

Bristol City Council

Minutes of the Resources Scrutiny Commission

24 November 2016 at 9.30 am



Members Present:-

Councillors: Graham Morris (Chair), Stephen Clarke (Vice-Chair), Donald Alexander, Tom Brook, Barry Clark, Helen Godwin, Geoff Gollop and Tim Kent

Officers in Attendance:-

Anna Klonowski (Interim Strategic Director - Resources), Richard Billingham (Service Director HR), Shahzia Daya (Interim Service Director - Legal and Democratic Services), Annabel Scholes (Interim Service Director Finance), Netta Meadows (Service Director Strategic Commissioning & Commercial Relations), Robert Orrett (Service Director Property), Lucy Murray-Brown (Service Director Integrated Customer Service), Alison Slade (Interim Service Manager Strategic Commissioning and Procurement), Jemma Prince (Programme Accountant), Johanna Holmes (Policy Advisor - Scrutiny), Sarah Wilson (DLT Support Manager - Business Change) and Louise deCordova (Democratic Services Officer)

1. Welcome, Introductions and Safety Information

The Chair led welcome and introductions.

2. Apologies for Absence

Apologies were received from Cllr Shah.

3. Declarations of Interest

There were none declared.

4. Minutes of the Previous Meeting

The Commission resolved:

To agree the minutes of the last meeting as a correct record.

5. Action Sheet

The Commission noted the progress of actions from the previous meeting.



The following points were noted in the discussion that followed:

Agency Spend

- a. Agency Spend is currently under consideration by the Human Resources Committee. Outcomes to be shared at a future meeting of Resources Scrutiny.

Financial Reporting

- b. It was agreed that from the start of the next municipal year, Resources Scrutiny Commission meetings would be programmed to track Cabinet meetings to allow for the most current financial information to be available to Members.

Web Browser

- c. Officers confirmed that work was ongoing to explore the most suitable option available for councillors to access the internet via iPads. **Action: Richard Billingham**

Income Generation

- d. After discussion, it was suggested that Scrutiny officers provide a summary of the income generation items that had been considered by Scrutiny Commissions to date. A cross council working group had been convened to explore income generation corporately and the Finance Director could provide an update at a future meeting. It was noted that Cllr Pearce had been asked to carry out some income generation investigation in some selected areas. **Action: Johanna Holmes/Anabel Scholes**

Resources Scrutiny Commission

- e. It was clarified that the closure of the Council's change programme, had signalled the closure of business change as a directorate. The Resources title reflected more fully the work of the teams which provided support and enabled other directorates to carry out their roles. Where projects had been progressed to business as usual activity, the responsibility and accountability framework would be transferred to the relevant directorate. The senior leadership team would follow up with communications to the rest of organisation and Legal and Democratic Services were amending the constitution to reflect the change.

6. Chair's Business

There was none.

7. Public Forum

There was none received.

8. Work Programme

The Commission noted the updates to the work programme.



9. Business Change Period 5 Finance (report)

The Commission considered a report from the Interim Service Director, Finance. The report set out the relevant Business Change/Resources extracts taken from the Period 5 Finance Report that went to Cabinet on 1st November 2016. Service Directors presented additional commentary on their respective service areas in the slide deck appended to the report.

HR Savings 16/17 to 17/18

In discussion and in response to Members questions the following points were raised:

- a. Members recognised that service levels had been maintained for a significant period in the face of budget reductions.
- b. Members registered their concerns that Bristol's benchmarking performance highlighted that the organisation was in a phase of crisis management. the Annual HR activities budget per employee, identified a lack of investment in staff, mostly related to learning and development, which could cause problems for the organisation in the future. Preventative action needed to be taken to mitigate against the cycle of staff not being developed to meet the future challenges ahead.
- c. Officers confirmed that statutory and mandatory training was being maintained with a third of the budget allocated for this. Officers confirmed that the organisations future learning and development need was part of a wider conversation about the organisation's culture and the results of the staff survey would feed into these discussions.
- d. It had not yet been resolved whether Learning and Development spend would sit corporately or in individual departments. Specific areas such as the Benefits Service had its own training budget to enable teams to stay abreast of ongoing legislative changes. A member expressed concern that a devolved budget could mean that the opportunity to scrutinise these issues could be lost.
- e. A member suggested that the organisation required a Learning and Development Strategy and that this should be a matter for the Human Resources Committee.
- f. The Interim Strategic Director, Resources would share the Commissions concerns with the senior leadership team but stated that any increased investment for learning and development would need to be found from other budgets. **Action: Anna Klonowski**

ICT Savings 16/17 to 17/18

In discussion and in response to Members questions, officers confirmed that

- g. A reduction in staff would not result in an increase in consultant fees. Transition arrangements were progressing, to move from a reliance on agency staff to permanent core staff.
- h. Advances in technology had resulted in more efficient processes and a reduction in back office staff. Teams to relocate from Romney House to City Hall. There were plans to trial a drop in 'Geek Bar' to provide a more efficient response to requests for service or repairs.



- i. A single ICT strategy was in development and had commenced with a review of the organisations current applications. There would be increased governance around ownership of technology at service level to enable ICT enable to deliver more effectively.

Finance Savings 16/17 to 17/18

In discussion and in response to Members questions, the following points were raised:

- j. There was a need to achieve a balance between back room and front line finance services, with recognition that cuts that were too extreme could amount to asset stripping and jeopardise the organisations ability to deliver some services. Lessons had been learned from previous finance restructures and service managers would need to be equipped to take advantage of a self-serve finance model. Members requested that officers confirm how many people currently work in each of the areas listed under the revised finance structure. **Action: Anabel Scholes**
- k. The Interim Strategic Director confirmed that there was a priority to understand the technology available across all services and make it work effectively. There was a role for members to challenge officers to do more to deliver savings and at the right pace to ensure the benefits are realisable.

10. In-depth Review: Bristol Workplace Programme (presentation)

The Commission considered a Bristol Workplace Programme project review, led by the Service Director Human Resources. The presentation detailed Bristol Workplace Programme (BWP) as a series of projects that set out to change 'how we work', whilst also delivering significant savings. There were three themes of work, Assets, Technology and People. The presentation slides reviewed the scope, delivery headlines, delivery challenges and programme transition.

Officers responded to the following questions and comments raised in the discussion that followed:

Business Case and Scope

- a. A Member raised a question regarding the 'continued use of Parkview'. As a member of Cabinet under the previous administration, it was not clear that this had been a decision reached by Cabinet and suggested that this change in direction may have amounted to a key decision. The Service Director, Property advised that the Council were tied in to the Parkview lease until 2020. The Strategic Director, Resources advised that a revised business case needed to be brought to cabinet to reflect the changes. **Action: Robert Orrett**

Scope: significant changes to scope WITHIN the overall funding envelope

- b. Officers confirmed that despite increases in programme scope, these had always been contained within the overall budget envelope. The Interim Strategic Director, Resources advised that some changes in scope would be expected in a capital programme of £72m.



Asset rationalisation assets in scope and annual savings

- c. The thinking around neighbourhood touchdown locality offices were not specified in the business case, it had been expected the thinking would grow as the programme progressed.
- d. Avonvale Road was an example of a Council Service demonstrating alternative use for a site earmarked for disposal. The Education Capital Programme had transferred a capital receipt to BWP and had found the budget to take on operating costs.
- e. It was confirmed that the 'annual savings' referred to in the slide captured the total annual cost including rent.
- f. Officers confirmed that the anticipated Romney House savings under Bristol Workplace programme had seen a shortfall due to contributing revenue savings having already been ringfenced to other services.

Delivery Review

- g. A Member questioned whether there had been enough engagement with the workforce, to understand the specific needs or concerns of some teams in moving to a new location. Officers confirmed that the programme had engaged with teams through a discovery process and assumptions had been challenged to identify what needs were generic and where BWP needed to work with services to provide exceptions.
- h. A Member asked whether there was sufficient support of staff disability needs, for example where individuals required voice activated software. Officers confirmed that identification of support need started with the discovery exercise and an occupational health assessment. Managers to provide ongoing monitoring and support to individuals based on occupational health reports and individual feedback. Officers confirmed that where individuals found the workspace challenging, BWP worked with individuals and their managers to find spaces that could work. Officers confirmed that the Disability equality group had identified some unforeseen consequences to the move but officers were continuing to engage to resolve outstanding concerns
- i. Officers confirmed that a workforce survey provided a mixed picture where City Hall had received positive feedback from some staff whilst some others had felt it was not working for them.
- j. A Member commented that there were still problems with noise at Temple Street. Officers confirmed that this was being addressed by the Corporate Health and Safety Manager.

Capital Receipts over business case period (note 3)

- k. A member questioned why KPMG had not been kept on as a tenant of Temple Street as the rental income could have been of value to the Council. Officers confirmed that the space had been required for staff to move into, in line with the project plan.
- l. There was some discussion over the current status of disposals on some properties. Action: Officers to provide an update on the disposal of properties, identifying where capital receipts had equalled or exceeded those outlined in the business case for BWP. **Action: Officers**



Risks to Delivery

- m. There was a discussion over the implications of scope changes and business case changes and whether this had been impacted by changes in personnel. In response to members questions the Interim Strategic Director confirmed that there had been an impact in terms of good internal governance and procedures, which could be attributed in part, to the way project had evolved and suggested that a project business case should be revised as and when the scope changes. The project had however, been delivered within the original business case cost and this was a testament to the workforce managing scope changes to always bring the project back on budget. It was confirmed that project governance was under review within the constitutional cross party working group. In addition, the Council had commissioned an internal audit review in order to get an independent prospective. The interim finance director would specify the scope of the review before the end of December.
- n. A member agreed that the business case had remained the same and with exception of the status of Park View, which was a significant change, delivery was as expected. The Cabinet had received 6 monthly Change Programme reports which were in the public domain to enable scrutiny of the issues. The member commented that there had been vast immeasurable, intangible benefits to the programme, resulting in an organisation that works very differently now. The ability for internal communications works significantly better than the way it used to work between 17 different buildings.
- o. A member questioned whether outreach staff would have access to mobile technology in order to reduce the need for them to return to the office when out on site. Officers confirmed that mobile staff had not previously been within the scope of the project and some staff were still out of scope. It was understood that ongoing service redesign work would address some of the issues.
- p. A member sought clarification about the impact of Fire Regulations for the building. Officers confirmed that the fire safety management of City Hall is dependent on monitoring occupancy at all times. Due to stairways being unequal in the building, Fire Officers are satisfied that the building can safely hold up to 1600 people, current numbers of staff are around 1200, and well within regulations.
- q. A question was raised about the plans for Neighbourhood touchdowns. Officers confirmed that locations for these had never been nailed down and were now looking at possibilities for colocation of services across partner organisations which may attract government funding under the One Partnership Estate initiative.
- r. Members asked whether consideration had been given to renting out the buildings that had been released for sale. Officers advised that this had been considered but most were small sites in non-central locations and not really marketable. AvonQuay had been the only site considered advantageous due to redevelopment type options available.
- s. Questions were raised regarding the continuation of the Enterprise car scheme. Officers advised that the scheme was under review as part of a more general discussion about the Council's transport fleet. Pool cars to be part of how transport demand was managed.



11. Procurement Update (report)

The Commission considered a procurement update report from Netta Meadows, Service Director, Strategic Commissioning & Commercial Relations. The report outlined the changes being made as to how procurement and commissioning takes place across the Council, including the creation of a Commissioning & Procurement Group and included an update on Social Value and how this was being implemented across the Council.

In response to Members questions the following points were raised:

- a. A member asked why suppliers would agree to renegotiate contracts down. Officers confirmed that some suppliers had proven to be receptive to a flexible approach when appraised of the Council's financial position.
- b. A member asked whether First Bus had been subject to state aid waivers. Officers confirmed that transport was a complicated area and would confirm the current state with regard to First Bus.
Action: Shahzia Daya
- c. A member asked for additional detail to be provided. Officers to include the number of contracts, how many involved key decisions and an indication of how much time, the new step extends the process by. The member suggested that it would be useful for all councillors to have access to a list of contracts up for renewal each quarter. Officers to share with Councillors. **Action : Netta Meadows**
- d. Officers confirmed that the insurance contract was currently out to tender and would be in place on time.
- e. A member asked for more detail regarding the liability for out of hours staffing on the Council's home care contract. Officers confirmed that under the current contract the Council was not liable for any additional costs if the supplier had to sub contract at a higher cost. Officers to contact Member to provide more detail. **Action: Netta Meadows**

Social value – policy and toolkit

- f. Officers confirmed that all tenders must include a question regarding social value. Officers to provide a further update, scheduled in the work programme for February.
- g. A member asked how SME direct spend of 36.95% compared with other councils. Officers to carry out a benchmarking exercise against other Councils/Core Cities. **Action: Alison Slade**
- h. The Member requested a breakdown on a top level basis within a month. How many SME'S are based locally. 'Locally' to be defined (requested that officers to use discretion for purposes of this action)
Action: Alison Slade
- i. Officers confirmed that for every procurement exercise since March, bar one or two small contracts, consideration of social value had been an absolute requirement. Officers confirmed that a good feedback had been received from a survey conducted in July.



- j. A member asked whether the living wage was being built into contracts. Officers confirmed that the Council was unable to legally bind organisations to pay the living wage. However, this was being encouraged, for example in the joint care partnership arrangement all four suppliers had agreed to sign up to the living wage.

The Commission resolved:

To note the report and the comments and actions arising.

Matters Arising

The Commission noted that Shahzia Daya had been appointed as the Service Director Legal and Democratic Services.

Meeting ended at 12.25 pm

CHAIR _____

