

PERFORMANCE AND REVIEW SCRUTINY FORUM

Minutes of meeting held in Committee Room 2, Council Offices, Almada Street, Hamilton on 26 October 2010

Chair:

Councillor Edward McAvoy

Councillors Present:

Eileen Baxendale, Jim Docherty, Graeme Horne, Alex McInnes, Anne Maggs

Councillors' Apologies:

Jackie Burns, Ian Gray, John Murray

Attending:

Chief Executive's Service

A Strang, Chief Executive; H McNeil, Head of Improvement

Corporate Resources

R McIlwain, Executive Director; G Bow, Administration Adviser

Finance and Information Technology Resources

K Brown, Head of Information Technology; L O'Hagan, Finance Manager (Accounting and Budgeting)

Housing and Technical Resources

L Freeland, Executive Director; P Murphy, Head of Support Services

Social Work Resources

H Stevenson, Executive Director; B Doyle, Head of Children and Justice Services; A Tannahill, Operations Manager, Justice and Reception Services

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Performance and Review Scrutiny Forum held on 13 July 2010 were submitted for approval as a correct record.

The Forum decided: that the minutes be approved as a correct record.

3 National Diagnostic – Information Communication and Technology Services

A report dated 13 October 2010 by the Executive Director (Finance and Information Technology Resources) was submitted on work undertaken in relation to the National Diagnostic Project within Information Communication and Technology Services (ICT) including key recommendations in relation to the future delivery of the information technology function across the Council.

The Head of Information Technology gave a presentation covering:-

- ◆ action taken to maximise the use of the ICT diagnostic
- ◆ the remit and scope of the project
- ◆ the context of the project in terms of the efficiency agenda and the Council's Financial Strategy

- ◆ the current position in terms of model, structure and staffing levels
- ◆ data obtained from carrying out a benchmarking exercise
- ◆ the process adopted to progress the ICT diagnostic
- ◆ an analysis carried out of service needs in terms of demand and capacity including proposals to retain the service as a centralised function
- ◆ the implications of staffing reductions on service provision and the process undertaken to prioritise resources
- ◆ the key stages of the implementation phase of the project
- ◆ other workstreams which might release additional savings
- ◆ the key challenges faced by the Service as identified in the diagnostic project

Proposed changes to the staffing structure would release efficiency savings contributing to the required 8% (£1.054 million). A further review of staffing structures could contribute an additional £0.574 million (5%), if accepted, over the 3 year period. The balance of the savings target totalling £1.323 million would be met from other initiatives such as income from the Caird Data Centre.

The Forum decided:

- (1) that proposals to retain the IT function as a centralised function be endorsed;
- (2) that the proposals to review the structure of the Service in order to achieve an estimated saving of £1.054 million (8%) over the 3 financial years 2011/2012 to 2013/2014 be endorsed;
- (3) that proposals to achieve additional savings totalling £0.574 million (5%) be continued to allow the implications to be reviewed in terms of the Council's Relative Scoring Matrix;
- (4) that the proposals to achieve the remainder of the efficiencies required by a combination of income and non-staff savings over the 3 year period be endorsed;
- (5) that Information Communication and Technology Services continue to assess opportunities to drive further efficiencies across the Council; and
- (6) that a further review of Information Communication and Technology Services be undertaken in 2012/2013 when the overall structure of the Council would be clearer.

4 Review and Prioritisation of Performance Measures

A report dated 7 October 2010 by the Executive Director (Finance and Information Technology Resources) was submitted on the outcome of a review and analysis of Statutory Performance Indicators (SPIs) and Local Performance Indicators (LPIs).

The Corporate Improvement Advisory Board (CIAB) had agreed to undertake a 3 part review to:-

- ◆ carry out an analysis of 25 SPIs, retained under the Accounts Commission 2009 Direction, and determine their relative importance against the Council Plan, Connect and Resource priorities
- ◆ build on the work undertaken by Resources last year to review the SPI/LPI spreadsheet against a small number of self-assessment questions designed to test both the relevance and coverage of the indicator set used in each Resource
- ◆ progress the implementation of the recommendations from work being undertaken by the Corporate Improvement Unit and Finance Services to review the use of efficiency or value for money indicators and unit cost information

The findings and recommendations arising from the review of the 25 Key Performance Indicators was detailed together with specific actions against each of the indicators. The indicators had also been categorised into high, medium and low importance and would be developed in line with how they had been rated.

An analysis had also been undertaken of Local Performance Indicators where Resources had applied a common question set to gauge the effectiveness of current arrangements. The review had confirmed that, in most cases, a challenging approach to the establishment and use of Local Performance Indicators had been implemented. Resources had also confirmed remedial action to address any areas of weakness.

The Accounts Commission had also highlighted the need for councils to have in place measures demonstrating an understanding of unit cost across key service areas. In response, the Council had commenced a review of its current approach and details of how this review would be progressed were provided.

The Forum decided:

- (1) that the intention for Resources to explore and identify additional actions that might be required to target improvement in the high importance SPIs through working with the Corporate Improvement Advisory Board be noted;
- (2) that the work being carried out by Resources, in conjunction with the CIAB, to progress actions to ensure that LPIs remained adequate, in terms of coverage, mix and effectiveness, be noted; and
- (3) that a further report be submitted to this Forum when the action to be taken relating to individual SPIs had been confirmed by Resources.

[Reference: Minutes of 18 May 2010 (Paragraph 7)]

5 Social Work Resources' Service Review - Reception Services

A report dated 28 September 2010 by the Executive Director (Social Work Resources) was submitted on a summary of the review findings of Reception Services delivered by Social Work Resources.

The Operations Manager, Justice and Reception Services, gave a presentation detailing the key elements included as part of the review which were summarised and included:-

- ◆ the justification for the review
- ◆ a clear definition of the current Service including the existing staffing structure
- ◆ details of the review process
- ◆ the benchmarking and consultation process undertaken as part of the review
- ◆ the scope and method used when considering the various options
- ◆ the recommendations arising from the review

The preferred option for future service delivery was to retain the current Service in its existing form with the implementation of revised guidance to provide the basis for future service improvements. An Improvement Action Plan had been developed and was detailed in an appendix to the report.

The Forum decided:

- (1) that the proposals to implement the preferred option, as detailed in the report, be endorsed;

- (2) that the issues highlighted in the Improvement Action Plan be noted; and
- (3) that a report on the preferred option for the delivery of Reception Services be submitted to the Social Work Resources Committee on 8 December 2010 for consideration.

Councillor McInnes left the meeting during discussion of this item of business

6 Corporate Improvement Projects - Benefits Tracking

A report dated 19 August 2010 by the Chief Executive was submitted on the monitoring status and benefits tracking progress for those improvement projects reported through the Corporate Improvement Unit.

The Corporate Improvement Plan comprised a range of actions around the key corporate improvement themes. Progress made to date by the Council had been positive. However, there was a requirement to deliver increased savings and efficiencies over the next few years. To respond to this requirement, the following areas of work would form part of the Council-wide improvement framework with benefits monitored in a coordinated and centralised way:-

- ◆ Best Value Service Reviews
- ◆ National Diagnostic Projects
- ◆ Alternative Service Delivery Projects
- ◆ Working Towards 2011 Projects
- ◆ Lean Reviews
- ◆ Leadership Development Reviews

Details were provided on how the various workstreams would be monitored and tracked to assess the levels of benefit. It was estimated that efficiencies of just over £8 million would be realised in the period from 2008/2009 to 2012/2013.

In general, the Corporate Improvement Programme was progressing on schedule and the current reporting programme was detailed in an appendix to the report. There was, however, a number of areas where the outcomes achieved differed from the anticipated outcomes and those were highlighted in the report.

Progress would continue to be monitored and reported as appropriate.

The Forum decided: that the status of the current Corporate Improvement Programme and benefits tracking arrangements be noted.

[Reference: Minutes of 29 September 2009 (Paragraph 7)]

7 National Diagnostic Project - Customer Contact

A report dated 11 October 2010 by the Executive Director (Housing and Technical Resources) was submitted on work undertaken and improvements proposed following a review of Customer Contact Services within the Council.

The review had been carried out with the following key objectives:-

- ◆ reduce the number of contact centres that the Council operated
- ◆ reduce the number of main Council contact numbers

- ◆ develop a Council-wide strategy for customer contact
- ◆ achieve service delivery cost reductions in light of the increasing financial challenges facing the Council

Details were provided on:-

- ◆ the methodology implemented when carrying out the review
- ◆ the current service delivery model
- ◆ the volume and overall cost of customer contact
- ◆ a number of factors which had been identified as restricting service improvement
- ◆ details of a proposed improvement plan including management and staffing arrangements, use of property and use of Information Technology
- ◆ service improvement targets

It was forecast that there could be a reduction of 42 employees over an approximate 3 year period and work would continue with Personnel Services and the Trades Unions to minimise the impact on individual employees.

It was anticipated that savings totalling £0.080 million, £0.353 million and £1.122 million in 2011/2012, 2012/2013 and 2013/2014 respectively, could be achieved by implementing the proposals contained in the Improvement Plan.

The Forum decided:

- (1) that the findings of the review and associated improvement proposals, as detailed in the report, be approved;
- (2) that work to progress the revised staffing structure be noted; and
- (3) that a report on the proposals be submitted to the next meeting of the Executive Committee.

Councillor Docherty left the meeting during consideration of this item of business

8 Statutory Performance Indicators - 5 Year Comparison 2005/2006 to 2009/2010

A report dated 11 October 2010 by the Executive Director (Finance and Information Technology Resources) was submitted on the audited Statutory Performance Indicators (SPIs) for the financial year 2009/2010 and, where appropriate, providing comparisons and explanations for South Lanarkshire Council over the last 5 years.

A full list of SPIs for the Council was provided in an appendix to the report, together with a narrative on any significant movements between 2008/2009 and 2009/2010. The information highlighted that there was a significant number of areas where improvements had been achieved over the 5 year period. In addition, a number of areas where future improvements in performance might be possible had been identified by Resources and improvement actions were being progressed. The measures identified would be reviewed in terms of the SPI prioritisation exercise being carried out by the Corporate Improvement Unit and would be used as a basis for targeting improvements where appropriate.

The information contained in the report would be reported to the Executive Committee and Resource Committees as appropriate.

The Forum decided: that the report be noted.

[Reference: Minutes of 18 May 2010 (Paragraph 7)]

9 Urgent Business

There were no items of urgent business.