

## MINUTES

### FINANCE AND RESOURCES OVERVIEW AND SCRUTINY

8 MARCH 2016

**Present:**

**Members:**

**Councillors:** Howard  
Herbert Chapman  
(Chair)  
Douris (Vice-  
Chairman)  
Ashbourn  
Birnie  
E Collins  
Imarni  
Silwal  
Taylor  
Tindall

<b>Officers:</b>	Steven Baker	Assistant Director - Chief Executive's Unit
	Mark Brookes	Group Manager - Legal Governance
	Jim Doyle	Group Manager - Democratic Services
	Ben Hosier	Group Manager - Commissioning, Procurement & Compliance
	Matt Rawdon	Group Manager - People
	David Skinner	Assistant Director - Finance & Resources
	Robert Smyth	Assistant Director - Performance & Projects
	Louise Collins	Member Support Officer

**Also Attendance:** Councillor Elliot – Portfolio Holder for Finance and Resources  
Councillor Harden – Portfolio Holder for Residents and Corporate Services

The meeting began at 7.30 pm

## 16 MINUTES

The minutes of the Joint Budget OSC (Finance and Resources) meeting held on 2<sup>nd</sup> February 2016 were confirmed by the Members present and signed by the Chairman.

## 17 APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors Barnes, Clark and Fethney.

**18                    DECLARATIONS OF INTEREST**

None.

**19                    PUBLIC PARTICIPATION**

None.

**20                    CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN**

None.

**21                    ACTION POINTS FROM PREVIOUS MEETING**

J Doyle explained the reasons why the premise charges have gone from £700 to zero. He said that this was an adhoc line that was used for the hire of halls for various things that Members wanted. This had not been used in the last 2 years and it was decided that it could be deleted without any impact.

The Chair requested that there be a target in which officers respond to action points and refer back to the Committee. All Members agreed that a target of 14 days would be set and all action points should be responded by.

**22                    QUARTER 3 FORECAST FINANCIAL OUTTURN REPORT 2015/16**

Councillor Elliot – Portfolio Holder for Finance and Resources gave Members a brief update on the Quarter 3 Budget Monitoring report 2015/16. He referred to the budget and explained that there was an overspend of £225k in the General Fund; however they would expect to be on budget by the end of the year. He added that there was also a £7 million overspend on the Capital budget.

Questions:

Councillor Imarni said that she had noticed the slippage but it was good news as at the previous meeting Members were questioning certain programmes from last year. The Chair referred to page 6 and the £150k on Planning and Building Control and the no of vacant posts within the services. He asked if there was anything being done to control the number of agency staff being used within this service.

D Skinner said that there was a national pressure on managing building control staff. The local authority is in direct competition with the private sector and they can pay significantly more money than the Council can. The Council is not in a position to match the pay of the Private Sector. D Skinner went on to add that the Council is looking at ways to improve and offer options and opportunities.

Councillor Imarni referred to page 5 3.2. She asked the officer to explain what the commissioning of Liberata was and why this can affect the new homes bonus.

D Skinner explained that Osbourne's look after the maintenance of the properties. Liberata reviews all of the empty homes within the borough, any homes that have been declared empty, then if any are found a percentage fee is received by them.

Councillor Tindall referred to page 9 line 172. He asked if this was capital rather than revenue and asked if this should be in the general fund.

D Skinner said that the 1.9 million is general fund capital.

Councillor Douris referred to the number of planning applications and said that this had increased over the last year and this also has additional pressures as the report confirms.

### **Outcome:**

The Committee noted the forecast outturn position report.

## **QUARTER 3 PERFORMANCE & OPERATIONAL RISK REGISTER REPORTS - LEGAL GOVERNANCE, DEMOCRATIC SERVICES, COMMISSIONING, PROCUREMENT & COMPLIANCE; AND PEOPLE**

S Baker, Assistant Director - Chief Executives Unit introduced his report and offered Members to ask questions.

### **Questions:**

Councillor Tindall referred to page 12 line 10 £89k unmatched. He asked for the reasoning behind this.

B Hosier explained that the Council codes its expenditure using Proclass, which is a procurement classification structure used to support spend analysis. It was believed that the 'unmatched' figure of £89k was an amalgamation of expenditure that fell below the threshold that the Council uses to Proclass its expenditure. Total expenditure below £1k is not usually coded to Proclass.

Councillor Tindall pointed out that £89k was a significant amount and there should be some effort to code this expenditure.

B Hosier said that he would report back at the next meeting with an update with regards to this suggestion.

Councillor Ashbourn referred to page 6 and the sickness within the Council. He added that whilst this is an ongoing issue are the Council at the stage where they are getting to the root of the problem.

M Rawdon explained that the end of year sickness absence projection is around 10 days per FTE per year. Highlighting, that the work that is being carried out at present is having an impact and reducing the figures, so the Council is moving in the right direction. In terms of the causes of the problem, the team has carried out some analysis on the different trends of sickness within the workplace. He added that there had been some interesting findings on their analysis and the Council are working with teams where there are higher levels of sickness.

Councillor Ashbourn asked if there was anything being done to help staff with motivation and inspiration within the workplace and if this was a major factor in why staff have so much sickness absence.

M Rawdon said that there was staff survey carried out recently to help them identify any issues in the workplace. We have recently launched a 'Leading in Dacorum' training programme to ensure managers have the right skills to effectively managing staff.

Councillor Douris mentioned that the sickness absence is a recurring problem and asked if the provisions that were put in place have not worked and why not.

M Rawdon mentioned that they never had a wellbeing strategy but they have a long term plan in place to target the issues they are faced with staff sickness. He added that they also now have a new sickness system in place which will hopefully identify the problem areas with the reporting functionality this has.

Councillor Birnie asked if there was a timescale to manage the sickness project.

M Rawdon confirmed that they have a 12 month timescale. They have set up a review panel to look at all the sickness cases and some controls will be in place to ensure actions continue beyond the length of the project. He added that they will be in a position to report back to the Committee on a quarterly basis with any further updates.

Councillor Imarni asked if staff were going sick in the workplace due to being unhappy in the work environment.

R Smyth explained that they are introducing new performance indicators which will help identify this problem as well as analysing the staff survey results.

Councillor E Collins said that she felt that having targets for managing sickness generally do not work.

The Chair expressed his opinion in that he said that targets are very important for the Council to work towards and have a goal.

Councillor Howard asked how long the drafting process was for the Wellbeing Strategy.

M Rawdon replied that the Council currently is drafting the strategy and it should be completed over the next few months, but would need to check the project plan for exact timescales.

Councillor Taylor mentioned that years ago the Council did not have a robust sickness process in place. He asked why the targets were being put up whereby the Council is already faced with high rates of sickness within the workplace.

M Rawdon explained that 11 days is the projected sickness rate as of end of December 2015. However, 8 days is the Council's target and has been so for the last few years. The Public Sector's average is 9.5 days, according to the CIPD.

Councillor Tindal referred to page 16 and the longest wait times. He asked if anyone had checked why the 37 people had waited in the call centre.

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B Hosier made reference to page 18 of the report and the graph. He said that out of the approximately 30,000 contacts during the last quarter, only 13 calls were answered following a wait time of over 20 minutes. B Hosier mentioned that the Council are not in control of when a customer tries to contact the Council. He added that a channel shift project is currently being delivered which increases the variety of different contact channels (self-serve/on-line/kiosks) to help to reduce call waiting times.

Councillor Douris referred to page 16 no 11 and the 98% of satisfied customers. He said that he was surprised the number was so high when on page 15, 12% of calls were abandoned in the call centre.

B Hosier said that he believed that the abandoned rate also included the number of callers who abandon their call when they find answers to their questions on the automated telephone system.

The Chair referred to page 10 of the report and the £202k savings delivered from the CSU contract. He asked if the Council has a target for the savings from this contract.

B Hosier said that the Council and Northgate have agreed the costs of the contract and these are built into the terms and conditions. The cost of the contract reduces over the duration of the contract and these savings have already been built into the contract budget.

The Chair referred to page 13 of the report and the apprentices being hired within the Council. He asked if there was a target aim on this.

M Rawdon said that the Council does not have a target for apprentices at the Council. M Rawdon said that at CMT, it was agreed that managers should consider appointing apprentices (where appropriate) for any new job vacancies that arise.

Councillor Ashbourn referred to page 13 of the report in regards to the third sector expenditure. He asked if the Council is scrutinising all expenditure with the third sector thoroughly.

B Hosier confirmed that all expenditure regardless of sector was being scrutinised as part of the budget setting.

**Action:**

1. B Hosier to report back to the committee at the next Finance and Resources meeting with an update on the “unmatched” expenditure as to whether they can be put into groups to help identify more easily.

**Outcome:**

Members noted the report.

### **QUARTER 3 PERFORMANCE & OPERATIONAL RISK REGISTER REPORTS – FINANCE AND RESOURCES**

The Portfolio Holder for Finance and Resources gave a brief update to Members and said that he was happy with the report issues by officers.

D Skinner referred to the Risk aspect of the Performance Report, FR-02 and pointed out that this had changed to red risk due to the slippage. He explained to Members that adequate measures were put in place to address the delivery of further options.

#### Questions:

Councillor Imarni referred to page 46 and the risk of the estate officers and the debt team tracking bad debts. Will this pose a huge risk moving forward now that some of the revenue will come from business rates etc.

D Skinner confirmed that this specific risk deals with the commercial assets that the Council owns. There is a balance between maximizing return and needing to secure vibrant shopping areas. A lot of work has gone into maintaining the income that is being generated and that the balance has been achieved.

Councillor Tindall referred to the Council having to set aside so much money due to potential appeals concerning business rates and whether or not the Council has to pay up or lose income. He asked if there were provisions in place in the event that more money needs to be put aside for worse case scenarios.

D Skinner said that the Council is putting in place a robust monitoring framework to examine the sustainability of the business rates income, any potential risks and opportunities that are available and to assess the impacts of those within the MTFs.

#### Outcome:

The Committee noted the report.

### **QUARTER 3 PERFORMANCE & OPERATIONAL RISK REGISTER REPORTS – PERFORMANCE AND PROJECTS**

R Smyth, Assistant Director - Performance & Projects updated Members that all of the indicators were on target and said that he was happy to accept questions.

#### Questions:

Councillor Ashbourn congratulated the officers on the report and said that the new website was working well.

Councillor Harden said that he would pass on his comments to the team involved.

There were no more questions.

**Outcome:**

The Committee noted the contents of the report and the performance of the division for Quarter 2, 2015/16.

**24                    APPENDIX A - WORK PROGRAMME FOR 2016/17**

There were no amendments to be made on the work programme.

The Meeting ended at 8.35 pm