

## **DURHAM COUNTY COUNCIL**

### **JOINT MEETING OF CORPORATE ISSUES OVERVIEW AND SCRUTINY COMMITTEE AND OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

At a Joint Meeting of **Corporate Issues Overview and Scrutiny Committee** and **Overview and Scrutiny Management Board** held in Committee Room 2, County Hall, Durham on **Thursday 26 January 2017 at 9.30 am**

#### **Present:**

**Councillor J Lethbridge (Chairman)**

#### **Members of the Committee:**

Councillors E Adam, B Armstrong, J Armstrong, A Batey, B Graham, K Henig (Vice-Chairman), J Hillary, A Hopgood, E Huntington, N Martin, T Nearney, M Nicholls, J Robinson, J Rowlandson, J Shuttleworth, P Stradling, L Taylor, S Wilson and R Young

#### **1 Apologies**

Apologies for absence were received from J Alvey, R Bell, J Blakey, K Corrigan, P Crathorne, R Crute, L Pounder, J Turnbull and M Wilkes.

#### **2 Substitute Members.**

There were no substitutes.

#### **3 Minutes of the meeting held 25 November 2016**

The minutes of the joint meeting held on 25 November 2016 were confirmed as a correct record and signed by the Chairman.

#### **4 Declarations of Interest, if any.**

There were no declarations of interest.

#### **5 Medium Term Financial Plan (7), Council Plan, Service Plans 2017/18 - 2019/20 and 2017/18 Budget**

The Committee considered a report of the Head of Finance (Corporate Finance) which provided an update on the development of the 2017/18 budget and the Medium Term Financial Plan (MTFP(7) reflecting upon the content of the Chancellor of the Exchequer's Autumn Statement (for copy see file of minutes).

The Head of Finance (Corporate Finance) provided a summary of the key points from the Autumn Statement highlighting information relating to the state of the national finances and government borrowing until 2020/21. Details were also provided regarding the budget

deficit and that it was anticipated that austerity for public services could continue beyond 2012/21.

Details were also reported in respect of the increase in the National Living Wage and the disappointing news that there had been no announcement made regarding additional funding for social care. It was noted however that the Autumn Statement did not provide full details for local authorities and this information was contained within the provisional financial settlement received on 15 December 2016.

The Head of Finance (Corporate Finance) further provided detail on the MTFP(7) model and it was reported that the financial landscape for local authorities would continue to be extremely challenging until at least 2019/20, but possibly beyond, resulting in the longest period of austerity in modern times. By 31 March 2017, the Council will have delivered savings of £185.7million since 2011. Based upon the provisional Local Government Finance Settlement, it was forecasted that the savings required for the MTFP(7) period 2017/18 to 2019/20 would be £59.6million resulting in total savings over the 2011/12 to 2019/20 period of £245.3million.

Further details were reported in respect of the budget and it was noted that the Council Tax Referendum Limit remained at 2%. The Government had also confirmed in the settlement that councils had the option to increase council tax by an additional 6% for an adult social care precept over the next three years. The Council has the option to accelerate these increases and increase Council Tax by up to 3% in both 2017/18 and 2018/19. The maximum increase that can be applied in 2019/20 remains at 2% and the adult social care precept could increase by no more than 6% over the 2017/18 to 2019/20 period.

The Head of Planning and Performance provided an overview of the budget consultation process highlighting that the approach adopted by the Council had engaged over 3,000 people of whom 1,900 gave their views. Overall, almost two thirds of respondents (63%) stated that the approach taken to make future savings was a reasonable way forward.

In addition discussions were held with a range of organisations through existing partnerships and network meetings. Feedback included that it was considered that Voluntary and Community Sector organisations were likely to be impacted by the proposed reduction in Members' Neighbourhood Budgets by £2,600. This point had been acknowledged and it was noted that AAP's would make every effort to maximize external match funding.

The Head of Planning and Performance further advised that additional targeted consultation had been undertaken with both people with physical and learning disabilities and children and young people, the results of this stage of consultation were contained within the report.

Regarding scrutiny feedback the Head of Planning and Performance advised that any further feedback received from today's meeting would be fed into the February 2017 Cabinet report.

Councillor Nearney asked whether any financial modelling had been undertaken based on potential loss of EU funding. The Head of Finance (Corporate Finance) advised that the MTFP model did not rely upon EU funding however it was appreciated that the council did

need to maximise what funding was available before it was no longer accessible. This may require in some circumstances to use reserves to match fund.

The Head of Finance (Corporate Finance) advised that it was interesting to learn that Surrey County Council were proposing a 15% increase in council tax rates in a bid to encourage the government to increase funding.

Further discussion ensued regarding the social care precept and Councillor Martin commented that any precept raised should be utilised to fund social care services only and added that he felt it was wrong to invest the social care precept in other areas of the council to reduce additional expenditure. In addition he added that he was disappointed that the committee had not been able to view more up to date information regarding the settlement and revisions to the budget given that the settlement had been received 5 weeks prior to the meeting. Councillor Armstrong confirmed that Cabinet could be asked whether they have any plans on using the additional flexibility in the social care precept.

Councillor Robinson added his congratulations and thanks to the 421 young people who had taken part in the consultation exercise. He further raised a point regarding the cost shunting to social care, and added that he was extremely concerned regarding the impact of the Better Health Care Programme and the future impact this could have upon the council's finances. He raised concerns about how long the 'financial dowry' from health will last, and fully supported comments from the chair on the need to ensure continuity of funding.

Councillor Hopgood added that she agreed that should the social care precept be raised by 3% that detail is provided to residents as to how that money will be spent. Regarding the consultation she commented that less than 1% of the population of County Durham had participated and queried whether those who had, had provided feedback in the past, as it was likely that it was the same people.

In conclusion she raised a query regarding the budget reserve and asked whether the net reserves were forecasted to be lower than the previous financial year. In response the Head of Finance (Corporate Finance) advised that a decrease in reserves of £14m would be seen in 2016/17. In response to queries regarding the consultation, the Head of Planning and Performance advised that a big attempt had been made to engage with new groups during this round of consultation, however the addition of a question to see whether the respondent had participated before could be considered for future surveys.

#### **Resolved:**

That the content of the Cabinet report be noted and that the comments raised be forwarded to the Cabinet Portfolio Holder for their consideration.

## **6 Quarter 2 2016/17 Performance Management Report**

The Committee considered a report of the Director of Transformation and Partnerships which presented progress against the councils corporate performance framework for the Altogether Better Council priority theme for the second quarter of the 2016/17 financial year, covering the period July to September 2016 (for copy see file of Minutes).

The Head of Planning and Performance referred Members to the Executive Summary on page 56 of the report which presented performance data in a 'at a glance' format. With regard to the council's performance in relation to the Altogether Better Council theme good progress had continued during the quarter. This included performance relating to the number of telephone calls from customers answered within 39 seconds and levels of abandoned calls. Processing times for housing benefit and council tax reduction had seen improvements in processing times since last quarter. Collection rates for council tax and business rates were also positive.

It was reported however that fewer FOI requests had been responded to within national timescales.

Regarding performance in relation to employee wellbeing it was reported that staff attendance had improved and over half of posts had no sickness absence in the rolling year ended in September 2016. However, performance in relation to appraisals had deteriorated. Improvements to the Oracle Business Intelligence module was now available to managers in order to assist them effectively in monitoring both appraisals and sickness.

Councillor J Armstrong added that he considered the level of sickness absence to be disgrace. Discussion then ensued regarding staff appraisals and Councillor Hillary asked whether it was known whether all staff received an appraisal in 2016. Further queries were raised regarding appraisal cycles and whether this differed for each employee, in addition members queried whether there was data available for those appraisals which had not been undertaken and whether there was any reason why it had not been completed within the timeframe. Councillor Wilson also asked whether staff were expected to complete any work in advance of an appraisal and wondered whether this may also lead to delays if the appraisal date fell over a particularly busy period.

Councillor J Armstrong suggested that a working group could be formed after the elections in May 2017 to look at this issue in more depth.

Councillor Henig welcomed the shift to a more concise report format, but commented that a discussion on performance information covered would be useful later in the year. Following a query from Councillor Rowlandson regarding PI reference 188 and 189 Councillor Hillary added that he found the data relating to this indicator confusing as four separate traffic light indicators were used. The Head of Planning and Performance advised that she would take the comments forward.

### **Resolved:**

That the content of the report be noted.

## **7 Customer Feedback: Complaints, Compliments and Suggestions 2016/17 - Quarter 2**

The Committee considered a report of the Corporate Director Regeneration and Local Services which presented the Customer Feedback: Complaints, Compliments and Suggestions report for 2016/17 Quarter 2 (for copy see file of Minutes).

It was reported that initial service reviews into 450 corporate complaints were carried out, 88% of which were reported either by telephone (45%) or via the website (43%). The average time to close these complaints was just over 6 working days. 56% of the complaints received were upheld (partially or fully).

The Customer Relations, Policy and Performance Manager advised that in addition to the above 50 statutory complaints were received. Of the 37 resolved within the quarter, 35% were upheld (partially or fully) and none of the complaints were progressed to independent investigation.

Regarding Ombudsman activity, the Local Government Ombudsman delivered decisions into 14 matters. Of these, 8 were upheld.

In addition to complaints, the council had also received 201 compliments, 46 suggestions and 84 comments in relation to decision making.

Councillor Wilson in referencing complaints regarding staff behaviour asked whether it was recorded when customers were abusive towards staff. In response the Customer Relations, Policy and Performance Manager advised that the council maintained a Potentially Violent Persons Register (PVPR) to record such incidents. It was also noted that in cases where customers persistently were abusive towards staff there were options for escalation.

Mrs M Elliott, raised a query regarding garden waste collections and queried whether there would be any option to bring forward collections into March as the milder weather now meant that many were cutting back and pruning earlier in the year.

The Head of Projects and Business Services advised that historically collections have commenced around the Easter bank holiday weekend, although noting that this does vary from year to year. Collections had been extended into November due to requests for an additional collection, however they had not received any requests as yet for collections to start earlier. He further advised that there were budgetary constraints to consider and many customers had signed up for a three year deal.

Further discussion ensued regarding the differences in complaints and those which were focused around service quality or communication. It was reported that work was currently ongoing with the CRM team on providing more detail within the system.

Councillor Martin commented that he was concerned regarding the two independent investigations into building control and added that he had been hearing complaints regarding the service. He asked whether this was as a result of a lack of capacity and resources within the team. The Customer Relations, Policy and Performance Manager advised that she would follow this up after the meeting.

Councillor Batey raised a query regarding compliments and whether the low number received was as a result of compliments being directed directly to staff rather than through managers or being inputted via CRM system. The Customer Relations, Policy and Performance Manager advised that it was known that there was under recording of compliments. She further advised that Members could log compliments to the CRM system via Member support.

**Resolved:**

That the content of the report be noted.

**8 Quarter 2 September 2016: Forecast of Revenue and Capital Outturn 2016/17**

The Committee considered two reports the first a report of the Corporate Director, Resources and the second of the Director of Transformation and Partnerships, which provided details of the forecast outturn budget position for the Resources service grouping highlighting major variances in comparison with the budget based on the position to end of September 2016 (for copy see file of Minutes).

**Resolved:**

That the content of the reports be noted.

**9 Customer Relationship Management System Review - Report and Recommendations**

The Committee received a report of the Director of Transformation and Partnerships which presented the review report of the Customer Relationship Management System (CRM) Working Group (for copy see file of Minutes).

The Scrutiny Support Assistant advised that the purpose of the review was to ensure that the CRM system could deliver functionality which would assist Members in managing their casework, including consideration of recording, tracking and monitoring of casework to service responses and performance information.

Details of the findings and conclusions of the review group were contained with the report alongside the six recommendations which had been made by the group.

Councillor Wilson raised a query regarding software licences and the Head of Projects and Business Services advised the software was built on a platform which allowed DCC staff to build and add into the system allowing for a totally bespoke management system.

Councillor Nearney asked whether there was any feedback available from staff on how they were finding the new system. It was noted that work was ongoing with staff and the development of the system was a continuous process.

Further discussion took place regarding outstanding issues. Councillor Hillary added that there were still some shortcomings within the system and some frustrations for the service user. In response the Head of Projects and Business Services advised that there had been feedback received regarding the 'do not reply' emails and that this was high on the list of issues which needed addressing.

The Principal Overview and Scrutiny Officer reassured members that the issues being raised had been discussed at length by the working group. In addition it should be noted that a member pilot would be carried out in February / March 2017 and would build on

member input already received. Training on the new system would also be provided as part of the member induction process following the elections in May 2017.

Councillor Henig commented that she was particularly pleased with the work of the review group and also thanked C Hastie, Member Support Officer for his input.

Councillor J Armstrong in referring to recommendation 5 of the report commented that in his opinion training on the new system should be compulsory rather than made available. Members agreed that this should be reflected in the recommendation.

**Resolved:**

That the report of the Customer Relationship Management System (CRM) Working Group be agreed and approved for submission to the Cabinet Portfolio Holder for consideration.

Signed.....

Date.....