Wilman (Democratic Services Officer)

37 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies were received from Councillor M Brookes and Added Member Mrs P Barnett (Parent Governor Representative).

38 DECLARATIONS OF MEMBERS' INTERESTS

No interests were declared.

39 MINUTES OF THE MEETING HELD ON 28 SEPTEMBER 2017

RESOLVED

That the minutes of the previous meeting held on 28 September 2017 be agreed as a correct record and signed by the Chairman.

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No announcements were made.

41 CONSIDERATION OF CALL-INS

No Call-Ins had been received.

42 CONSIDERATION OF COUNCILLOR CALLS FOR ACTION

No Councillor Calls for Action had been received.

43 PERFORMANCE OF THE CORPORATE SUPPORT SERVICES CONTRACT

The Board considered a report which provided an update of Serco's performance against Key Performance Indicators (KPIs) specified in the Corporate Services Contract between June 2017 and August 2017.

Officers took Members through the tables featured in the report which illustrated a general improvement in performance during July, August and September of 2017.

Serco had experienced high volumes of payroll contacts, as a result of issues with the system, which had been well documented in the press. The number of payroll contacts had been steadily falling through June, July and August, as the system improved and issues were dealt with.

IMT (Information Management Technology) had not been performing well with only seven out of twelve KPI's achieved in August 2017. It was explained this was mainly due to a serious hardware failure which resulted in multiple system failures, across the entire Council, for several days.

It was noted Adult Care Finance had met all its targets during July and August with no red or amber KPIs. Also, the Mosaic rollout had secured some additional development.

Financial Administration had seen all its KPIs in green since June 2017. One to highlight in particular was KPI 1 (paying invoices on time), which had been red or amber for a long time, however was now green due to the target being reduced slightly by agreement of SERCO and LCC to make it easier to measure.

The Board was keen to scrutinise the performance statistics for the Customer Service Centre (CSC). During the discussion of these figures, the following was noted:

- There had been improvements in the performance of the CSC, however despite incremental improvements over the summer months, it was still failing to meet the KPI for abandoned calls;

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- Serco representatives offered an invitation to the Board to visit the CSC and see it in action. The Head of Democratic Services and Statutory Scrutiny Officer would arrange the visit;
- Issues were raised regarding differences in service received by Councillors when they had made calls to the CSC. One Councillor had a very positive experience where their handler had done everything they could to help, however another had been told incorrect information. It was confirmed that call handlers had various scripts to follow to answer technical questions, and if these were not followed, it made for an inconsistent service. Regular training to ensure handlers' knowledge of Council services was given;
- In relation to data showing average weekly call volumes in the report, Members queried whether the CSC operated at weekends. Officers confirmed that it did operate out of hours, however, they were unable to provide details on weekend activity with the current telephony system;
- In relation to abandoned calls; there had been 4.8% overall performance in October, which was an improvement on previous months and put the KPI into green. Officers wanted to ensure this improvement was consistent;
- Digital channels for self-help needed to be improved, which would in turn reduce the number of calls to the CSC, which was considered to be a last resort if a customer had not found an answer themselves;
- With the current service model using a number of call centres, it was not possible to track caller history to see what advice they had been given previously. Having one local call centre would improve this aspect of service, which was something officers were working towards;
- There was discussion about the CSC queuing system and the merits of informing customers what number they were in the queue. Officers explained that within the industry there was much difference in opinion regarding this. Its success depended on how many operators were answering calls at any given time. If the queue was big with only a handful of operators, being told which position in the queue you were would not do much to reduce the frustration of waiting and could lead to abandoned calls. However, Councillors felt the caller could make that decision themselves based on how quickly they moved up the queue. Members considered that this could be explored further and it was suggested that it could be part of the member input into the development of the Customer Service Engagement Strategy in collaboration with SERCO. Members agreed that their input into the Strategy would be helpful and this would be facilitated by Democratic Services.

It was noted that the next update on contract performance to be Board be brought forward from 25 January 2018 to 21 December 2017.

RESOLVED

1. That the information presented on the performance of the Corporate Support Services Contract be noted;
2. That a visit be arranged for interested members of the board to the Customer Service Centre;

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3. That input be provided on the developing Customer Service Engagement Strategy, particularly in relation to consideration of the Board's comments on call centre queuing arrangements;

44 ESPO TRADING COMPANY LIMITED

The Board considered a report on the ESPO (East Shires Purchasing Organisation) Trading Company Limited which was being presented to the Executive on 7 November 2017. The views of the Board would be reported to the Executive as part of its consideration of this item.

ESPO was a public sector buying organisation managed by a Local Government Joint Committee, jointly owned by six local authorities, one being Lincolnshire County Council. As it was not a separate legal entity, its functions were performed through Leicestershire County Council, which acted as a Servicing Authority to the Joint Committee.

ESPO had traded, very successfully, on a self-funded basis and its sole power to trade was through its servicing authority under the Local Authorities (Goods and Services) Act 1970 which restricted it to only trading with other public bodies within the UK. This market was shrinking as local authority resources reduced and services were outsourced to private or voluntary sector organisations.

With this in mind, ESPO's Management Committee had explored alternative markets and potential customers that were not public bodies and proposed the creation of ESPO Trading Ltd. The new company could exploit the opportunity to trade with organisations with a public sector ethos, and not be restricted by the 1970 Act.

During discussion of the proposal, the following points were made:

- Following comments that ESPO directors could be attracted to other jobs, it was confirmed that they were already in receipt of competitive remuneration packages;
- As a member of the ESPO Management Committee, Councillor R D Butroid reinforced what had already been said regarding the opportunities this move would bring the organisation. There was a large market that ESPO was currently restricted from accessing and it was a positive step for the organisation;
- A recommendation to the Executive was to approve and appoint Councillor R D Butroid as the County Council's shareholder representative on the new company (with each of the six member authorities being equal shareholders). The Board endorsed this recommendation unanimously.

RESOLVED

1. That the eight recommendations to the Executive as set out in the report be supported;
2. That no further formal comments be passed to the Executive.

45 REVIEW OF FINANCIAL RISK ASSESSMENT

Consideration was given to a report which provided the Board a review of financial risks for the year 2018/19 to help determine the appropriate target level for the Council's general reserves for that year. The report also considered the outcomes from the financial risk assessment for 2016/17.

The comments agreed by the Board would be passed onto the Executive Councillor for Resources and Communications.

There was discussion regarding item one on the Financial Risk Register 2018/19 relating to the risk of pay awards being made at 1.0% higher than assumed in the budget, with an annual cost impact of £1.8m. It was confirmed that this risk depended on the content of the autumn statement from central Government, if they chose to remove the public sector pay cap.

Following a question, it was explained that if further savings were not available to cover this, sources were available of up to £3m in the Council's contingency budget or the additional cost could be covered by using balances from the Financial Volatility Reserve.

Item six on the Financial Risk Register related to estimated savings and the risk being the savings target not being fully achieved in 2018/19. The Council had a good record for meeting savings targets. It was reported that the Corporate Management Board was looking into realistic savings.

Overall, the Board supported the Council's Financial Risk Register following assurances given by Officers that the residual risk ratings for Item 1 (Pay) and Item 6 (Estimated Savings) were adequate.

RESOLVED

That the Executive Councillor for Resources and Communications be advised that the Overview and Scrutiny Management Board support the Council's Financial Risk Register, following assurances provided that the residual risk ratings for Item 1 (Pay) and Item 6 (Estimated Savings) were adequate.

46 COUNCIL WORKFORCE PLAN 2017 - 18 PROGRESS REPORT

The Board received an update report on progress being made relating to the projects within the Council Workforce Plan. The Plan provided the corporate framework for the Direct Area workforce planning and development strategies.

A presentation was given by Fiona Thompson (Service Manager – People) which covered the following areas:

- Workforce Plan – purpose;

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- Focus of the Workforce Plan;
- Council Workforce Plan 2017/18;
- HR Performance Information;
- Strategic Workforce Information;
- Future Workforce Priorities;
- Measuring Success of Change Projects.

The presentation had indicated that no HR performance information had been provided, however this was noted for inclusion at a future meeting, along with a report on workforce analysis which was in the process of being produced.

There was discussion regarding appraisals and how they were recorded on the Agresso system.

There had been problems with Agresso and therefore appraisals that had taken place, were not necessarily being recorded. Those problems had now been resolved. Another system issue related to unfinished appraisals, which did not show on the system, as they were in progress.

As part of the appraisal process, it was stressed that it was important to see how people felt about their work rather than just focussing on their performance. The essence was maintaining the morale of a work force. Career progression planning was as important as succession planning.

Throughout the appraisal process, an appraiser's manager would be able to see how appraisals were progressing, however the appraisals were logged in a very secure area of the Agresso system, with managers only able to see the appraisals in their areas.

It was noted that in particular areas, namely Highways, succession planning was essential as a certain level of expertise needed to be maintained and it took several years of training and experience for a member of staff to reach that level.

The Board's discussion broadened to recruitment and it was suggested that widening the available staff recruitment pool could be done by opening other office bases in different areas of the county. This could reduce the amount of travelling currently undertaken and would open up a larger choice of potential employees from different areas.

An update on the figures relating to appraisals for Quarter 4 would be available for the Board at its meeting February 2018.

RESOLVED

1. That assurance be sought on the progress being made relating to the projects within the Council's Workforce Plan;

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2. That HR performance and workforce information be received at a future meeting, in particular, Quarter 4 performance figures for appraisal completion.

47 OVERVIEW AND SCRUTINY WORK PROGRAMMES

The Board considered the work programmes of three Scrutiny Committees and the following points were noted:

Environment and Economy Scrutiny Committee

Since the election, the Environment and Economy Scrutiny Committee had dealt with a busy schedule, covering many high profile projects across the county.

The most recent meeting had been held at the Eventus Centre for Business and Innovation in Market Deeping; a state of the art purpose built centre aimed at providing small to medium enterprises with all-inclusive facilities. The Committee's Scrutiny Officer, Daniel Steel would provide a written debrief of the visit.

Councillor Mrs J Brockway offered to take forward the subject of Bishop Boston College which had taken over the agricultural arm of the University of Lincoln, at the new site located at the Lincolnshire Showground. Progress had been very good.

There was discussion regarding future priorities for funding post Brexit and the Board was informed that Group Leaders wanted the Brexit Working Group to be re-established with the same membership as before, but with the addition of a member from each Committee. The chairman of each committee would be asked to nominate a member from their committee.

Flood and Water Management Scrutiny Committee

Councillor D McNally, a member of the Committee, updated the Board on the work of the Flood and Water Management Scrutiny Committee, which met quarterly.

The Committee continued to consider investigations under Section 109 of the Flood and Water Management Act 2010, the majority of which related to surface water flooding.

It was queried whether the Western Growth Corridor was featured on the work programme and it was confirmed that it was not on the radar at this present time as it was not the right subject for scrutiny.

It was confirmed that the consultation on rock groins had not yet been completed.

Highways and Transport Scrutiny Committee

The Chairman of the Highways and Transport Scrutiny Committee reported that he and the Vice Chairman had been engaged in site visits. They would continue to ensure that Lincolnshire continued to be a Band 3 authority.

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The Chairman and Vice Chairman had quarterly meetings with the Executive Councillor for Highways, Transport and IT.

The Committee would consider a report by Network Rail at its meeting on 6 November 2017 and issues were raised regarding two railway bridges being constructed as part of the Western Road Corridor. A member of the Board explained that he could not find out who would be paying for the bridges, with the County Council, City of Lincoln Council, Network Rail and the developer all stating it would not be them. It was agreed this would be a good question to raise with Network Rail on 6 November.

It was suggested that improvements to the A1 in Lincolnshire be considered, as it was in poor condition compared to other sections of the road. It was confirmed that this was an economic development issue and would be a matter for the Midlands Engine and the Lincolnshire Enterprise Partnership to consider.

RESOLVED

That the work programmes be noted and the recommendations made be taken forward by the relevant Committee.

48 FUTURE SCRUTINY REVIEWS

It was reported by the Chairman that, as the two current scrutiny reviews were being progressed, it was his wish that a list of potential review topics be compiled for consideration at the Board's meeting in December.

He requested that any Member of the Board wishing to suggest a topic, submit a proposal, no longer than one side of A4 for inclusion on the agenda for the December meeting. The deadline for the agenda was 11 December 2017.

The two topics which had already been suggested were Restorative Justice; and PREVENT and Community Cohesion.

Officers were also welcome to submit proposals if they wished.

RESOLVED

That the update on Future Scrutiny Reviews be noted.

49 OVERVIEW AND SCRUTINY MANAGEMENT BOARD WORK PROGRAMME

The Board was provided with an opportunity to consider its own work programme and the following points were noted:

- Performance of the Corporate Support Services Contract would be considered on 21 December 2017;

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- Council Workforce Plan 2017 would be considered for an update on 22 February 2018.

Councillor R Foulkes wished for his thanks to Councillor R Wootten be recorded for attending the last meeting of the Board on his behalf, at such short notice.

RESOLVED

That the Overview and Scrutiny Management Board work programme and all changes made therein be noted.

The meeting closed at 1.00 pm