

THE WAY AHEAD FOR COUNCIL SERVICES: TASK GROUP

27 FEBRUARY 2012

Present: Councillor M Watkin (Chair)
Councillors N Bell, S Greenslade, K Hastrick, P Jeffree,
S Johnson, R Martins and K McLeod

Officers: Committee and Scrutiny Support Officer (JK)

9 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Rackett.

10 DISCLOSURES OF INTERESTS

There were no disclosures of interest.

11 MINUTES

The minutes of the meeting on 7 February 2012 were submitted and signed.

There was a discussion about the content of the minutes of the meeting on 9 February 2012.

It was agreed that the minutes would be submitted to the meeting of the Overview and Scrutiny Committee on 7 March 2012.

12 PORTFOLIO HOLDER POLICY STATEMENT

The Chair outlined his response to the document; he referred to the 'big topic' consultations and noted that he had not heard any more about this. He also felt that 'elected members' be added as a stakeholder group. This was agreed by the Task Group.

Councillor Jeffree felt that the document was a little verbose. He said there was a need for a headline statement and suggested "We must all find ways to work which are simpler, provide better services and deliver them more cheaply. Simpler, Better, Cheaper.

The Task Group agreed that the document provided a good overview and the changes suggested.

DISCUSSION OF CONCLUSIONS AND RECOMMENDATIONS

The Task Group began by discussing what lessons had been learnt through the service redesign that had taken place.

The Chair felt that the services that had been shared were appropriate services to choose.

Councillor Jeffree noted the example of SLM where the Council had outsourced the service to a company with specialist expertise in running leisure centres. He added the example of ICT where the Task Group had heard that it was not easy for the Council to remain up-to-date.

Councillor Bell said that one lesson that had been learnt from sharing the ICT Service with Three Rivers District Council was that the situation of the services needed to be fully investigated prior to entering any shared services. He noted that shared services had saved £1.6 million but there had been significant problems with ICT. He would prefer shared services to privatisation.

The Chair said his preference was for in-house delivery, then shared services and outsourcing should only take place when the first two options were not feasible.

Councillor Johnson stated that he had no pre-conceived idea of what delivery method was best. Each service should be benchmarked and a decision taken. He referred to Councillor Bell's point and asked how success should be measured; shared services had saved money but there had been problems with the resulting joint services.

The Chair added that he felt that delivering the service had to take precedence over other outcomes.

Councillor Martins said that with ICT another lesson was that the importance of the impact from Members should not be underestimated. It was for Members to monitor the position of services.

The Chair informed the Task Group that another lesson learnt was that an apparent similarity between councils did not mean that working relationships would be easy.

Councillor Johnson felt that under the committee system of governance, where there was a leisure committee which oversaw the leisure centres, councillors would be aware of problems sooner.

Councillor Jeffree said that another lesson learnt was the importance of flexibility to be built into contracts.

Councillor McLeod added that the ability to scrutinise partnerships needed to be built into the contracts. Baselines should be included and contractors would need to justify their performance.

Councillor Bell agreed and added that he had not had a lot of contact with residents about the leisure centres until there was a petition about facilities for ladies-only swimming.

The Chair informed the Task Group that the Overview and Scrutiny Committee received a number of performance indicators from SLM. The Committee could look at whether they wanted to receive any further performance indicators.

Councillor Johnson responded there was still a role for ongoing scrutiny now that service committees were no longer in place.

The Chair suggested that the Overview and Scrutiny Committee could receive an annual report of outsourced services. Alternatively, an outsourced services committee responsible to Overview and Scrutiny could be established.

Councillor McLeod highlighted complaints logs as an important source of information about how services were operated.

Councillor Jeffree noted that it was difficult to predict the scale of change in how services might be delivered in the future. An annual review of services did not seem frequent enough.

The Chair said that any such committee would not be dealing with day-to-day concerns but would need to have a strategic overview of the relationship with the service provider.

Councillor Jeffree referred to the Shared Services Joint Committee which met six times per year. He suggested that two or three representatives from the non-executive councillors could observe the meetings and report back.

Councillor McLeod felt that outsourced services had to be given 12 to 18 months to be established and it would not be right to scrutinise the service every three to four months at first.

Councillor Martins agreed that the committee was not there to see every complaint. His preference was for a small group meeting two or three times per year with contractors. Once a year was not sufficiently robust. He highlighted the model of the Community Safety Partnership Task Group which was light-touch.

Councillor Bell noted that the Community Safety Partnership was not accountable to the Council but contractors providing a council service were.

Councillor Jeffree referred to the matrix that the Task Group had been developing. He had added an extra column to indicate the weightings of different options.

Councillor Hastrick said she supported the inclusion of 'reputational risk' which reflected the need for the Council to be seen to be delivering quality services.

The Chair informed the Task Group that he had discussed the concept of the matrix with the Managing Director and the Executive Director- Services who thought it was a good idea.

ACTION- The Committee and Scrutiny Support Officer to forward the matrix to the Managing Director and Executive Directors for their views.

The Chair drew a comparison with the Equalities Impact Assessments which note what the outcomes might be for each decision taken.

Councillor McLeod suggested that the officers reporting to Cabinet should fill out the matrix.

The Chair suggested that it would also be appropriate to complete the matrix when all the bids for a service were being evaluated.

Councillor Jeffree felt it should inform which route was to be taken; if it were undertaken early then a delivery method could be discounted at the initial stages of investigation. He noted that testing the market was a costly process.

The Chair summarised that it could be completed twice; once at the start of the process and once when bids were being compared. A supporting commentary elaborating on the risks should be included.

The Task Group discussed the risks associated with outsourcing.

Councillor Martins emphasised the need for risk assessments prior to any decision being taken.

Regarding governance, the Task Group referred to their discussions about a new working group to consider outsourced services.

Councillor Johnson highlighted the fact that there was not a representative from the Conservative Group on the Shared Services Joint Committee. He felt all parties should be represented.

Councillor Hastrick said that a suggestion rather than a recommendation could be made along these lines.

Councillor Bell noted that the views of the community would be one of the most important factors.

Councillor Jeffree indicated that this was designed to be covered by 'customer service- internal'.

The Task Group then discussed their recommendations.

1. That the matrix be adopted to be used and submitted with any reports on service redesign as many times as was appropriate.

2. That a politically balanced panel be established to scrutinise all outsourced services on a regular basis. The panel would be a sub-group of the Overview and Scrutiny Committee.

Councillor Johnson raised the issue of how a future shared outsourced service might be scrutinised, such as ICT.

Councillor Jeffree suggested that the Task Group need not second-guess the permutations of any future service delivery but needed to emphasise the need for more non-executive member engagement. The structure of any group could evolve according to the services it was scrutinising.

Councillor Bell noted that shared services was also originally going to include Dacorum as well. He anticipated that the districts would be working together more and more in the future.

The Chair reported that he had met with the Executive Director- Services about the potential for ongoing work for the Task Group. If the decision were made to test the market, there would be no work for the Task Group to do until June.

Councillor Johnson asked whether it would be the nine members of the Task Group who would undertake any future work as he felt it was too large a number.

The Chair noted his concern but he felt that such a significant piece of work needed the involvement of all parties.

Councillor Hastrick added that Members had put a lot of work into the review so far and she would want to see the work through to its conclusion.

The Chair explained that the next stage would be perhaps one meeting with officers to give their views and perhaps a further meeting in December.

The Committee and Scrutiny Support Officer asked the Task Group if they felt that they had covered all the areas outlined in the scope.

The Task Group agreed that all the areas had been touched on.

Chair

The Meeting started at 7.00 pm
and finished at 8.25 pm