

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY &
CUSTOMER SERVICE - 26 JUNE 2017

(To be read in conjunction with the Agenda for the Meeting)

Present

Cllr Mike Band
Cllr Nicholas Holder
Cllr Peter Martin
Cllr Stephen Mulliner

Cllr Nabeel Nasir
Cllr Jeanette Stennett
Cllr Stewart Stennett
Cllr John Williamson

Cllr Liz Townsend (Substitute)

Apologies

Cllr Libby Piper

Also Present

Councillor Richard Seaborne was in attendance and spoke on Item 11 – Workforce Profile Update.

1. APPOINTMENT OF CHAIRMAN (Agenda item 1.)

RESOLVED that Cllr John Williamson be appointed as Chairman of the Value for Money and Customer Service Overview and Scrutiny Committee for the Council year 2017/18.

2. APPOINTMENT OF VICE CHAIRMAN (Agenda item 2.)

RESOLVED that Cllr Mike Band be appointed as Vice Chairman of the Value for Money and Customer Service Overview and Scrutiny Committee for the Council year 2017/18.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTES (Agenda item 3.)

Apologies for absence were received from Cllr Libby Piper. Cllr Liz Townsend attended as a substitute.

4. DECLARATIONS OF INTERESTS (Agenda item 4.)

Cllr Mike Band declared a non-pecuniary interest in agenda item 9, Creation of a Property Company, as he was a member of the Investment Advisory Board.

5. QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 5.)

There were none.

6. COMMITTEE AREAS OF RESPONSIBILITIES AND SERVICE CONTEXT (Agenda item 6.)

The Chairman opened the meeting by inviting each member of the Committee to share their relevant background and interests in the areas of value for money and customer service. Graeme Clark, Strategic Director – Finance and Resources, and Robin Taylor, Head of Policy and Governance, then delivered a presentation on the Service Areas falling within the remit of this Overview and Scrutiny Committee.

Graeme Clark informed the Committee that the Accountancy and Exchequers team comprised 15 members of staff and managed an annual spend of £70m across the General Fund and HRA. The Employee Services team carried out the Council's HR function and managed a £14m salary budget. The Revenues and Benefits team comprised 24 members of staff and collected council tax and business rates from properties within Waverley. Approximately 5,000 households in Waverley (10% of total) were in receipt of some type of benefit support. The Estates and Valuations team was responsible for managing the Council's General Fund property portfolio which included Waverley's Leisure Centres. The IT team comprised 12 members of staff who support the 78 different software packages used throughout the organisation; there was a £700k budget for IT maintenance and support contracts. Finally, the Facilities team managed the Burys offices, as well as the post and printing services within the Council.

There was a corporate drive to improve customer service within the organisation and this involved staff from across various service areas. The Executive had recently given approval for a number of improvements to customer service at Waverley and these were currently being implemented.

Key priorities within the area of Finance and Resources were utilising the Investment Advisory Board to help to address the Council's financial pressures, reviewing the Council's office accommodation, and seeking to make efficiencies through a process of business improvement.

Robin Taylor informed the Committee that the Policy and Governance Service Area comprised Democratic Services, who ensured a transparent decision-making process; Legal Services, including Land Charges and Freedom of Information; the Corporate Policy team, who shape Waverley's vision, plans and policies; and the Communications team, who ensured that the right information reached the right people at the right time.

Key priorities for the Policy and Governance Service Area included delivering a refreshed Corporate Plan, a revised scheme of delegation, a scrutiny change programme, a channel shift programme, and paperless savings.

The Committee thanked officers for their informative presentation and requested that the slides be circulated for information.

7. COMMITTEE WORK PROGRAMME (Agenda item 7.)

The Committee reviewed its proposed work programme and the Chairman added that at this early stage it was very much open to Member input.

The Committee discussed the area of communication with residents, particularly the need to provide prompt reassurance to tenants in light of the recent incident at Grenfell Tower in London. Whilst officers explained that information would be

provided in the forthcoming issue of Waverley Homes and People reassuring tenants that a similar incident would be highly unlikely to occur in Waverley, the Committee felt that the Council needed to be more proactive in providing positive news stories. The Committee therefore suggested adding an item to its work programme to review communication methods, looking to identify ways in which to be more proactive.

The Committee also suggested that in the lead up to the budget setting process, it would be important to review whether the recommendations from the strategic review relating to Waverley's Financial Strategy (as set out at Annexe 2 to the Medium Term Financial Plan report) had been achieved. There was also a suggestion that the way in which services are delivered be reviewed, with the aim of identifying where different ways of working could be utilised and efficiencies could be made.

8. MEDIUM TERM FINANCIAL PLAN (Agenda item 8.)

Graeme Clark, Strategic Director – Finance and Resources, introduced the report on the Medium Term Financial Plan; he explained that a budget shortfall of £2.1m was currently forecast for the period 2018/19 – 2020/21 and the revised Financial Plan identified actions to address this shortfall in the Medium Term. The report set out an updated list of emerging budget pressures in the medium-term as well as opportunities for generating income and delivering savings. There were also proposals to implement a new, more rigorous bidding and monitoring process for General Fund capital schemes.

The Committee endorsed the work of the Investment Advisory Board as a good opportunity to generate income, but warned that this should not be over-relied on as a revenue stream as several other local authorities were also going down this route which could affect the market. It was queried as to whether the IAB would utilise external consultants and Graeme Clark explained that while there was no retained advice, external advice would be sought on a case by case basis. Cllr Mulliner emphasised the importance of using in-house expertise and Graeme added that a new Estates Manager had just been recruited; she had a commercial background and brought with her good contacts and experience.

Members expressed concern over the budget shortfall set out at Annexe 3. Cllr Martin asked whether the figures took into account recent property investments and Graeme Clark explained that this took into account the Enterprise Centre but not other investment. The Committee was particularly concerned in regard to the Negative Government Grant. As the proposed business rate retention scheme had been withdrawn by the Government, the Committee felt that the Negative Government Grant needed to be raised with Waverley's MPs and the Committee recommended that the Executive contact local MPs regarding this matter as a high priority.

The Committee was pleased to note the proposals to implement a more rigorous bidding and monitoring process for General Fund Capital schemes. Members expressed concern that slippages within the Capital Programme often only became apparent towards the end of the year when it was too late to substitute other schemes, adding that even small capital projects could have positive effects on communities, leading to good publicity for the Council. The Committee therefore recommended that further investigation be carried out to identify the root cause for

slippages within the Capital Programme so that these could be identified sooner, giving the opportunity to substitute other schemes if necessary.

9. CREATION OF A PROPERTY COMPANY (Agenda item 9.)

Graeme Clark, Strategic Director – Finance and Resources, introduced the report on the Creation of a Property Company. He explained that the purpose of creating the company was to enable the Council to operate across a greater range of property transactions; for example, a company would be required in order to borrow money for a profit even if there was not a demonstrable community benefit. He added that the company would only be used as a last resort if the investment criteria had been met, but the acquisition could not be done as a Council. This arrangement would also provide greater flexibility to work with neighbouring local authorities to potentially assist them with property purchases in their areas. The funding of the company would still be done via the Council, and therefore would remain subject to member approval.

Cllr Holder asked whether the company would still be subject to corporation tax. Officers responded that it would be, which was why it would only be used as a last resort. It would also enable the Council to develop property for market sale or rent if it wished to.

Overall, the Committee was supportive of the proposal as it would provide more flexibility for the Council and would also provide a faster speed of operation. Cllr Martin queried how often the company would produce reports as it was important to know whether any acquisitions were meeting expectations. The Committee added that a clear system of monitoring and reporting needed to be put in place so that Members could be updated on progress with property acquisitions.

Cllr Mulliner asked whether the process of seeking Council approval for funds would delay the process. Graeme Clark explained that the Council would be able to lend an amount of money to the company ready for non-specific acquisitions so there should be no delay in this respect.

It was noted that the matters set out in paragraphs 12 and 13 of the report would be delegated to the Investment Advisory Board for final approval and the Committee requested to review that checks and balances that would be in place prior to this delegation as well as to receive periodic monitoring reports.

10. PERFORMANCE MANAGEMENT REPORT (Agenda item 10.)

Nora Copping, Policy and Performance Officer, introduced the Performance Management Report to the Committee. In regard to time taken to process Housing Benefit support new claims, it was noted that the processing time had increased slightly due to increased end of year workload, however this was still within target. The percentage of Council Tax collected also showed very good performance, particularly in relation to other Surrey districts. The performance in relation to percentage of invoices paid with 30 days had dropped slightly however it was noted that the criteria for this indicator would change in 2017/18 to pay invoices in accordance with supplier terms.

The average number of working days lost due to sickness absence per employee had improved but was still outside the target of 1.38 days. The number of complaints had increased from Quarter 3 which had been exceptionally low, however it was noted that the number of complaints received annually was 10% lower than other South East Councils.

The Service Plan Annual Outturn Report 2016/17 showed that 63 out of 68 actions had been achieved, with the remaining 5 to be carried forward to 2017/18.

Louise Norie, Corporate Policy Manager, also invited the Committee to consider how the reporting of performance indicators could be improved going forward. She stated that the Committee currently received a good number of indicators, but that the majority of these related to 'value for money' rather than 'customer service'. She suggested that it might be useful to have a baseline of customer satisfaction against which to measure customer service.

The Committee felt that it only needed to receive indicators on an exception basis, and there were differing views as to whether the trend analysis should be presented quarterly or annually; overall more members expressed a preference to retain the quarterly trend analysis. The Committee also emphasised the importance of having a consistent approach between all Overview and Scrutiny Committees so as to make the best use of officer time. Cllr Nasir also suggested that the other indicators (non-exception) could be circulated to Members for information outside of the committee environment.

The Committee noted that while outcome measures were often harder to collect, they would provide a better indication of performance and requested that officers focus on this. In terms of Customer Service, it was agreed that it would be useful to get a baseline of customer satisfaction. Cllr Martin suggested utilising a survey already conducted by Surrey County Council however Cllr Townsend was concerned that this method might dilute the Waverley 'brand'. Another suggestion was to include a customer satisfaction survey in the 'Your Waverley' magazine combined with an online version on the survey. While there was some concern that surveys didn't always provide representative feedback, the Committee agreed that it was most important to collect customer feedback. Robin Taylor informed the Committee that work had been undertaken to make the Citizens' Panel surveys more representative. Officers agreed to investigate the various options further and would bring back suggestions for establishing a customer satisfaction baseline.

Members also felt that there should be a clear link between performance indicators and service plan and corporate plan objectives.

11. WORKFORCE PROFILE UPDATE (Agenda item 11.)

Wendy Gane, Strategic HR Manager, presented the report on Waverley's workforce profile which set out the staffing resilience in each service area. She explained that the purpose of the report was to address the perceptions that there were recruitment problems at the Council which impacted on staff morale. The data set out in the report showed that members of staff were generally happy and that services were coping with the current level of turnover.

Cllr Seaborne had registered to speak on this item as he had been a member of the Corporate O&S Committee that had requested this information. He thanked Wendy

Gane for the report, which translated the data received in previous performance reports into an understanding of the staffing resilience within the Council. He suggested that a report with this level of detail should be reviewed by the Committee on an annual basis.

The Committee found the report very useful, and felt that it demonstrated the importance of having all the necessary data in order to reach an informed view.

Members noted that Waverley's total number of working days lost through sickness equated to approximately 1.2% of the total number of working days available. This was significantly less than the 2.9% working days lost (as published by the Office for National Statistics) recorded across the public sector last year, and lower than the 1.7% recorded in the private sector. In light of this, Wendy Gane suggested that the target for the average number of days lost due to sickness absence be amended to 6.5 days from 5.5 days.

Cllr Martin acknowledged the positive position of the Council in relation to the public sector as a whole, however noted that he would expect this to some degree as the wider public sector included social care where employees were unable to work if they were unwell.

Wendy Gane added that the Council struggled to compete with the private sector in terms of salaries, particularly in areas such as planning and estates, but that Waverley had been working hard on its offer to staff, including the level of support and training opportunities available. Additionally, some of the reported turnover was actually due to internal promotions which officers viewed as a success.

Having reviewed data contained within the report, the Committee agreed to recommend to the Executive that the target for HR2 [Average working days lost due to sickness absence per employee] be increased from 5.5 days to 6.5 days (1.63 days per quarter). The Committee also requested to see a similar Workforce Profile report on an annual basis.

12. EXCLUSION OF PRESS AND PUBLIC (Agenda item 12.)

At 9.06pm it was RESOLVED that pursuant to Procedure Rule 20 and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified in paragraph 3 of the revised Part 1 of Schedule 12A to the Act, namely:

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

13. BUILDING CONTROL - BUSINESS PLAN (Agenda item 13.)

Jane Clement, Building Control Business Manager, introduced the report to the Committee. She explained that following the recommendations from the Corporate O&S meeting in January, officers had brought in consultants to formulate a

business plan. She outlined the statutory requirement for the building control service and stated that while Waverley had a good market share, there was scope to increase this. Details of the proposals are set out in the (exempt) annexe to these minutes.

The Committee acknowledged the challenges facing the Building Control Service however some Members felt that the consultants' brief had been too narrow, and hadn't sufficiently investigated other options for the delivery of the service.

While the Committee felt that the Business Plan needed more work, it acknowledged that the recruitment of Surveyors was necessary in order to stabilise the service. Further options for the delivery of the service could then be explored further, and Members requested that a review of the Business Plan be brought back to the Committee in the future, with Cllr Martin suggesting a review in 6 months' time.

The meeting commenced at 7.00 pm and concluded at 9.32 pm

Chairman