

Bristol City Council

Minutes of the Resources Scrutiny Commission (formally Business Change and Resources Scrutiny Commission)



24th September 2018 at 3pm

Members Present:- Cllr Clarke (Chair), Cllr Goulandris, Cllr Alexander, Cllr Kent, Cllr Morris, Cllr Stevens, Cllr Brain, Cllr Pearce, Cllr Khan.

Officers in Attendance:- Mike Jackson, Executive Director of Resources and Head of Paid Services, Denise Murray, Service Director of Finance, Chris Holme, Interim Service Manager - Corporate Finance, Tracy Matthews - Performance Improvement Officer; Tim Borrett, Acting Director of Policy & Strategy, Simon Oliver, Director - Digital Transformation; Penny Fell - Director of Commercialisation, Johanna Holmes – Scrutiny Advisor.

1. Welcome, Introductions and Safety Information

The Chair welcomed all attendees to the meeting.

2. Apologies for Absence and Substitutions

Apologies were received from Cllrs Hickman and Shah

The Members wished to pass their best wishes onto Cllr Shah and his family.

3. Declarations of Interest

None

4. Minutes of Previous Meeting

The draft minutes of the previous meeting were taken as read and approved.

5. Chair's Business

The Chair highlighted how wide-ranging the Commission's Terms of Reference are and asked if members of the Commission have specific knowledge, or particular skills or interests to let the him know.

6. Annual Business Report

- Vice Chair of the Commission: Councillor Shah; was nominated by Councillor Goulandris, this was seconded by Councillor Kent.
- The Members agreed the Commission's two further meeting dates.
- Members confirmed the Commission's work programme for the year. The Chair said that if anyone was interested in the Procurement Task Group to please let him know.

7. Public Forum

None on this occasion.



8. ICT Systems and Strategy

(Please note that due to the confidential nature of some of the information provided to members, this item was taken at the end of the meeting and when members of the public were asked to leave the room).

The Director - Digital Transformation introduced the item. Members asked for clarification about why the information needed to be treated as confidential. Officers replied that some of it was still in a draft format and therefore wasn't currently ready for public consumption.

The main focus of the discussion focussed upon the 'IT Strategy 2018 – 2023'.

- Members commented that there were quite a lot of acronyms within the strategy. There were also some comments about some of the language being used within the document not being accessible. It was suggested by a member that if a document is to be made public officers could ask someone who knows little about the content to see if they understand what the document is trying to communicate. The Director - Digital Transformation said that there is a communication strategy attached this programme and as part of that work the strategy will be reformatted without the acronyms and the messages will be tailored for wider audiences.
- Oversight of the 'Future State Assessment' programme; given the nature of some of the information it needed to be established how scrutiny will be carried out going forward, as it will not be appropriate to publically publish some of the information.
- It would be confirmed whether the Members would have access to the Programme Boards minutes going forward. However, the Director - Digital Transformation did offer to Members that they would make progress reports available to the Commission.
- A Member commented that officer's contact details on Outlook are very often out of date which causes various problems and delays. It was asked if this was a resource issue. It was explained that this type of issue would be addressed as part of a 'capabilities and deficiencies organisational assessment' that is to be undertaken.
- The Chair asked why there wasn't any mention of the role of scrutiny in the Programme Governance Diagram (in the Programme Board's Terms of Reference contained in the confidential papers). Officers said this was an oversight and it would be now be included. **ACTION:** Officers to ensure that Scrutiny is specifically identified in the information.
- The Chair asked about the Programme Board and why Cllr Cheney was the only elected Member who sat on it. Officers said in response that it was right that Cllr Cheney was a member of the board and held officers to account; this was a key piece of work for him. Members said they weren't completely sure that mixing up the two roles of Executive Member and Board Member was the correct thing to do. Officers said that there would also be an independent third-party sat on the board that would work as a 'critical friend' and provide additional strategic business and technical assurances. Officers to confirm to members who this is once they have been appointed and if it's possible they will come to the next meeting. **ACTION:** Officers to provide Members with



a progress up-date on the independent third-party board member as soon as one is available

- A Member suggested that if /when all the Members are provided with new IT equipment to replace the current iPads if there could be some additional support provided this time.
- It was confirmed that although the strategy is in the public domain it has not been specifically designed for the public. It was also confirmed that yes there will be some activity with end users, super-users and some citizen engagement.

9. Commercialisation and Income Generation

The Director of Commercialisation gave a short presentation (the slides are contained within the meeting papers). The following key points were stated:

- Officers are working towards a Commercialisation Strategy but the scoping, and assessment needs to be completed before the implementation can begin.
- For this to be effective it requires a complete culture change across many parts of the organisation. Officers now need to be more business focussed and be 'business ready'
- The Council needs to be aware and measure the resources it is consuming.
- Departmental plans need to be smart and have clear obtainable commercial objectives
- It was confirmed that both Cllr Pearce and Alexander are members of the Commercialisation & Innovation Working Group.
- The council would benefit from having an incubator process in place to help further this approach
- The role of the Director of Commercialisation was discussed. It was explained that part of it was to be a mentor across the organisation. The efficiency savings were also being monitored across the organisation.
- Some areas need more encouragement to embrace change than others. But it's a cultural change that will be cascaded down through the organisation.

Members asked the following questions:

- Members asked about 'best value' as described within the report and if factors other than just the financial ones would be made explicit. The response was yes they would be.
- A Member asked if there were examples of schemes that were now operating in a more 'business like' manner that the Commission could begin looking at. The response was yes and the examples given were Blaise Nurseries, the built environment and fleet services).
- A Member asked how the Planning Team had been involved to date. Not yet was the response but fee structures were being looked at to make sure they were in line with other authorities and that managing resources within the teams was crucial i.e. the current Government Strategy asks if/how property developers are being supported through planning processes. This now needs to be assessed.
- A Member suggested that what was being described was more related to efficiency savings rather than generating income. In their view it didn't sound particularly radical or seem very likely to generate cash. They questioned whether the council was taking this subject seriously enough, especially given that the Director of Commercialisation is the only person employed to ensure this happens.
- A Member suggested that some of the cultural changes that were being described might be difficult for some public sector workers to embrace, especially some staff that had worked at the Council for many years. It was suggested that the council could do something more radical and go to Bristol Business School and ask the young people to help suggest some business orientated



ideas and then set them some challenges about how the council could generate income.

- It was stated by an officer that it wasn't solely about income generation but also about 'fitting services to fit the fee's' in some cases.
- Cllr Pearce who's a Member of the Scrutiny Commission and who also Chair's the Commercialisation & Innovation Working Group said that the Council "certainly wasn't short of ideas; there are plenty of them". He said the biggest obstacle to delivering anything substantial was the lack of capacity.
- The Director of Commercialisation said that it would be possible for the Commission to receive an Up-date Report from the group at their next meeting. Although it was stated that they would need to be careful not to give any ideas away publically. **ACTION:** an up-date report to be brought to next meeting
- It was agreed that Cllrs Pearce and Alexander would lead on this subject on behalf of the Commission.

10. Resources Directorate Quarterly Performance Report (Quarter 1 - 2018/19)

The Performance Improvement Officer introduced the report to Members.

- Members commented and officers agreed that there were rather a lot of indicators but said they are currently looking to reduce that number.
- It was reported that 62% of indicators are below target and that 37% are above target. This it was stated was a similar position to the previous year.
- Agency spend as a % of total salary bill; it was confirmed that 20% of the Resources 8.4 % figure was for additional Legal Service officers and it was expected that this figure would reduce now. It was confirmed that this was for skilled agency workers in Legal Services for specific tasks that have now been completed (and not temporary unskilled work).
- It was asked if that figure included 'interims'. It was confirmed it did yes. It was stated however that the 5% corporate target had originally been very ambitious.
- Members asked which indicators were likely to keep Officers awake at night; the reply was the % of council tax collected.
- The Performance Improvement Officer said that she could bring what she considers to be the most significant indicators to the next meeting.
- There was a short discussion about whether some of the information presented was 'disaggregated data' i.e. cross-cutting or directorate based information. It was said that it would be made clear in future what the source of the information was and how it was calculated **ACTION:** Officers agreed to make it clear whether the information presented to members is directorate based or cross-cutting in future.
- A short discussion ensued about the Legal and Democratic Services section of the report. Members enquired specifically about Legal Service's spend on external barristers. Officers stated that the actual spending is being closely monitored, has been reduced and that external legal advice was only being sought when required. **ACTION:** The Chair requested a representative of Legal Services attend the next meeting.
- It was asked if the council still operates an internal / external charging system. Yes was the response; there is a case management system that charges across the departments.
- Members asked why the 'Collection of Debt' figures were not higher. Officers said that overall the figure was improving but some particular times of the year were better than others for this for various reasons.
- "Reduce the average number of working days lost to sickness (BCC)"; current Quarter 1 figure stands at 9.25 days. Members asked if it was known how much of this was long-term illness and whether this figure is a good way to measure overall staff morale. Officers said they weren't



convinced that this was a good way to measure staff morale but that they were doing work on getting on top of this situation. It was reported that the HR Committee are also currently looking into this. It was said that there is currently a lot of performance information on this subject and the performance team had been asked to produce an internal one-page report on this.

- Members were divided in their views about being presented with a smaller set of indicators in future. Some advocated that it was important all the information was in the public domain. The Executive Director of Resources suggested that Members receive both i.e. provide all of the information but also include a prioritised set of indicators that sit in front of this. **ACTION:** Officers to provide both the full set of indicators and the shortened prioritised set at the next opportunity.
- Given the level of interest the Commission has in workforce matters it was suggested that they ask the HR Committee to provide a report / update on 'workforce' at the end of the year. **ACTION:** Councillors Clarke and Stevens said they would approach the HR Committee about this

11. Resources Directorate Risk Register Update

The Service Director – Finance introduced the report to Members. The following questions and discussions ensued:

- *Brexit - the general uncertainty affecting the financial markets, levels of trade & investment.* The Members asked about a 'no deal Brexit' and whether contingencies plans were being developed. The Acting Director of Policy & Strategy confirmed that contingency plans were in train yes and there is also a Bristol Brexit Group coming. The Policy Team now also have this as one their specific pieces of work. It was agreed that an update paper would come to the following Commission meeting on this subject. **ACTION:** A report on Brexit contingencies plans to come to the next meeting.
- The Chair raised the issue about 'organisational leadership' and if it was an issue for Resources Scrutiny or the HR Committee. The Chair said that he would speak to the Chair of the HR Committee about this as well.
- The Chair asked if it would be possible to put the risks in order of high to low risk next time. Officers said they would look into whether this re-formatting of the report is possible.
- A Member asked if there was a disaster recovery and business continuity plan in place. It was confirmed there is.

12. 2018/19 Period 3 Forecast Outturn Report – Resources Extract

- Cllr Stevens gave his analysis of the report and added that it was unfortunate that the Period 4 Report wasn't quite ready for this scrutiny meeting. The Service Director – Finance responded to Cllr Stevens interpretation and analysis of the report with some minor adjustments and points of clarification.
- The Service Director – Finance enquired about and if it was Resources Directorate only or was it also corporate? This was to be determined. **ACTION:** for the role of the scrutiny commission to be defined with regards to scrutinising corporate finance or the Resources Directorate finances only.
- Cllr Stevens confirmed what the scrutiny MTFP & Budget Task Group would be looking at in depth for the next couple of months i.e. HRA, DSG, Capital resources and risks, budget consultation, how the current is standing up, Adult Social Care (ASC) 18-64 years and the whole ASC budget.
- The Service Director said that progress within the report was on track but it was important that this Directorate lead by example. There were still many challenges but they are being managed.
- A Member noted that there were 'confidential' watermarks within the reports Appendix A. The Scrutiny Advisor said that she would highlight this to report authors and them to ensure they are removed before publication.



CHAIR _____

