

AGENDA

Meeting: Overview & Scrutiny Organisation and Resources Select Committee
Place: Committee Room III, County Hall, Trowbridge
Date: Thursday 16 September 2010
Time: 10.30 am

Please direct any enquiries on this Agenda to Sharon Smith, of Democratic and Members' Services, County Hall, Trowbridge, direct line (01225) 718378 or email sharonl.smith@wiltshire.gov.uk

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Membership:

Cllr Nigel Carter	Cllr Jacqui Lay
Cllr Tony Deane (Vice Chairman)	Cllr Jeff Osborn (Chairman)
Cllr Christopher Devine	Cllr Bill Roberts
Cllr Peter Doyle	Cllr Ricky Rogers
Cllr Nick Fogg	Cllr Judy Rooke
Cllr Charles Howard	Cllr Jonathon Seed
Cllr Jon Hubbard	

Substitutes:

Cllr Chuck Berry	Cllr David Jenkins
Cllr Jane Burton	Cllr Christopher Newbury
Cllr Trevor Carbin	Cllr Jeffrey Ody
Cllr Ernie Clark	Cllr Pip Ridout
Cllr Mary Douglas	Cllr Graham Wright
Cllr Russell Hawker	

PART I

Items to be considered whilst the meeting is open to the public

1. **Apologies and Substitutions**

2. **Minutes of the Previous Meeting** *(Pages 1 - 10)*

To approve and sign as a correct record the minutes of the last meeting of the Organisation and Resources Select Committee held on 15 July 2010.

3. **Chairman's Announcement**

4. **Members' Interests**

To remind members to declare any personal or prejudicial interests or dispensations granted by the Standards Committee at the relevant time.

5. **Public Participation**

The Council welcomes contributions from members of the public.

If you would like to make a statement at this meeting on any item on this agenda, please register to do so at least 10 minutes prior to the meeting. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named above for any further clarification.

Members of the public wishing to ask a question should give written notice (including details of any question) to the officer named above by 12:00 noon on Tuesday 14 September 2010.

6. **Human Resources (HR)** *(Pages 11 - 14)*

An update on HR matters is provided from the Service Director for Human Resources and Organisational Development. The Committee is asked to note the update and comment as appropriate.

The Portfolio Holder for Customer Care and Service Director will be in attendance to present the update and answer questions.

7. **Library Services Review** (Pages 15 - 16)

The Committee is asked to note and comment as appropriate on the update provided on the Library Services Review. A report is scheduled to be considered by Cabinet on 19 October 2010.

The Cabinet Member for Libraries and Business Lead and Project Manager for Library Services will be in attendance to answer any questions arising.

8. **Task Group/Rapid Scrutiny Update** (Pages 17 - 28)

The Committee is asked to note the Task Group and Rapid Scrutiny updates provided and comment as appropriate.

Task Group	Membership	Last meeting	Next Meeting	Update
Budget and Performance	Cllr Deane Cllr J Osborn Cllr Soden Cllr Hubbard Cllr Hewitt Cllr Ridout Cllr Groom Cllr Carter	20/07/10		- Annual Report <u>attached</u> . (pages 17-24)
Member Support in the Locality	Cllr Allen Cllr Britton Cllr Ody Cllr Seed Cllr Wayman Cllr West Cllr Westmoreland	06/09/10	n/a	- Final Report <u>to follow</u> .
Major Contracts	Cllr Britton Cllr Rogers Cllr Rook Cllr Carter Cllr While Cllr H Osborn	28/04/10	21/10/10	- At the last Select Committee Councillors agreed to appoint Cllr H. Osborn as an extra member to the Task Group. - The next meeting will consider the Sodexo Annual Contract Review.
ICT	Cllr Carter Cllr Hill Cllr Hubbard Cllr Seed Cllr While	03/09/10	01/10/10	- The Task Group have met to scope the review and set their forward work plan with meeting dates through to January.

Partnerships	Cllr While Cllr Allen Cllr Burton Cllr Caswill Cllr Colmer Cllr Humphries Cllr Seed	21/06/10	tbc	- Reported at the last meeting. A presentation was also given to the O&S Liaison Board on 15 July.
Workplace Transformation	Cllr Brown Cllr J Osborn Cllr Carter Cllr Rooke Cllr Seed Cllr Howard Cllr Deane	20/07/10	07/10/10	- Councillors considered a report reviewing the strategic need for leisure in Wiltshire (submitted to Cabinet 27 July) and also viewed preliminary drawings for MECH/ County Hall remodelling. - In October a paper on 'campuses' outlining opportunities for joined up working and shared estates including the associated savings will be presented. The Group will also explore the finance and data work stream of the WTP.
Section 106	Cllr Trotman Cllr Brown Cllr Douglas Cllr Fuller Cllr Jeans Cllr Marshall	14/06/10	October 2010	- Reported at the last meeting.
Rapid Scrutiny Exercise	Membership	Last meeting	Next Meeting	Update
Corporate Procurement Strategy	Cllr Deane Cllr Carter	20/07/10	October 2010	- Notes of the meeting are <u>attached</u> for endorsement. (pages 25-28)

9. **Scrutiny Representation on Project Boards - Updates** (Pages 29 - 36)

The following Boards have scrutiny representation. This item has been included in the agenda to allow members to provide the Committee with updates where appropriate.

Project Board	Rep	Update
Revenue and Benefits	Cllr Ridout	- This Project Board is still in formation and has not yet met.
Customer Focus	Cllr Dow	- The next meeting is due to take place on 21 September. Cllr Dow is meeting with John Rogers (Head of Customer Access) for a briefing on 10 September.
Pay Harmonisation Project Board	Cllr Rogers	- Covered under Item 6 - Human Resources (HR).
Agency Contract Project Board	Cllr Seed	- A copy of the recent delegated decision is <u>attached</u> . The appointed member has had contact with the Cabinet Member and may wish to report further at the meeting.

10. **Forward Work Programme** (Pages 37 - 44)

A copy of the draft Forward Work Programme is attached for consideration.

11. **Date of next Meeting**

18 November 2010.

12. **Urgent Items**

Any other items of business which the Chairman agrees to consider as a matter of urgency.

PART II

Items during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

NONE

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OVERVIEW & SCRUTINY ORGANISATION AND RESOURCES SELECT COMMITTEE

DRAFT MINUTES OF THE OVERVIEW & SCRUTINY ORGANISATION AND RESOURCES SELECT COMMITTEE MEETING HELD ON 15 JULY 2010 AT COMMITTEE ROOM III, COUNTY HALL, TROWBRIDGE.

Present:

Cllr Trevor Carbin (Reserve), Cllr Tony Deane (Vice Chairman), Cllr Peter Doyle, Cllr Nick Fogg, Cllr Charles Howard, Cllr Jacqui Lay, Cllr Jeff Osborn (Chairman), Cllr Pip Ridout (Reserve), Cllr Bill Roberts, Cllr Ricky Rogers, Cllr Judy Rooke and Cllr Jonathon Seed

Also Present:

Cllr Allison Bucknell, Cllr Bill Moss, Cllr John Noeken, Cllr Fleur de Rhe-Philipe and Cllr Anthony Trotman

74. **Apologies and Substitutions**

Apologies were received from Cllr Nigel Carter, Cllr Jon Hubbard and Cllr Christopher Devine.

Cllr Trevor Carbin substituted for Cllr Jon Hubbard. Cllr Pip Ridout substituted for Cllr Christopher Devine.

75. **Minutes of the Previous Meeting**

The minutes of the previous meeting were approved and signed as a correct record.

76. **Declarations of Interest**

No declarations of interest were received.

77. **Chairman's Announcement**

Cllr Tony Deane, Cllr Mike Hewitt and the Scrutiny Manager attended a Centre for Public Scrutiny (CfPS) annual conference in London on 1 July which included an awards ceremony that recognised the good scrutiny work undertaken across the Country. In line with the Chief Executive's policy on

raising the profile of Wiltshire Council members of the Committee were asked to consider a case that could be entered for the next Conference. Suggestions should be given to the Vice Chairman.

78. **Public Participation**

There was no public participation.

79. **Department of Resources (DoR) Departmental Delivery Plan**

The Committee considered the draft Corporate Plan at its meeting in March where it was recognised that further detail would emerge from the Departmental Delivery Plans and Business Plan. The Corporate Plan was approved by Full Council at its meeting in May.

The DOR Delivery Plan circulated took forward the ambitions and objectives of the Council which the Committee would use to keep abreast of areas that may require further scrutiny.

Many of the key work areas identified within the plan had already been considered at Task Group level or had been included within the Committee's Forward Work Programme. These included:

- Workplace Transformation
- Future ICT Provision
- SAP development
- Medium Term Financial Plan (MTFP)
- Member Support
- Customer Focus
- Pay Harmonisation
- Agency and Contract Staff

The Corporate Business Plan was currently under development and was expected to be approved by Cabinet in September. Following the release of the coalition government's budgetary review in October it was anticipated that a further review would take place thereafter.

The Departmental Delivery Plan had been circulated to all Service Directors and their teams who were now expected to prepare individual draft Service Plans based on its content.

The Service Director – Performance confirmed that the final top 20 services would be identified as the Delivery Plan developed and following the budgetary review in October which was likely to affect the service priority order further. The Cabinet Member for Resources would advise the Committee as soon as these were identified.

Ensuing discussion included that the restructure and centralisation of services within DOR had artificially inflated the first year leaver rate which also included temporary and contract staff leavers. The Committee also questioned the validity of the information provided, including budgetary information, since it was informed that the Delivery Plan was still not a finalised document.

Officers had considered whether the plan should be delayed due to the anticipated changes expected but had taken a view that there was value in having a plan which brought together priorities and services. Officers recognised that the plan would require review, that a document was needed to outline the department's aims although they were unable to categorically state the top 20 services referred to within the plan provided.

Taking the above information into account a proposal was made and seconded that no further scrutiny of the plan would take place until a final version was available. Upon vote this was carried.

Resolved:

That the Committee would receive the updated Delivery Plan in September or as soon as available.

80. Framework Contract for the Provision of Agency Staff

Cllr Jonathon Seed, scrutiny representative on the Agency and Contract Staff Project Board, provided the Committee with an update on the recent activity of the Board as follows.

The joint collaborative working project which was being developed with Bath and North East Somerset (BaNES) and North Somerset Councils would no longer continue due to capacity and knowledge transfer issues within their Procurement units. A national contract was in development of which all authorities were now seeking to join upon its release in early 2011. This new approach would ensure a long term solution to the recruitment of agency staff.

In the interim Wiltshire Council would be joining the pre-tendered framework managed by Comensura with either Dorset County Council or the Eastern Shires Purchasing Organisation to maximise on cost saving opportunities. This would run for 12 months whilst the national contract was being developed.

A meeting had been arranged with Comensura for 21 July to discuss the frameworks with a decision made on the framework of choice made thereafter for implementation and roll out of the service from September onwards.

The Cabinet member was aware of the previous expenditure on agency staff and safeguards had now been introduced to ensure visibility and accountability across the Council on agency spend.

The Committee would receive a further update on the Framework contract at its next meeting in September.

Resolved:

- 1) To thank Cllr Jonathon Seed for his update.**
- 2) To note the progress made and that work was ongoing.**
- 3) To receive an update on the Framework Contract in September 2010.**

81. People Strategy - Implementation

The People's Strategy was identified as an area of work for consideration by the Committee following a fact-finding meeting with the Service Director – HR and Organisation Development. The Strategy outlined the key objectives and plans to ensure that the authority had an appropriate workforce to meet the needs of the business and the major change programmes taking place.

The Strategic HR Manager – HR and Organisational Development - attended the meeting to present the report which provided an update on the implementation of the strategy and to answer questions arising from it.

Clarification was provided that the initial strategy had been submitted to Wiltshire County Council Cabinet in July 2008 and that the revised strategy incorporated the priorities within the DOR Business Plan and areas that were working well.

The strategy also included further information on the roll-out of staff training which was scheduled to commence in Autumn 2010. The HR Manager was unable to clarify which specific groups in relation to manual workers were involved within the training process but confirmed that clarification would be sought following the meeting.

The current leadership programme commenced last year with a programme entitled 'Management Matters' running at present to establish the training needs required. No performance indicators had yet been set as the programme was at an early stage of development.

A budget of £800k had been agreed for the leadership programme. Regular updates would be provided by the Cabinet member for Resources to ensure that the programme was fulfilling requirements. Examples of improved management could be seen through improvements in front line services where a 'service' culture had been developed. This followed the implementation of 'cultural workshops' where values were emphasised as part of the Customer Focus programme.

The Committee felt that improved management leadership was vital to the progression of the organisation as a whole and should be a key priority for HR. However, the Committee also queried the necessity of the £800k budget within the current economic climate and whether part of the funding should be diverted to front line services.

Clarification was provided that the 'total rewards' approach reflected the complete package that staff received which included, salary, pension and sickness schemes.

Recruitment issues still remained in some areas which was the result of some occupational groups falling within a more competitive market. In the past some departments had offered market supplements in order to secure recruitment to vacant posts. However, no market supplements had been requested over the past 18 months and those in existence were reviewed on an annual basis to ensure the supplement remained relevant.

The supplements had been applied to several positions within the planning departments across the County although it was understood that the area of planning was currently under review given the need to merge the 5 existing systems together.

The Cabinet member for Resources confirmed that a written response would be provided to the Committee on when this review was expected to reach fruition.

The workforce planning framework was being developed in line with the local government workforce strategy and would take into consideration the current economic climate. It was hoped for roll out within the next six months. A pilot scheme was currently taking place.

Ensuing discussion also included the need to retain skilled staff, the impact on IT services during the transfer of support from Steria, succession planning and recruitment difficulties were also explored.

Clarification was provided that the IT team continued to ensure that workloads remained manageable with no impact on the work of the Workplace Transformation Programme where considerable work had been undertaken over the previous months. The Committee was encouraged by the work the IT team had undertaken and requested that this was noted in the minutes. The Cabinet member for Resources would ensure the message was passed on and that the Chairman and Vice-Chairman remained fully updated on events.

Resolved:

- 1) To thank the officer and cabinet member for the report and update.**
- 2) To support the progress on the implementation of the People Strategy but to note that an update should be provided on the**

action plan and workplace framework in light of the current economic circumstances at the end of October 2010.

- 3) That the HR Manager – HR and Organisational Development would provide clarify on the groups consulted relating to manual worker training.**
- 4) That the Cabinet member for Resources would inform the Committee when the planning review was expected to reach fruition.**

82. Service Director Meeting - Update

The Chairman and Vice Chairman met with the Service Director for Finance and Procurement on 15 June 2010 to establish how services within the Department were delivered and funded and the pressures that existed.

The briefing note provided outlined the outcomes of the meeting which focused on the key priorities for the department for 2010/11 following the coalition government's budget announcement on 22 June and forthcoming spending review in the autumn.

The implementation of a new Revenues and Benefits system was highlighted as a priority for the Council where there were currently 3 systems utilised across the 4 Council hubs. The tendering process had commenced and it was envisaged that the new system would be in place within 2 years. The system would be installed one hub area at a time to minimise the risk.

A Project Board had been established to manage the implementation of the system and the Committee was requested to appoint a scrutiny representative to overview the work undertaken. Cllr Pip Ridout was duly appointed.

Resolved:

That Cllr Pip Ridout would be the appointed scrutiny representative on the Project Board.

83. Task Groups Update

Partnerships

The Task Group had a meeting with the Chairman of Community Safety – Confidence Group, and Tim Mason – Interim Project Manager, at its last meeting on 21 June 2010 where discussion included deliverables and how these were measured.

The Task Group would be inviting representatives from Wiltshire Police to the next meeting to discuss their role in Community Safety Partnership.

Budget & Performance

An extraordinary meeting was arranged for members of the Task Group to discuss the Revenue and Capital budget outturn reports for 2009-2010 where clarification was provided that the budget was in line with the authority's anticipated spend for the year.

With the anticipated budget cuts arising from the coalition government review, continued discussion would take place between officers and councillors to ensure all spend was carefully managed.

Major Contracts

The next meeting of the Task Group was scheduled to take place in October where a review of the Sodexo contract would take place.

Workplace Transformation

Task Group members commented that a successful site visit was undertaken to Bourne Hill and two other Council owned buildings in the area and that this gave a flavour of the necessity for the Workplace Transformation Programme (WTP).

The next meeting of the Group was scheduled for Tuesday 20 July where the review of Leisure Facilities – replacement, refurbishment and devolvement programme would be discussed. The Task Group would also attempt to get a handle on the budgetary components of the Programme at its meeting in October.

Members Support

The first meeting of the Group was held on 15 June where a scoping exercise was undertaken to determine the work programme and future witness attendance.

The next meeting was scheduled to take place on 16 June but may need to be rearranged due to attendance levels. Steve Milton (Head of Community Governance) and John Quinton (Head of Democratic Services) were expected to attend to provide clarity between Community and Democratic Services departments.

S106

Cllr Tony Trotman (Chairman of the S106 Task Group) attended the meeting to present the following update.

The Task Group had met on 10 May, 1 June and 14 June. As a result of these meetings the Group recognised that there were potential budget implications in relation to unspent S106 monies and noted the budgetary implications the lack of monitoring could have.

A S106 Officer had now been employed whose role would include the formation of an electronic data base to detail all agreements made both pre and post Unitary authority.

With the ongoing work taking place regarding developer contributions the Group felt it was essential that the Task Group continue its work and the Committee was asked to endorse the recommendations made within the report to continue the Task Group.

Members of the Group were satisfied adequate resources were available at present but would request to review the situation in the Autumn.

Resolved:

- 1) To note the content of the S106 Report with the following comments:**
 - That there was a need to improve the relationship between Development Control, Legal and Finance to ensure better management and monitoring of S106 agreements.
 - That the appointment of the new Section 106 Officer had made positive strides towards the development of a central electronic database but that the focus to date had been towards agreements post April 2009.
 - That the Group had concerns that recording historic agreements (pre Wiltshire Council) would be more resource intensive and a higher priority because of the 5 year timeline to use funds.
- 2) To support the continuation of the S106 Task Group.**
- 3) That the Cabinet Member should be informed of the Committee's concerns above.**

84. Forward Work Programme

The Committee was asked to note the forward work programme and to note the information provided on the Library Services Review.

Additional information was also provided that scrutiny had not been involved in the Review, that statements had been issued to all area boards from the Service Director - Communities, Libraries, Heritage and Arts with details of the

review and that a projected £500,000 savings target was anticipated over the next two years.

A report by the Service Director – Communities, Libraries, Heritage and Arts on the Library Services Review was to be submitted to Cabinet in October. The Service Director would be invited to attend a future scrutiny meeting to present the report prior to its submission to Cabinet.

Resolved:

That the Service Director – Communities, Libraries, Heritage and Arts would be invited to attend a future meeting of the Select Committee to present the report on the Library Services Review.

85. **Date of next Meeting**

16 September 2010.

86. **Urgent Items**

No urgent items were considered.

(Duration of meeting: 10.30 am - 12.30 pm)

The Officer who has produced these minutes is Sharon Smith, of Democratic & Members' Services, direct line (01225) 718378, e-mail sharonl.smith@wiltshire.gov.uk

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Human Resources (HR) - Update

a) Pay Harmonisation and associated matters

The Committee received a report at its meeting on 26 November on the process of achieving harmonisation of staff terms and conditions within the parameters set by Cabinet. The Committee asked to be kept informed at key times during negotiations and implementation. It also took the opportunity to appoint Cllr Ricky Rogers to the Project Board established to oversee the process as its representative. It was envisaged at that time that a draft collective agreement would be reached in May.

On 21 January this year the Committee also considered a report on the LGR staff appointments scheme including redundancy and severance arrangements. On request additional information on numbers and costs of excess travel support and redundancy was supplied after the meeting.

An update report was given to the Committee on 27 May which referred to the need to include school based staff in harmonisation negotiations which would result in a delay until at least August. Councillors were concerned about the adverse affect this might have on staff morale at a time when uncertainty also existed over the implications of redesign and transformation of services.

On 27 July a confidential paper was approved by Cabinet regarding a revised way forward. Since late 2009 the council and unions have been working together on developing new pay and other terms and conditions of employment. These new terms and conditions would be applied to staff from the five former councils to ensure that equal pay for work of equal value was achieved. This work had been undertaken in the knowledge that the total annual pay bill would increase as a result.

In light of the financial constraints and pressures that the council is now facing, it has been decided, with regret, that increasing the total pay bill is now unaffordable.

The council remains committed to achieving equal pay for work of equal value but this will now be achieved by staff on current TUPED terms and conditions moving over time to Wiltshire Council terms and conditions of employment. Staff on TUPED contracts will move to Wiltshire Council terms as and when they take up new appointments (with pay protection where appropriate in line with the redeployment procedure). There will be a review of the progress towards equal pay

in the second half of 2011, and a decision will be taken at that time on how to manage staff who are still on TUPED terms.

The Cabinet Member, Portfolio Holder and Service Director will be in attendance at the meeting to update the Committee and answer questions.

b) People Strategy

The Committee considered the People Strategy 2008-12 at its last meeting and requested further information on a number of matters including:

- (i) Information on the Leadership Development Programme and spend. The Service Director's response is provided below:

Current investment for 2009/10 of £0.851m has been funded from existing Learning and Development (2009/10) budgets reallocated for this purpose, i.e. it is not a growth item but a reallocation and corporate prioritisation of budgets.

The £0.851m is made up of:

- £295k to fund Leadership Development Programme
- £107k to fund Management Development actions
- £230k to fund action plan resulting from the current People Strategy
- £220k to fund HR transformation actions – this is wholly funded from existing Department of Resources budgets.

The combined Leadership and Management Development funding (equating to £402k) is currently being reviewed.

- (ii) Details of the groups consulted in relation to manual worker training. The Service Directors response is provided below:

Manual worker training is currently managed and coordinated within the appropriate departmental areas across the council. There are several processes for identifying needs which include:

- Identified legislative requirements
- Identified council policy requirements
- Specific needs identified via the ongoing Performance Appraisal Process

HR also uses its own consultation process to discuss and identify training needs with recognised Trade Unions via Departmental routes and organisational routes, i.e. Wiltshire Council Joint Consultative Committee and the Health and Safety Consultative Committee.

- (iii) A progress report on the Workforce Planning Framework will be presented to the Select Committee on 10 November 2010.
- (iv) The Strategy (and action plan) will be revised following the publication of the Council's new Business Plan expected to go to Cabinet on 16 November. Following discussion with the Chairman and Service Director the Strategy has now been scheduled for consideration by the Select Committee on 20 January 2011.

Subject to the outcome of discussion at the meeting, the Committee is asked to note the updates on pay harmonisation and the People Strategy and, in addition, to be advised on the outcome of the review of the current LGR Appointments (and severance) scheme due to the Committee's previous interest in the matter.

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Library Services Review

The Library service is currently undergoing a customer focused review to ensure that it meets the needs of local communities and is fit to meet the future demands of the service.

Customer focus groups have been conducted across the county, capturing the views of a wide range of people including:

- Those in different geographical locations
- Those from a wide variety of ages (pre-school, youth, working age and Age UK)
- All genders
- Minority groups
- Staff
- Users and non users of the service

In addition, all Area Boards are being consulted on what is important for their communities. This is expected to be completed by the end of September.

In summary the feedback received to date can be described as follows:

- **Customer Service**

That staff provide excellent customer service but there does need to be additional IT support available for those times outside of normal working hours.

- **Buildings**

Toilets, coffee shop, meeting areas and more car parking were all issues that the groups wanted from the library buildings. There was also a strong view expressed around the various areas available within a library. For example, whilst it was accepted that activities brought people into the library it was felt appropriate that areas for silent reading should be kept.

- **Access**

The service should be available Monday to Friday core opening hours with two evening openings. The views on weekend opening were mixed. There was quite a strong feeling that the library should be the face of the council providing other services.

- **Technology**

Colour photocopying, WiFi, e-books and readers were all things that people wanted more of. Greater uses of technology like e-alerts were also suggested.

- **Products**

Wider range of reading material and greater access to the internet.

Subject to the outcome of discussion at the meeting, the Committee is asked to note that a report on the redesign and modernisation of Library Services, including £500,000 savings target achievement, will be considered by Cabinet on 19 October and it may be that the Committee will wish to comment in advance. If so, the Committee will need to determine its approach, i.e. rapid scrutiny exercise.

Wiltshire Council

Organisation & Resources Select Committee 16 September 2010

Budget & Performance Scrutiny Task Group Annual Report

Purpose of report

1. To present the annual report and recommendations of the Budget & Performance Scrutiny Task Group.

Background

2. The O&S Organisation & Resources Select Committee commissioned a standing task group on 2 July 2009 to ensure robust and integrated scrutiny of budgets, performance and the associated risks. This approach was endorsed by the Implementation Executive and the O&S Transition Board in approving the O&S arrangements for the new council.

Terms of Reference

3. Committee members agreed the overall purpose of the task group would be to carry out a strategic overview of the council's budget & performance in a way that is outcome focused and intent on identifying issues that require more in depth scrutiny by a specific committee or task group.
4. The Task Group was asked to:
 - a) Overview the annual budget setting process and to facilitate non-executive member engagement in the scrutiny of proposals published as part of this process
 - b) Monitor revenue and capital budgets, and regularly assess the pressures and risks associated with rising costs and demand for services
 - c) Overview the annual corporate planning process
 - d) Carry out regular performance monitoring of corporate goals, local and national indicators, service standards and actions arising from Comprehensive Area Assessments
 - e) Periodically report into cabinet and other committees on matters arising from budget & performance scrutiny during the year
 - f) Produce an annual report on the main findings and recommendations arising from the work of the task group

Membership

5. The Task Group was made up of the chairmen and vice chairmen of the main O&S select committees:
 - Cllr Tony Deane (Chairman)

- Cllr Jon Hubbard (Vice Chairman)
 - Cllr Jeff Osborn
 - Cllr Mollie Groom
 - Cllr Rosemary Brown
 - Cllr Carole Soden
 - Cllr Mike Hewitt
 - Cllr Pip Ridout
6. This arrangement provided an opportunity for the chairmen and vice chairmen to represent the views of their respective committees regarding budget and performance matters in a coordinated task group forum. The chairmen and vice chairmen were also well placed to provide ongoing scrutiny, strategic oversight and monitoring of these matters.
7. Bi monthly meetings took place between July 2009 and June 2010. The minutes of these meetings can be found using the following link:
<http://cms.wiltshire.gov.uk/ieListMeetings.aspx?CId=218&Year=2010>

Scrutiny Process Followed

Work Plan Themes

8. In order to carefully prioritise and focus its efforts, the Task Group agreed to a work programme based upon consideration the following key corporate documents:

<u>Document</u>	<u>Date considered by Cabinet</u>
Revenue & Capital Budget Monitoring Reports	Monthly
Performance Update Report	Quarterly
Revenue Budget proposals	February 2010
Medium Term Financial Plan	March 2010
Comprehensive Area Assessment	December 2009
Treasury Management Strategy	December 2009 & March 2010

9. Throughout the year a number of additional activities have supplemented the work of the Task Group, these have included Fact Finding meetings, a SAP Demonstration, a member's seminar on the results of the Comprehensive Area Assessment (CAA) and budget workshops held in the Autumn of 2009.
10. In addition a special Joint O&S Committee meeting was held on 16 February where all non executive members were invited to scrutinise the 10/11 budget recommendation prior to its consideration by the council on 23 February.

Key Findings

11. In this section a brief synopsis of each main topic of task group activity is given and where appropriate, the recommendations and actions of the TG have been included.

Budget Setting Process

12. The timetable followed in setting the 10/11 budget is listed in table below:

TIMESCALES	BUDGET 2010-11 OUTCOMES
1/07/09 – 14/08/09	Initial high level budget planning meetings on a service by service basis to discuss budget growth for 2010-11 and mechanism for delivering efficiencies i.e. procurement, benefits realisation.
1/07/09 – 16/09/09	<ul style="list-style-type: none">• Interpretation of activity analysis to provide a robust understanding of the 2009-10 base budget.• Draft of initial estimates of revenue budgets for 2010-11.• Preparation of net budget reductions across service areas of 3% and 5%.
17/09/09 21/09/09 - 21/10/09	<ul style="list-style-type: none">• Member Seminar on the Budget 2010-11.• Detailed Budget Review Meetings to discuss 2010-11 Budget.
16/11/09 – 22/01/10	Consultation meetings with Area Boards on 2010-11 budget.
15/12/09 20/01/10 19/01/10 22/02/10 28/01/10	<ul style="list-style-type: none">• Cabinet Approval of Council Tax base.• Budget Consultation meeting with Wessex Chamber of Commerce.• Budget Briefing for Conservative Group• Budget Briefing for Non Administration Group Members• Group Leaders and Trade Unions Representatives
11/02/10	Cabinet Consider Budget Proposals.
16/02/10	Special Overview & Scrutiny (Budget) Select Committee
23/02/10	Council Ratify Budget.

Special Joint O&S Committee meeting

13. The special joint O&S Committee meeting, held on 16 February 2010 provided all councillors with an opportunity to debate the detail and rationale behind Cabinet's budget recommendations prior to full Council. This meeting compliments scrutiny's monitoring of the budget throughout the year and is regarded as a model of good practice.
14. A summary of the views expressed at this years meeting was submitted to Full Council on 23 February for consideration alongside Cabinet's budget recommendation. This summary can be found on the following link: <http://cms.wiltshire.gov.uk/mgConvert2PDF.aspx?ID=2357>
15. A number of information requests were made during the meeting which explored areas of the budget proposals in greater detail, these included breakdowns of budgets in respect of Area Boards, Youth Services, Corporate Items and Invest to Save.

16. The main benefit to holding the joint meeting is that councillor's level of understanding and awareness of the rationale and justification for budget proposals is heightened. The meeting also provides a forum for members to freely debate budget proposals outside of the more political arena of the full council budget setting meeting.
17. This years meeting attracted a good level of attendance from non executive members (55%) and executive members (91%).
18. On reviewing the process at its conclusion task group members agreed that the Joint Scrutiny and Council meetings could have been phased better to allow sufficient time for councillors to consider responses to further information requests ahead of full Council. This would have enabled non executive members to be better equipped with the level of detail necessary to make well informed recommendations.
19. Overall the task group was satisfied with the opportunities for councillor engagement in the budget setting process. The budget seminar (17 September 2009) helped to raise awareness of the key issues influencing the setting of the budget and provided councillors with an improved opportunity to engage in the prioritisation process.
20. Opportunities also existed for councillors to consider issues impacting on the setting of the budget and to comment on draft budget priorities prior to their approval by Cabinet through the Group budget briefings.

2009/10 Budget and Performance Monitoring

21. The main cost pressures contributing to budget variations during 2009/10 are shown in the table below. In excess of £9million had to be absorbed as a result of factors such as demand led services, winter gritting programme and the impact of the economic downturn.

Department	Pressure	£m
TEL and EDPH	Loss of income due to economic downturn e.g. car parking and development services	3.90
TEL and EDPH	Additional growth e.g. winter gritting programme and Climate Change	1.05
DCS	Pressure on demand led services e.g. adult social care	1.38
DCE	Pressure on demand led services e.g. looked after children and SEN transport	1.75
DOR	ICT related cost pressures	1.00
Total Cost Pressures absorbed during the year		9.08

22. Throughout the year actions were implemented to address a projected year end revenue budget overspend including the reviewing of staffing structures (and non-filling of vacant posts) and procurement activity. Action plans were rigorously monitored to ensure Council spending remained within budget.
23. Throughout the year Councillors received a number of updates showing how progress had been made to minimise the likelihood of an overspend. Budget monitoring activities were also informed by a number of informal 'fact finding' meetings with individual departments. These meetings helped councillors carry out more-in depth targeted budget and performance monitoring outside of the more formal task group arena.
24. The meetings were of particular importance during the Autumn of 2009 when a number of financial pressures were identified which, if left unaddressed, would have resulted in a projected year end overspend of £3.864 million. Further steps to manage the budget back to zero were investigated during Fact Finding and the meetings enabled the chairmen and vice chairmen to explore actions instigated on a departmental basis to ensure financial pressures were being effectively managed.
25. Task Group members were thankful of the willingness of officers and members to work with them during these meetings where discussions were often frank and honest enabling members to appreciate the more volatile areas of the budget.
26. The revenue budget outturn report was submitted for member consideration in June. The final year outturn for 2009-10 showed a total net revenue expenditure of £332.441 million against a net revenue budget of £332.218 million. This represented a small overspend of £223,000 after allowing for the use of the £4.075 million of General Fund reserve, together with the planned use of specific earmarked reserves.

Capital Budget 2009/10

27. Councillors made a number of enquiries in order to understand the risks and pressures facing the capital programme and the processes involved in managing it.
28. It was noted that the 2009/10 capital programme showed a net underspend of £17.408 million against the approved budget which was mainly due to the reprofiling of schemes into 2010/11.
29. This was the second year that the Task Group took a role in monitoring the capital budget and its main concerns related to the many schemes requiring reprogramming of expenditure (slippage into 2010/11). Members did however note that a Capital Board would be established in the near future to monitor capital projects.

Presentation of budget monitoring reporting

30. To aid in year monitoring councillors agreed that it would be helpful if the annual budget was profiled over the year and requested future reporting include a likely

spending pattern over the 12months in recognition of the fact that not all expenditure is likely to be incurred evenly over the 12months. In response to this request, an additional profiled budget column was incorporated into the revenue budget monitoring table.

31. Options for graphical presentation of budget monitoring (including line and column graph formats) were explored to aid in year monitoring and to help identify trends.

SAP

32. The Task Group has maintained an interest in the financial aspects of the SAP system and following consideration of a Health Check report in March raised concern that configuration and functionality issues still needed to be addressed 12 months after implementation e.g. product categories not being correctly linked to general ledger codes. During discussion a number of areas were also explored including accuracy checks and controls and issues surrounding 'buy-in' from system users.

Performance Monitoring

33. On a quarterly basis task group members considered a high level summary of progress against the First Year Plan and performance for the period for the Local Agreement for Wiltshire. Lines of enquiry focused the reported increase in re-offending levels, a decline in Key stage 2 results, the potential impact of the economic situation on targets relating to housing, jobs and training and the equity of the bidding process for Performance Reward Grants at Area Boards.
34. On consideration of the reports further clarification was requested regarding a number of health targets where it was identified that the results fell some way short of the target for 2009/10.
35. The impact of the National Coalition's cut back on regulatory performance indicators was also explored and councillors regularly sought reassurance that the non filling of vacant posts and reviewing of staffing structures would not be to the detriment of key front line services.

Comprehensive Area Assessment (CAA)

36. The Comprehensive Area Assessment brought together judgements made by external inspectorates about Wiltshire and was introduced on 1 April 2009. The CAA examined how well local services were performing and how effectively they were working together to meet the needs of the people they serve.
37. Inspectors identified for Wiltshire the following areas of 'focus', identified as either areas of concern or where more information had been requested:
 - Climate Change
 - Road Safety
 - Housing
 - Basic Skills and Qualifications
 - Reducing Achievement Gaps

- Increasing Ageing population
- Reducing Health Inequalities
- Outcomes from Area Board working.

38. The task group made a recommendation to the relevant Overview and Scrutiny Committees to incorporate the related issues within their own work programmes

Future scrutiny of Budgets and Performance

39. Task Group members have been aware of the amount of executive member and senior officer time that can be taken up by the scrutiny process in the area of budget and performance. This leaves the potential for scrutiny members to ask questions on a range of matters requiring a large executive team to attend on a “just in case” basis at both fact-finding and task group meetings.
40. In addition, the capacity of the leading scrutiny members has been stretched further recently with the creation of a new over-arching liaison board and there has also been a reduction in the scrutiny officer team.
41. These factors combined have been the subject of early discussion between leading scrutiny members and the scrutiny manager and options for enhancing future arrangements have formed the basis of early consultation.
42. In order to adopt a “smarter” approach to scrutiny of budget and performance issues especially when considering the level of effort that goes in to the current arrangements when compared to the added value and outcome it is proposed that the Task Group be dissolved. In its place task group members recommend that a streamlined ‘report by exception’ arrangement be adopted across the 4 Select Committees linked to the existing executive reporting timetable.
43. The relevant executive representatives will ordinarily be in attendance and this arrangement will therefore avoid the executive having to regularly line-up members and senior managers at Task Group and Fact Finding meetings on a “just in case” basis.
44. This should not be seen as a scaling-down of scrutiny interest in budget and performance matters but in the changing climate it is important to find an effective process which meets the objective of holding the executive to public account but at the same time is constructive and proportionate.
45. Councillors were made aware in July that the Director of Finance (and Section 151 officer) had approached the Council seeking to end his contractual relationship and after consideration this was granted. The communication mentioned that he was appointed at a particularly challenging time for the organisation as it became a new unitary council and successfully managed the process of consolidation five finance teams into one.
46. The Chairman of the task group recognised the complexities involved in budget reporting at that time and wished to acknowledge the effort made by the Director to help non-executive councillors undertake their monitoring role. An Interim Director of Finance has subsequently been appointed and will be taking up the position on 4 October.

Recommendations

47. As a consequence of its enquiries, evidence received and findings made, the TG has made the following recommendations:

(1) That the Joint O&S Committee meeting to consider budget proposals prior to Council be retained as part of the 2011/12 budget setting timetable and that this meeting be held at least 10 days prior to the Full Council Meeting.

(2) That the relevant scrutiny committees give attention to the following areas over the coming year:

- Invest to save budget
- Youth Services budget
- Impact of reviews on SEN transport
- Tourism
- Passenger Transport (Mouchel)
- Leisure
- Climate Change Growth spend
- Breakdown of HR growth
- Monitoring unsupported borrowing on Workplace Transformation
- Demand led pressures within Adult Social Care (including increase in self funders becoming eligible for LA funded services)

(6) That the task group be abolished and a report by exception arrangement for budget and performance issues be put in place across the 4 Select Committee's. The Organisation and Resources Select Committee would also be responsible for corporate financial issues as well as Resources department spend.

(7) That all scheduled fact-finding meetings be abolished. However an option for issue-specific face to face meetings be retained if felt to be beneficial to both sides (but ultimately only those matters where concern remains to be reported to the relevant select committee).

(8) That responsibility be placed with leading scrutiny members and the officers from the scrutiny team to review the Cabinet papers on budget monitoring and performance update and to agree any matters to be raised with the relevant Cabinet member and corporate/service director via e-mail in the first instance.

(9) That the ability for the leading scrutiny members to attend Cabinet meetings to raise questions/concerns where necessary on behalf of their select committees be retained.

48. The Committee is asked to endorse the above recommendations:

Ian Gibbons
Director Legal and Democratic Services
Report Author: Ros Low, Scrutiny Officer

Report of the Corporate Procurement Strategy Scrutiny Exercise
Held on 20 July 2010

Purpose and Background

1. The Overview and Scrutiny Management and Resources Select Committee on the 2nd of July 2009 considered a report on the Corporate Procurement Strategy. Due to the limited timescale before the document was to be released for consultation, a decision was made to carry out a rapid scrutiny exercise to look at the strategy in more depth.
2. As a result of Scrutiny meetings held in August and January, the Councillors recommended a further meeting be held in July 2010 to review the progress made in implementing the strategy and achieving targets.
3. This meeting was held on the 20th July 2010 and attended by the following:

Mr Nigel Carter	(Lead Councillor)
Mr Tony Deane	(Councillor)
Mr John Noeken	(Cabinet Member for Procurement)
Caroline Bee	(Acting Head of Strategic Finance and Procurement)
Tony Brett	(Head of Procurement)

Summary of Concluding Views

4. It was discussed that currently the Corporate Procurement Unit is using figures relating to accounts payable and the processing of invoices for monitoring performance. It was acknowledged that the recent Audit report highlighted a number of issues with this particular area; however, the focus on it reflects the interest in reducing process times. Councillors asked if the specific contract information relating to payments is being communicated with the shared service team. It was explained that this is not linked currently however it is being investigated to improve communication.
5. The figures for accounts payable for the percentage of invoices matched to purchase order, and the average time between date of the invoice and payment, does show a downward trend. This report is produced by the Shared Service Team and the most up to date figures had not been passed to the Procurement Unit at the time of the meeting. The report presented only showed until April 2010. Councillors requested the Procurement Unit update this report and redistribute it.
6. The original targets presented in the Procurement Strategy for achieving results were based on 08/09 figures. Depending on which report is looked at, each contained different data that makes it complex to get an accurate idea of where they authority stands. Since then better management information has become available showing that targets around the number of transactions and the number of suppliers need to be amended and made SMARTer. These reports have now been updated with 09/10 figures and are being reviewed to decided which will be used to set targets and monitor progress. These revised targets will be set by September and once set, will have better protocols for monitoring where spending is happening.

7. Other than those commented on above, the Corporate Procurement Unit stated that they did not have any real concerns over the targets. Councillors commented that they were pleased with the progress made in the last 12 months and felt generally that the authority is moving in the right direction to achieve procurement savings.
8. One of the completed targets is the implementation of the new Contracts Register. Extensive training has been carried out on how to use the system and the information is being used and has been fed into the Procurement Plans, however it is not being used to monitor if contract terms link up with how invoices are paid. Processing invoices through SAP provides information, which is used to correlate against categories of spend. Where spending occurs outside of the category, it would be picked up and challenged.
9. Councillors queried the implications of the target for allocating departmental responsibilities to Corporate Procurement Staff. Officers explained that this has meant arranging the team to provide a point of contact for each department within procurement to offer support and advice. In addition to these Business Partners, each department will have professional buyers who look after categories of spend. These buyers will not have budget responsibility; this will be with the budget manager.
10. It was acknowledged that quite often professional buyers do have a burn out period; however, Officers reassured Councillors that through having generic roles staff could be moved around into different market areas with support from Procurement colleagues. To understand the relationship between these roles, and others, councillors requested a matrix that will explain the structure in more depth.
11. It was clarified that performance against budgets will be picked up by the relevant service director and where overspend occurs it will be their responsibility to decide whether to proceed. The Corporate Procurement Unit now have visibility of budgets and a month-by-month view of what each directorate are spending which is aiding the improvements to financial management. It was acknowledged that some overspend will always happen, due to the nature of our business, however, as long as it is identified then it can be managed.
12. To deliver real savings there are detailed plans and resource mapping which will incorporate a RAG system. This will be completed by September with the thrust of the work looking at limiting risk and coming up with alternative options. This is a two-pronged approach, the first to make savings and the second to have greater control and monitoring. It was discussed this is to deliver real tools, which will realise savings with departmental information pulled into one document presenting the overall position for the authority.
13. To make the savings a reality all service directorates are saying that buying strategies will need to be under the normal price to what the council has received in the past. With the work to create professional buyers, it was commented that these would provide complete coverage for the organisation and heavily involved in delivering the procurement plans. The long-term aim is to have a central point with a negotiating team involving the elected members.
14. Currently the Corporate Commissioning Board leads on procurement work with representatives from across the directorates. It was requested that the membership of this board be distributed to Councillor Deane and Carter.
15. It was felt that officers have achieved a lot of good work over the last year; however, it was considered that a number of the elected Councillors would value some more information on Category Management and the move to procurement being a money saving area. It was discussed that a DVD has been developed that will be circulated to all members explaining more about procurement and does touch a little on Category Management. Councillors also

recommended that an information seminar should be investigated to run for 15 minutes before a full council meeting and information communicated through the Elected Wire.

16. As a number of targets are being revised, Councillors recommended that a meeting be held in September or October to review progress towards implementation. It was requested that at this meeting Councillors are provided with more detail on the types of statistical information used and how it is performance managed. It was also requested that for this meeting it would be useful to invite an appointed buyer to discuss how they perceive their role.

Recommendations

17. Scrutiny Members thanked Councillor Noeken and Corporate Procurement Unit Representatives for attending the meeting.
18. Acknowledgment was given to the Cabinet Member and Officers for the achievements made so far in implementing the Corporate Procurement Strategy and making efficiency savings.
19. The following recommendations on behalf of the Overview and Scrutiny Organisation and Resources Select Committee:
 - a. The SST Statistics on SRM spend are brought up to date and distributed to Councillors Deane and Carter.
 - b. A matrix of the relationships between different roles is given to Councillor Deane and Carter.
 - c. Nigel Carter requested that he attend one of the training sessions organised by the Corporate Procurement Unit.
 - d. To provide more information to Councillors on category management and how Procurement is turning into a money saving area for the authority, a 15-minute seminar before a Full Council meeting is suggested.
 - e. Another Scrutiny Exercise should be carried out in September or October 2010 to review progress and the revised targets.
 - f. At the meeting in September/October Councillors would value more information on performance management and would value a buyer attending to discuss their perceptions of the role they carry out.

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CABINET MEMBER FOR RESOURCES - CLLR JOHN NOEKEN

DEPARTMENT OF RESOURCES

OFFICER CONTACT: Nicky Griffiths 01225 771632 email nicky.griffiths@wiltshire.gov.uk

REFERENCE: R002-10

R-002-10 - PROVISION OF TEMPORARY AGENCY STAFF

Purpose of Report

Cabinet approved the adoption of a neutral vendor managed service (NVMS) for the provision of temporary agency staff using the EU 'Restricted Tender' route on 23rd February 2010. This was a joint collaborative project with Bath & North East Somerset Council (BANES). This paper set outs the reasons for requesting a change to the approved procurement route.

A project meeting with BANES in June 2010 identified structural changes to its procurement unit having an immediate impact on knowledge, capacity and the project timescales. As such, BANES have withdrawn from the project and it will not continue any further. This withdrawal removes the Council's opportunity to gain the benefits expected from a collaborative procurement exercise.

Options Considered

(i) Tender Exercise (Wiltshire Council only)

Due to the loss of the collaborative opportunity to approach the market this will impact on the Councils ability to obtain better pricing through increased economies of scale. This option also represents the longest lead time to establishing a new contractual arrangement. It is anticipated that a replacement tender exercise will take approximately 6 - 8 months to conclude and implement the new service. This timescale will not allow the Council to establish a new contractual arrangement prior to expiry of the current framework arrange which is due to end in February 2011.

(ii) Join National Contract

The national contract being developed by the OGC and the Eastern Shires Purchasing Organisation (ESPO) is set to 'go live' in March 2011 and Wiltshire Council (WC) will be a named authority in the OJEU notice to provide access to the agreement. Whilst WC will have access to the use of this agreement, it is anticipated that joining the national contract at the 'go live' stage in March 2011 may pose a risk to the council. It is likely that the demand to join this framework nationally will be very high. This will

negatively impact on the quality of support received and timescales involved in the implementation process for each of the client organisations involved.

(iii) Join a Pre-Tendered Framework

The quickest and most cost effective option is to join a pre-tendered framework as there are no joining fees and it enables the council to commence implementation of a new service immediately. Consideration has already been given to two pre-tendered frameworks with ESPO and Dorset County Council (DCC) that were discussed in the original Cabinet paper.

ESPO's Framework

This was originally discounted as it had a short contract term remaining and it was unclear at the point of investigation whether the contract would be extended. A contract extension has now been awarded until December 2011.

DCC's Framework

DCC's was also discounted as it was believed to be open to challenge under the EU Procurement Directives. The extent of this risk has been clarified at paragraph 7 below. The DCC arrangement is due to expire in May 2012.

Reason for Decision

1. In order for the council to receive the benefits described above at the earliest opportunity it is proposed that a contract is signed with Comensura under the DCC framework arrangement. It is envisaged that WC will remain in this contractual arrangement for a minimum 12 month period at which point it will consider the risks and benefits associated with transferring to the National contract. It is envisaged that implementation of a NVMS will take approx 45 days and roll-out can commence in September 2010.

DECISION MADE

I approve the decision set out above.

This decision was published on the 13th August and will come into force on the 23rd August, 2010.

The following supporting documents are attached:

R-002-10 - Provision of Temporary Agency Staff - report

Background reports:

Cabinet report 23 February 2010

<http://cms.wiltshire.gov.uk/mgConvert2PDF.aspx?ID=2193>

Cabinet minute 23 February 2010

<http://cms.wiltshire.gov.uk/ieListDocuments.aspx?CId=141&MId=250&Ver=4>

Date:13th August, 2010.....

Cllr John Noeken
Cabinet Member for Resources

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PROVISION OF TEMPORARY AGENCY STAFF

Purpose of Report

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Background

2. A project meeting with BANES in June 2010 identified structural changes to its procurement unit having an immediate impact on knowledge, capacity and the project timescales. As such, BANES have withdrawn from the project and it will not continue any further. This withdrawal removes the Council's opportunity to gain the benefits expected from a collaborative procurement exercise.

Options Considered

- (i) Tender Exercise (Wiltshire Council only)

Due to the loss of the collaborative opportunity to approach the market this will impact on the Councils ability to obtain better pricing through increased economies of scale. This option also represents the longest lead time to establishing a new contractual arrangement. It is anticipated that a replacement tender exercise will take approximately 6 - 8 months to conclude and implement the new service. This timescale will not allow the Council to establish a new contractual arrangement prior to expiry of the current framework arrange which is due to end in February 2011.

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The national contract being developed by the OGC and the Eastern Shires Purchasing Organisation (ESPO) is set to 'go live' in March 2011 and Wiltshire Council (WC) will be a named authority in the OJEU notice to provide access to the agreement.

Whilst WC will have access to the use of this agreement, it is anticipated that joining the national contract at the 'go live' stage in March 2011 may pose a risk to the council. It is likely that the demand to join this framework nationally will be very high. This will negatively impact on the quality of support received and timescales involved in the implementation process for each of the client organisations involved.

- (iii) Join a Pre-Tendered Framework

The quickest and most cost effective option is to join a pre-tendered framework as there are no joining fees and it enables the council to commence implementation of a new service immediately. Consideration has already been given to two pre-tendered frameworks with ESPO and Dorset County Council (DCC) that were discussed in the original Cabinet paper.

ESPO's Framework

This was originally discounted as it had a short contract term remaining and it was unclear at the point of investigation whether the contract would be extended. A contract extension has now been awarded until December 2011.

DCC's Framework

DCC's was also discounted as it was believed to be open to challenge under the EU Procurement Directives. The extent of this risk has been clarified at paragraph 7 below. The DCC arrangement is due to expire in May 2012.

Risks

3. With regard to the DCC framework, the risk identified in the original Cabinet Paper stated WC could be open to challenge by increasing spend on the existing contract beyond the original proposed contract value. If exceeded, this may constitute a material change in the contract value and potentially be seen as a lost business opportunity for suppliers. The main consideration is the level of risk and the likelihood of challenge this presents.
4. Further investigation has shown that this risk is also present when joining the ESPO framework.
5. Legal representatives consider that the key factor for potential suppliers would be the opportunity to increase their business portfolio. Suppliers in this respect would gain nothing by challenging other than a possible small sum in damages estimated to be up to £15,000. Suppliers will also have to consider if a challenge could potentially damage relationships, especially in light of the national contract which will present new business opportunities in the future.
6. Consideration must also be given to the fact that at the time of publishing a contract award notice, the anticipated maximum spend can only be estimated as any additional volume is unknown and cannot be quantified.
7. Legal opinion has concluded that a challenge to the understated contract values presents a low risk to WC, and this would have to be factored against the overall benefits of joining a pre-tendered framework.

Benefits

8. Joining a pre-tendered framework removes the time and costs required to undertake a dedicated tendering exercise.
9. Joining an pre-tendered framework will also achieve a more competitive unit price that will reduce as affiliates join and make greater savings than the Council could achieve by going out to tender separately.
10. It will enable the council to gather comprehensive management information over a 12 month period and understand its business in greater detail. This will ensure that the council can better seek a competitive advantage in future.
11. Introducing a NVMS at the earliest opportunity will enable the council to obtain greater visibility of it's temporary staff workforce, reduce administration costs associated with purchase to pay process for this category of spend and ensure that the Council has a model that can respond to the changing service requirements.

Financial

12. As both frameworks present the same risks and benefits a key deciding factor will be in the pricing mechanism and the maximum level of savings that can be achieved. These are different for each framework.
13. ESPO's framework uses a Gain-Share approach and Comensura take a share of any savings achieved over 5% which is split between Comensura and WC. This is in addition of an hourly transaction fee per temp agency worker so that Comensura is guaranteed an income to cover their costs and take account any factors outside of their control. There is also an 18 month lock-in clause with ESPO's framework although this may be negotiable in light of the national contract compared to 3 months with DCC.
14. DCC's framework, also with Comensura, supports a 'pay as you use' approach in terms of the number of hours bought. The hourly transaction fee is lower compared to ESPO's and the council will keep 100% of any savings made. The council are therefore likely to achieve the greatest savings by joining DCC's framework.

Proposal and Reason for Decision

15. In order for the council to receive the benefits described above at the earliest opportunity it is proposed that a contract is signed with Comensura under the DCC framework arrangement. It is envisaged that WC will remain in this contractual arrangement for a minimum 12 month period at which point it will consider the risks and benefits associated with transferring to the National contract. It is envisaged that implementation of a NVMS will take approx 45 days and roll-out can commence in September 2010.

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Overview & Scrutiny Organisation and Resources Select Committee

Rolling Work Plan from September 2010

SUBJECTS	COMMITTEE/ TASK GROUP	PROJECT START DATE	NEXT DATE TO O & S COMMITTEE	SPECIFIC ISSUES FOR DISCUSSION	WHO REPORTS TO BE SUBMITTED TO	SUBMISSION DATE
Budget and Performance (Standing)	Task Group	April 2009	Ongoing			
Major Contracts (Standing)	Task Group	July 2009	Ongoing			
Workplace Transformation Programme (inc. Business Transformation Programme)	Task Group	July 2009	Ongoing	Four year programme.		
Partnerships (Standing)	Task Group	March 2010	Ongoing			
S106 Agreements	Task Group	April 2010	Ongoing			
Member Support in the Locality	Task Group	April 2010	Ongoing			

SUBJECTS	COMMITTEE/ TASK GROUP	PROJECT START DATE	NEXT DATE TO O & S COMMITTEE	SPECIFIC ISSUES FOR DISCUSSION	WHO REPORTS TO BE SUBMITTED TO	SUBMISSION DATE
Future ICT Provision – Update	Task Group		Ongoing	<p>To receive an update on the work of the Group to scrutinise the wind down of the Steria contract and the development of structures for the new in house ICT service.</p> <p>NOTE: members of the Group inc. Cllr Jon Hubbard and Cllr Nigel Carter. Awaiting confirmation of further 3 or 4 members.</p>		
Framework Contract for the Provision of Agency Staff	Committee		November 2010	To receive an update report noting that new arrangements should be in place by November 2010.		
People Strategy – Implementation Review (to include Leader Development)	Committee	From transition	November 2010	To receive an update on the action plan and workplace framework in November 2010.		
Departmental Delivery Plan/ Business Plan	Committee		November 2010 (tbc)	To receive details of the departmental delivery plans and business plan when available.		

SUBJECTS	COMMITTEE/ TASK GROUP	PROJECT START DATE	NEXT DATE TO O & S COMMITTEE	SPECIFIC ISSUES FOR DISCUSSION	WHO REPORTS TO BE SUBMITTED TO	SUBMISSION DATE
Business Management Programme (SAP)	Committee		January 2011	To receive an update report on the Shared Services Team developments, including the HR and Procurement aspects of SAP		
Library Services Review	Rapid Scrutiny (tbc)		October 2010 (tbc)	To conduct a one-off meeting to consider the report to be submitted to Cabinet in October.		
Delivering Customer Focus Programme	Committee		November 2010	To receive a copy of the next six monthly progress report to Cabinet and timeline for delivery of the Customer Focus Programme at the earliest opportunity.		
Area Boards - Update	Committee		March 2011	To receive an update following the review of Area Boards.		
Council Funding Framework for the Voluntary Community Sector	Committee		March/May 2011	To receive an update on the implementation of the VCS framework.		

SUBJECTS	COMMITTEE/ TASK GROUP	PROJECT START DATE	NEXT DATE TO O & S COMMITTEE	SPECIFIC ISSUES FOR DISCUSSION	WHO REPORTS TO BE SUBMITTED TO	SUBMISSION DATE
Service Transformation (HR)	Committee	From Development Day	tbc			

Cabinet Forward Work Plan
September 2010 – December 2010

Items that may be of interest to the
Organisation and Resources Select Committee

SUBJECTS	DATE TO CABINET	SPECIFIC ISSUES FOR DISCUSSION	RESPONSIBLE CABINET MEMBER	OFFICER CONTACT
Budget Monitoring	14 September 19 October 16 November 14 December 2010	To receive a regular update on the capital and revenue budget.	Cllr Fleur de Rhe-Philipe	Martin Donovan
Governance Arrangements in Respect of Property Sales	14 September 2010	To invite Cabinet to review the governance and processes in respect of the disposal of property assets.	Cllr Toby Sturgis	Mark Hunnybun
Update on Performance	14 September 16 November 2010	To inform Cabinet about progress against the Council's priorities, including those in the Local Agreement for Wiltshire.	Cllr Fleur de Rhe-Philipe	Sharon Britton
Annual Governance Statement 2009/10	14 September 2010	To consider a draft Annual Governance Statement for 2009/10 for comment before final approval is sought from the Audit Committee at its meeting on 30 September 2010.	Cllr Fleur de Rhe-Philipe	Ian Gibbons

SUBJECTS	DATE TO CABINET	SPECIFIC ISSUES FOR DISCUSSION	RESPONSIBLE CABINET MEMBER	OFFICER CONTACT
Delegation of Services to Town & Parish Councils	14 September 2010	To update Cabinet on progress made with regard to the Delegation of Services to Towns and Parishes.	Cllr Dick Tonge	Mark Smith
Annual Report on Treasury Management 2009/10	14 September 2010	To provide an update on the Treasury Management outturn for the financial year 2009/10 and then forward on to Council.	Cllr Fleur de Rhe-Philipe	Keith Stephens
Visit Wiltshire Partnership	14 September 2010	To consider proposals regarding the future business plan of Visit Wiltshire Partnership.	Cllr John Brady	Alistair Cunningham
Quarterly Progress Update - Workplace Transformation Programme	19 October 2010	Regular update on progress of Workplace Transformation Programme.	Cllr John Noeken	Mark Stone
Progress Report – Delivering Customer Focus Programme	19 October 2010	To provide a progress report to Cabinet as requested.	Cllr John Noeken	John Rogers
Library Services Review	19 October 2010	Re-design and modernisation of Library Services, including £500,000 savings target achievement.	Cllr John Thomson	Niki Lewis

SUBJECTS	DATE TO CABINET	SPECIFIC ISSUES FOR DISCUSSION	RESPONSIBLE CABINET MEMBER	OFFICER CONTACT
Review of Constitution	19 October 2010	To consider the outcome of the review of the constitution and to recommend any changes to the constitution as a result of the review to Council. This will include the review of development control, overview and scrutiny arrangements and other elements of the constitution.	Cllr Jane Scott OBE	Yamina Rhouati
Wiltshire Council's Business Plan	16 November 2010	The Council's Business Plan will set out how the Council organises itself to deliver the Corporate Plan priorities and the Council's part of the Community Plan.	Cllr Jane Scott OBE	Andrew Kerr
Street Naming and Numbering Policy	14 December 2010	To confirm changes to the Street Naming and Numbering (SNN) Policy and SNN process after consultation with Town and Parish Councils.	Cllr John Noeken	Julie Seddon

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