

## **Overview & Scrutiny Committee – Meeting held on Thursday, 13th July, 2017.**

**Present:-** Councillors Sadiq (Chair), Chahal (Vice-Chair), Chaudhry, N Holledge, Parmar, Rana, Sarfraz and A Sandhu

**Apologies for Absence:-** Councillor R Sandhu

### **PART I**

#### **7. Declarations of Interest**

None were declared.

#### **8. Minutes of the Last Meeting held on 13th June 2017**

**Resolved –** That the minutes of the meeting held on 13th June 2017 be approved as a correct record.

#### **9. Action Progress Report**

**Resolved –** That details of the Action Progress Report be noted.

#### **10. Member Questions**

None received.

#### **11. Thames Valley Transactional Services Centre Annual Report: March 2016 - April 2017**

The Committee were provided with a strategic overview of arvato's performance in delivering the Thames Valley Transactional Services contract for the period April 2016 –March 2017. Members were informed that arvato had sought to streamline processes to implement contractually agreed service improvements whilst securing a step change in performance year on year. The partnership directly supported the Council's medium term financial strategy through prioritising the collection of revenues whilst ensuring that benefits continued to reach the most vulnerable members of the community in an efficient and timely manner.

Jason LaRoche, Key Account Director, arvato, delivered a presentation, highlighting a number of key points including:

- *arvato's continued growth in Slough:* Head Office activities fully embedded at the site on Farnham Road, with a number of companies operating from here including BMW, Zara, Renault and Telefonica (O2) Smart Homes Customer Services.
- *Apprenticeship Commitment:* A total of 14 apprentice positions were filled for Year 5 of the contract, which was ahead of the set target of 9. It was anticipated that arvato would continue to run ahead of annual

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targets set for apprenticeships as operations in Slough continued to expand. Commitment to the scheme had been recognised on a national level, with arvato named within the Top 100 Apprenticeship Employers 2016 and also Top 100 Employers for School Leavers. Approximately two-thirds of the trainees had moved into full time roles, with a promotion rate of 62% for those that became permanent employees, which was above the national average of 23%.

- *Slough Jobs and Engagement:* Approximately 100 staff were TUPE'd successfully as part of the procurement process on existing terms for Phase 1 services and a further 98 as part of Phase 2. Arvato continued to sponsor the Slough Business Awards and were Members of the Thames Valley Chamber of Commerce and Slough Business Community Partnership.
- *Council Tax and Business Rates Collections:* Despite the specific challenges in Slough, collection rates continued to improve and the gap was being closed to national comparators. £13m more per year was now being collected compared to 2013/14.
- *Customer Services:* All annual 2016/17 Key Performance Indicators had been met with a focus on 'Front of House' leading to reduced year on year longest waiting times.
- *The Future:* The Council and arvato were working closely on several significant activities such as the Environmental Services DSO, the Repairs, Maintenance and Investment (RMI) provision, new agile working practices and digital transformation.

Members raised a number of issues during the course of the ensuing discussion including the challenges, performance weaknesses and overall value for money to local taxpayers during the first five years of the contract. Officers and arvato representatives responded by highlighting a number of key successes and achievements. Asked whether the report and presentation provided a sufficiently critical overview of performance, Members were given assurance that the information provided was a fair and honest perspective of the progress made. It was recognised that there were challenges, for example continuing to improve Council Tax and Business Rates collection rates and the impact of major projects such as the set up of Slough Children's Services Trust, RMI and developing a new CRM system on the day to day delivery of services. In terms of value for money, it was noted that the contract had a set price arrangement and performance had been improved in a number of areas by benefitting from arvato's private sector expertise.

The Committee also discussed the performance management arrangements to ensure arvato was sufficiently accountable. It was responded that the key performance indicators were clearly set up to monitor performance and these were agreed with the Council. Services were subject to the regular internal audits and the findings reported to the Audit & Corporate Governance Committee.

Other issues discussed included aged debts, write off processes and future developments. In view of the significant future activities such as the new RMI

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contract, Environmental Services DSO, digital strategy, ICT platform modernisation and a new unified telephony solution it was agreed that a progress report on these issues be brought to the Committee in September. Members also requested that future reports to include more detailed information relating to challenges and weaknesses identified in delivering the contract. The report was then noted.

### **Resolved –**

- (a) That details of the Annual Report be noted.
- (b) That the Committee receive a Progress Report in September 2017 on the implementation and development of Key Projects.

## **12. Performance and Projects Report: Quarter 4 2016/17**

The Committee considered a report that set out the latest performance information for the 2016/17 financial year including the corporate balanced scorecard indicators and update on major projects.

Sixteen performance indicators had been assigned a RAG status during the period, of which two were rated 'red' – the prevalence of children with 'excess weight' at the start of primary school and the prevalence of children with 'excess weight' at the end of primary school. Members expressed concern about the apparent lack of progress on childhood obesity despite the range of actions undertaken in recent years. It was noted that there were significant health and diet related programmes in schools as well as activities in parks with schools, children and families including the installation of numerous green gyms. Members queried the usage and publicity of initiatives and it was agreed that information regarding footfall/usage of green gyms installed in public parks to be circulated to the Committee and that the communications team ensure that any future Council initiatives relating to childhood obesity were well publicised. The Committee would consider a report at its next meeting in September to scope the remit of a potential Task & Finish Group on childhood obesity to seek to change the 'red' RAG status. More generally, it was agreed that future reports include more information about the financial impact and measures taken to address those projects that were given a 'red' RAG status.

A Member queried why the outcome measure on safeguarding children did not have a specific target set. The reasons were explained and was noted that each Child Protection Plan was tailored to meet individual needs and included set measures that were appropriate to the child's circumstances.

The progress of key projects was reviewed and the success of the LED Street Lighting and Fleet Challenge programmes was noted. There were some issues relating to the budget and timescales of major transport schemes, however, it was reported that action had been taken to address any issues since the end of the reporting period. Members requested that further details

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relating to potential budget impact regarding delays in the Slough Major Transport Schemes to be circulated to Committee Members.

At the conclusion of the discussion, the report was noted.

**Resolved –** That the Council's current performance, as measured by the indicators within the balanced scorecard and update on Gold Projects, be noted.

### **13. Financial Report - Final Outturn 2016-17**

A report was considered that provided the Committee with the final outturn figures for the 2016-17 financial year. It was reported that there had been a General Fund underspend of £0.026m; a surplus of £0.546m in the Housing Revenue Account (HRA); and that 84% of the £133.8m capital programme had been spent.

The Committee asked a number of questions and made observations about the impact of using one off income from Slough Urban Renewal to support the revenue budget and the value for money provided to housing tenants arising from the HRA surplus. It was responded that the SUR income had made a significant contribution to the revenue position this year which helped to balance the budget despite some significant pressures in some service areas and a higher savings requirement than for the current year. In relation to the HRA, the Committee was reminded that the budget was ringfenced and the surplus would remain within the HRA, not transferred to the General Fund. A question was asked about the capital programme and the Committee was informed that it was normal for there to be delays and year on year variances to some projects, but the slippage of 16% was a significant improvement on historic levels as a result of the management action taken.

The financial implications of the forthcoming proposed Senior Management Restructure was discussed. The Committee requested that details about the potential impacts of the reorganisation be provided including whether it was anticipated to achieve savings or if the exercise was cost neutral. Other issues raised included the adult social care budget for 2017/18 and the 198% variance in capital spend on the IT Infrastructure Refresh. It was agreed that further information would be provided to the Committee on the slippage in implementing this project.

At the conclusion of the discussion, the report was noted.

**Resolved –** That details of the final outturn for the financial year 2016/17 be noted.

### **14. Five Year Plan - Outcome 3**

A report was considered that summarised the key actions being taken under Outcome 3 of the Five Year Plan – "Slough will be an attractive place where

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people choose to live, work and visit.” The Committee was asked to decide the key areas to be reported in more detail at a future meeting.

It was noted that the actions involved delivery by the Council with the strong engagement of a wide range of other partners. After discussion, it was agreed that a more detailed report be considered by the Committee in January 2018 focused on the following key actions:

- Key Action 1 – Work with members to conduct a residents survey on perceptions and combine with other survey data to create a clear understanding of peoples’ current perception of Slough.
- Key Action 3 – Work to promote Slough as an attractive, safe and vibrant place with opportunities for all.
- Key Action 4 – Work with SBC teams and stakeholders to enhance and promote Slough’s open space, leisure, arts and culture, residential and visual offer and identify strategic location improvements.
- Key Actions 7 & 8 – Work with Members, partners and community groups to strengthen local cohesion and resilience; and work with partners to ensure that children and vulnerable people are protected (Child Sexual Exploitation and Trafficking).

### **Resolved –**

- (a) That details of the report be noted.
- (b) That the Committee consider at it’s meeting in January 2018 key action areas 1, 3, 4 and 7 & 8 (combined) in further detail.

## **15. Forward Work Programme**

The Scrutiny Officer introduced a report which set out the proposed work programme for the Committee for 2017/18. The following amendments and additions were agreed:

### September 2017

- arvato Progress Report
- Housing Strategy - Theme 1 (Supply of New Homes)

### November 2017

- Economic Strategy (Update from Town Centre discussion)

### January 2018

- Five Year Plan: Progress Report on Key Action Areas

**Resolved –** That the Forward Work Programme as at Appendix A to the report be agreed, subject to the above amendments.

## **16. Attendance Record**

**Resolved –** That details of the Members Attendance Record be noted.

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### **17. Date of Next Meeting - 14th September 2017**

The date of the next meeting was confirmed as 14<sup>th</sup> September 2017.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.41 pm)