

POLICY REVIEW AND PERFORMANCE SCRUTINY COMMITTEE

10 MAY 2016

Present: County Councillor Howells(Chairperson)
County Councillors Hunt, McKerlich, Murphy and Sanders

90 : APOLOGIES FOR ABSENCE

None

91 : DECLARATIONS OF INTEREST

The Chairperson advised Members that they had a responsibility under Article 16 of the Members 'Code of Conduct' to declare any interests and complete Personal Interest Forms.

92 : MINUTES

The minutes of the 12 April 2016 were approved as a correct record.

93 : PERFORMANCE MANAGEMENT REFRESH

The Chairperson welcomed:

- Councillor Graham Hinchey, Cabinet Member Corporate Services & Performance.
- Paul Orders, Chief Executive
- Christine Salter, Corporate Director Resources
- Joseph Reay, Head of Performance and Partnerships

The Chairperson advised Members that the Committee's Terms of Reference included taking an overview of arrangements in place to manage, report and challenge Council performance and make recommendations which may enhance Council performance.

This constitutes pre-decision policy development scrutiny and as such the Committee had the opportunity to shape the way forward by taking part in pre-decision policy development of the Council's approach to managing performance.

The Chairperson invited Councillor Graham Hinchey to make a statement.

Councillor Hinchey welcomed the input and contribution being provided by the Policy Review and Performance Scrutiny Committee. The accurate process of managing

and reporting on performance data was vital in order to measure outcomes with the added opportunity of speeding up overall procedures.

The Committee received a presentation which outlined the following:

- *Principles of the Approach*
 - *Outcomes focused*
 - *Proactive Performance Management – using data/trend analysis*
- *Key Priorities*
 - *Performance & Governance*
 - *Workforce Strategy*
- *Projects*
 - *Business Planning*
 - *Reporting – timelines, types of information, effective performance management*
 - *Challenges*
 - *Engagement – quality*
 - *Open data – use of data sets, exploring accessibility*
- *Business Planning – key Outputs*
 - *Refreshed Directorate Delivery Planning Framework – Plans meet SMART criteria*
 - *Robust RAG rating*
 - *Balanced Scorecards for reporting to Cabinet and PRAP*
 - *City Dashboard for Public Services board*
- *Challenge – key Outputs*
- *Data Pyramid*

The Chairperson thanked Officers for the information and invited the Committee to ask questions.

Members of the Committee were interested to learn how the Balanced Scorecard would work alongside the Data Pyramid, and how these mechanisms would support each other.

Officers explained this reporting style was based on 4 outcomes. The Balanced Scorecard supported 4 quadrants tied into Council priorities, to support and monitor a number of performance indicators. The refreshed proposals were subject to programme planning and further information would be made available to the other Scrutiny Committees when finalised.

The Committee was assured that the 4 priorities had been identified and were in place to support improvement. Quarter 1 performance indicators were agreed and the timelines in place to sustain the data.

The Committee drew attention to the quality of service provision and was keen to establish how the Balanced Scorecard would monitor quality alongside quantity. In response the Officers explained that a fully integrated Balanced Scorecard would

achieve the results required. The intention of a Balanced Scorecard was to move away from numerical facts and focus on the customer experience. Large amounts of data resulted in important information being overlooked and therefore it was vital to focus on the key issues.

Members of the Committee made reference to the methodology being incorporated by departments when applying performance management techniques to measure key performance indicators.

The Committee was advised that broader data sets were being established in departments, with linked objectives to measure and understand the effectiveness of the service.

The Committee asked if the City Dashboard for the Public Services Board would assist Members in holding the partnership to account. In response Officers drew attention to the partnerships in place to support the process.

RESOLVED: That the Chairperson of the Policy Review and Performance Scrutiny Committee write to the witnesses to thank them for attending the meeting and set out the comments made by Members (letter attached)

94 : LOCAL AUTHORITY TRADING COMPANY - COMMISSIONING & PROCUREMENT

The Chairperson welcomed:

- Councillor Graham Hinchey, Cabinet Member Corporate Services & Performance
- Christine Salter, Corporate Director Resources
- Steve Robinson, Operational Manager Procurement

The Chairperson advised Members that they would receive a presentation that provided information that outlined the business case for establishing a Local Authority Trading Company (LATC) for the Commissioning and Procurement service.

The Chairperson invited Councillor Hinchey to make a statement.

Councillor Hinchey drew attention to the budget pressures faced by the Council. This proposal would not only make budget savings but would retain valuable staff and bring in additional revenue.

The Committee received a presentation which drew attention to the following:

- *Commissioning and Procurement Budget proposals*
- *Staffing position*

- *Opportunities that already exist*
 - *Public Sector – Current business*
 - *Private Sector - potential*
- *Procurement Transformation*
- *Category Management*
- *eProcurement & Back Office Efficiency*
- *Alternative Delivery Models*
- *Options through the LATC*
- *Key Risks*

The Chairperson thanked Officers for the presentation and invited the Committee to ask questions.

The Committee was assured that the Council would manage the VAT for the LATC through its current accounting systems. There would be no change to employee's terms and conditions, but this was an opportunity to encourage staff development. The Council was keen to develop its commercialisation agenda and a LATC approach was seen as an opportunity to progress this agenda. Employees were clear on their position and understood the operating parameters.

The Committee discussed the workings of the proposal and how staff would record time to be re-charged. This model supported the current team and was designed to retain knowledge and expertise within the Council.

Members were advised that staff would be provided with advanced training to support the service and develop self-motivated targets. The team would be developed in line with the revenue generated, and there was a possibility of supporting a Graduate Programme in partnership with the university.

The Committee was informed that the LATC order book was already full with public sector orders for the next six months. This venture would create a vehicle for the Council to trade with private sector organisations, which were already showing a great deal of interest in the service, with the potential to develop further.

The Committee was advised the Board would not include a Council Member, but would feedback to Cabinet when required. No adverse comments had been received from the trade unions, as there were no job losses.

Members were provided with information contained in the business case in relation to its trading powers, access to clients and bidding skills. This was seen as an opportunity to accelerate learning and knowledge to bring skills back into the Council to support the organisation. The model was designed to obtain value by trading with

the private sector and support the Council's with its budget position by achieving more with less.

RESOLVED: That the Chairperson of the Policy Review and Performance Scrutiny Committee write to the witnesses to thank them for attending the meeting and set out the comments made by Members (letter attached)

95 : ANNUAL REPORT 2015/16

The Committee received its Annual Report 2015/16 prior to its consideration by Full Council.

RESOLVED: The Committee AGREED to approve the Policy Review & Performance Scrutiny Committee Annual Report 2015-16 for presentation to Council.

96 :

97 : DATE OF NEXT MEETING

Tuesday 7 June 2016