

SHOPSHIRE COUNCIL

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 5 July 2017

2.00 - 3.00 pm in the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury,
Shropshire, SY2 6ND

Responsible Officer: Julie Fildes

Email: julie.fildes@shropshire.gov.uk Tel: 01743 257723

Present

Councillor Claire Wild (Chair)

Councillors Hannah Fraser, Alan Mosley, Cecilia Motley, Peggy Mullock, Dave Tremellen
and Leslie Winwood

4 Apologies for Absence and Substitutions

Apologies for absence were received from Councillor Roger Evans and Councillor Nigel Hartin attended as substitute.

5 Disclosable Pecuniary Interests

None were declared.

6 Minutes of the meeting held on 15th February 2017 and 18th May 2017

RESOLVED:

That the minutes of the meetings of the Performance Management Scrutiny Committee held on 23rd March 2017 and 18th May 2017 be approved as a correct record.

7 Public Question Time

No public questions were received.

8 Member Question Time

There were no questions from Members.

9 Digital Transformation Programme

The Head of Human Resources and Development updated Members on the Digital Transformation Programme. Members noted that there had been two recent Member Briefings and that the Business Case had been confirmed by Full Council.

In response to a Member's query about future IT links with the NHS and patient records, the Head of Human Resources and Development explained that this was a complex issue due to NHS restrictions. Collaborative working was being undertaken

with the view to enabling both the Council and NHS to have a single view of the service user.

The Head of Human Resources and Development advised Members that there had been no bench marking of current satisfaction levels amongst service users but agreed that this would be useful and that she would consider whether it was possible to undertake this work.

Members noted that the £21m investment in the Digital Transformation Programme would have a staggered return with some immediate savings and increases in productivity, whilst other returns would take longer to achieve. It was suggested that regular updates on progress should be presented to the Committee.

The Head of Finance, Governance and Assurance explained that the business case had been based on assumed costs and associated cashable and non-cashable benefits. He continued that he anticipated constant revision of these figures as the programme progressed until it reached the stage of implementation, when final costs could be identified. He advised that the Committee should monitor the progress of the programme using the revised business case. In response to a Members question, the Head of Finance, Governance and Assurance suggested that once the stage of contract negotiation was completed it would be useful for Members to review progress.

Members noted that during the Design Phase the organisation would specify the systems which were required and consideration would be given to how these integrated with other Council systems. The Head of Finance Governance and Assurance confirmed that performance management would be part of the design process. He continued that once the Design Phase was completed there would be a better understanding of the Council's requirements.

Members discussed the cost of communication with the public and delivering a better service at a decreased cost through greater use of signposting technology and web based transactions. A Member requested the provision of baseline costings for Adult Social Care at a future meeting.

The Head of Finance, Governance and Assurance confirmed that it was too early to include the anticipated financial benefits of the Digital Transformation Programme in the Financial Strategy. He continued that the Financial Strategy would be adjusted once the benefits were realised.

Members posed the issue of cyber security. In response, the Head of Human Resources and Development explained that this was at the heart of the Digital Transformation Programme and the Council now had robust security policies, with the use of Cloud storage providing greater security. The Head of IT and Communications added that as security improved the threat level continued to rise. Staff training would increase security awareness. The Head of Human Resources and Development explained that this was included in the cultural change identified in the presentation but that cultural change was a far wider issue and covered many areas not included in the Digital Transformation Programme. She continued that she expected the Leadership Programme to report on progress in the autumn.

Members noted that many of the existing Council systems such as Care First were now at the end of their lifespan and there was no option other than to replace them. The Head of Human Resources and Development confirmed that all new systems would be PSN and N3 compliant.

RESOLVED:

That Members receive regular updates on the progress of the Digital Transformation Programme.

The report was noted.

10 Financial Outturn 2016/17 (Revised)

The Head of Finance, Governance and Assurance introduced the revised report. Members noted that the report had been revised following the identification of a minor error, which although having no material impact, a revised report had been produced in order for Cabinet to approve a final correct and unambiguous version which would be retained for future reference.

Members considered the report which showed a series of underspends across several service areas and an overspend in Children's Services. The Head of Finance Governance and Assurance explained that it was difficult to avoid slippage due to delays in project delivery. Members noted that it was a responsible course of action to anticipate that projects would be delivered on time to ensure that funds were available to pay invoices, but in reality, suppliers were often optimistic when giving timeframes. This led to a constant re-profiling of the Capital Programme.

In response to Members' queries about likely improvements following the Digital Transformation Programme, the Head of Finance, Governance and Assurance observed that he anticipated that the new systems would give easier access to information and improved working practices. Both of which would lead to improvements in the quality of information available. He continued that while it may be quicker to produce the Financial Monitoring reports there was still a formal system for them to progress through.

Members discussed the use of Capital receipts. The Head of Finance, Governance, and Assurance explained that the Council had been going through a period of readjustment, where the asset base had been reviewed and adjusted. Money had been saved through the reduction of borrowing, savings had been made through the reduction of spending and capital receipts obtained from the sale of assets had been used to fund projects.

The Head of Finance, Governance and Assurance continued that high reserves were expected to decrease over the next few years and a healthy cash balance had enabled internal borrowing which was cost efficient. He observed that external borrowing was now inexpensive and borrowing rates were not expected to rise significantly in the long term. This made the use of the cash balances sensible. Members suggested that it might be prudent to start using low cost borrowing to invest in land and property.

The Portfolio Holder for Finance reported that his was a new Portfolio and the responsibilities it carried had formally sat with the Leader. He continued that as Portfolio Holder he would be examining how the Council worked to deliver services and would be considering whether the commissioning model still suited the Council's requirements. He added that he would also be considering new ideas for investment.

11 Time and Date of Next Meeting

RESOLVED:

That the date and time of the next meeting would be Thursday 20th July at 1pm or on the rising of Council, whichever is the later, instead of the scheduled meeting on the 26th July 2017.

Signed (Chairman)

Date: