

BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
OVERVIEW AND SCRUTINY BOARD

Minutes of the Meeting held on 23 August 2021 at 2.00 pm

Present:-

Cllr S Bartlett – Chairman
Cllr V Slade – Vice-Chairman

Present: Cllr L Allison, Cllr R Burton (In place of Cllr M Cox), Cllr B Dion, Cllr M Earl, Cllr J Edwards, Cllr D Farr, Cllr L Fear, Cllr S Gabriel, Cllr M Howell, Cllr D Kelsey, Cllr S McCormack (In place of Cllr L Dedman), Cllr T O'Neill and Cllr C Rigby

Also in attendance: Cllr D Mellor, Cllr S Moore, Cllr T Trent, Cllr A Filer, Cllr A Hadley

58. Apologies

Apologies were received from Cllr M Cox and Cllr L Dedman.

59. Substitute Members

Cllr R Burton substituted for Cllr M Cox and Cllr S McCormack substituted for Cllr L Dedman for this meeting.

60. Declarations of Interests

Agenda Item 7 - BCP Transformation: Cllr J Edwards declared for transparency that one of her relatives was a Council employee.

61. Confirmation of Minutes

The minutes of the meetings held on 19 July 2021 were confirmed as a correct record.

61.1 **Action Sheet**

The Chairman provided the following update on actions arising from previous meetings:

- 14 June 2021, minute number 28 – partly actioned but awaiting further response from Portfolio Holder to complete action.
- 19 July 2021, minute number 43a – the Board could discuss the request for regular enforcement reporting to Planning Committee as part of the BCP Planning update item on 15 November.
- 19 July 2021, minute number 43a – Poole Quay toilets now open
- 19 July 2021, minute number 54 – the Monitoring Officer had provided a detailed explanation of the specific cases referred to and there were valid reasons why the financial legal agreements had not

yet been signed off. The matter was due to be considered by Executive Board.

The Vice-Chair reported that the Local Plan Working Group had yet to receive the Housing Needs Assessment (19 July, minute numbers 46/47). There were concerns this may delay the consultation. The Chairman agreed to contact the Portfolio Holder to ask when this would be available.

62. Public Speaking

There were no public issues submitted for this meeting.

63. Forward Plan

A Board Member asked whether there was defined process for Lead Members to report to overview and scrutiny (O&S). The Monitoring Officer advised that there was no legal or constitutional provision for the Lead Member position. Their role was to advise and assist the Cabinet, but they did not take decisions and were not formally accountable to O&S.

The Leader of the Council explained that the work of Lead Members was available to the Board as and when it considered reports where they had input. Some Board Members supported this approach and agreed that their input was evident in these reports. Others felt that there was a lack of information and visibility from some Lead Members in supporting their Portfolio Holders. The Board discussed whether a formal request should be issued to Lead Members to attend O&S as a matter of course for items where they had input. As a way forward the Chairman explained that improvements to the Cabinet Forward Plan would make it easier to plan ahead and identify those parties the Board wished to invite for specific items. The Chairman also agreed to make a written request to the Leader putting forward the Vice Chair's suggestion of an annual report on the work of Lead Members.

A Board Member expressed his frustration at how the item on Poole Regeneration was being dealt with and asked if a date could be agreed for the report to come to O&S. It was suggested that he raise these concerns when the Board considered the Cabinet report on BCP New Approach to Regeneration in October.

The Chairman asked the Board Member who had suggested an item on Poole Bay/Wessex Water to complete the formal scrutiny request form.

64. BCP Transformation Scrutiny

In attendance by invitation for this item:

From BCP Council:

Cllr Drew Mellor, Leader of the Council and Portfolio Holder

Graham Farrant, Chief Executive

Julian Osgathorpe, Corporate Director, Transformation

Adam Richens, Director, Finance (Section 151 Officer)
Lucy Eldred, Head of Human Resources and Organisational Delivery
Matti Raudsepp, Director of Customer and Business Delivery
Maria Bourton, Head of Project Management and Major Change

From Unison:

Jon Hartley – Branch Secretary

From Strategic Implementation Partners:

Ruth Morgan – KPMG (and representing Agilisys)

The Chairman explained that this was an opportunity for the Board and other Members of the Council to ask questions of Council Officers, the Leader of the Council, and other Partners, on the progress of BCP Transformation. He invited the Corporate Director to give a brief overview, followed by the Chief Executive and the Leader.

The Corporate Director outlined the three integral elements of the programme, which were Organisational Design, Supporting our Colleagues, and Where and How We Work. These formed part of a single, internal governance structure under the Transformation Board but were subject to three separate political decision-making processes. The Board was shown a short video provided by KPMG, the Council's Strategic Implementation Partner (SIP) which illustrated ways in which the Council could transform into a more modern, accessible organisation. Transformation was intended to deliver expectations and outcomes more efficiently at reduced cost.

The Chief Executive spoke about the challenges of transformation in the wider context of Local Government Reorganisation (LGR), particularly in view of the unique scale and complexity of LGR in Bournemouth, Christchurch and Poole. Bringing together, modernising and transforming systems, services and structures, within the financial constraints of the public sector and at an accelerated timescale, was a huge undertaking for the Council, the scale of which should not be underestimated.

The Leader referred to the progress made in the years preceding the more recent work with KPMG and Agilisys, including shared services, the procurement phase and Smarter. He underlined the ambition of the project, which aimed to deliver a modern, effective and excellent Council and achieve savings of £40million annually.

The Chairman responded to a concern from the Leader that the meeting wasn't following a more Member led approach to answering questions. He explained that the Board needed to hear from officers on how the programme was being implemented at an operational level.

Council Officers, the Leader of the Council, and Council Partners responded to questions from Councillors on the following themes:

Governance arrangements and Member engagement:

There was no Cabinet working group at present, but the existing governance framework would evolve as the programme started to be delivered. Opportunities for Member engagement were now increasing and this included O&S. The current administration still intended to bring forward a working party to deliver on a cross party basis. The next Cabinet report on Organisational Design included a proposal to create a working party as suggested. A Civic Space Working Group had already been established as part of the Estates and Accommodation project. Engagement on Pay and Reward had primarily been with Trade Unions up to this point but would be subject of a future Cabinet report.

Ensuring services are accessible to all, including those not online, and which Member is leading on this:

The Board was assured that the Council was committed to preserving and improving all methods of customer contact. At the moment poor digital provision was resulting in increased customer demand for telephone and face to face contact. Customer service levels had also been affected by the pandemic and its impact on staff, and LGR-related technology issues. Transformation aimed to deliver a better service for less. The Leader confirmed that he was responsible for this area of work, supported by the Lead Member for Engagement.

When can residents expect to see improvements in how they contact the Council and how is Transformation being communicated to them:

A series of improvements were planned, particularly around technology and telephony, and collectively these would result in a better customer experience. The Council was looking to address high levels of demand by redeploying staff and changing the way it responded to particular circumstances. The need to accelerate the digital element was acknowledged and the Council was working with Agilisys to identify some quick wins. Real changes to customer services should start to be seen in the first 12 months. By September 2021 the website would become a single source of information provision, with harmonisation at the lower ‘transactional’ levels to follow.

Progress on delivering on the timescales and projected savings of Transformation, given its enormity and ambition – is it on track:

Pay and Reward was on track to achieve the cost neutral assumption in the Medium Term Financial Plan (MTPF), but the timescale had been delayed by the pandemic. The Estates and Accommodation element was slightly behind schedule but still on track to release staff space in Poole and Christchurch by the end of March 2022, with the savings to be released one quarter later than anticipated in the MTPF. Organisational Design was on track to deliver the level of savings estimated in 2019. For the current financial year there was an assumed figure of £7.5 million in the Budget and MTPF, which was currently expected to be achieved. This was due to rise to £25 million in 2022/23 and £42.4 million in 2023/24, subject to Council approval. In the current financial year £2.41 million had already been captured, with significant contributions from Shared Services and Third Party Spend to come. More detailed information would be available in the next Quarterly Budget Monitoring report to O&S and Cabinet.

Timescales for progressing the three elements of the project and how these related to each other – what should come first:

The current administration had reduced the 2021/22 assumption from £15million to £7.5million, in recognition that some of the work needed to be done before savings could be realised. The Council was now working with KPMG and Agilisys to try and deliver more and quicker, by frontloading as much as possible into the first two years of the programme.

Progress of Pay and Reward in meeting this year's financial targets and details of the Union ballot on Smarter Structures:

Pay and Reward was currently behind schedule due to Covid-19, but an implementation date of April 2022 for harmonisation was still expected, subject to successful outcome with the Trade Unions. Smarter Structures was a separate process. In response to consultation feedback on Smarter Structures the timeline for some service areas had been amended to reflect the need for further development.

What are the views of the Trade Unions, and how confident is the Council of a successful outcome:

The Unison representative reported that the Unions were in regular dialogue with HR. Discussions were currently focused on agreement and implementation of the pay and grading structure, with the Unions requesting more data on the proposed options. The Smarter Structures consultation had caused some disquiet and had resulted in some changes being made. The Unions were supporting those staff affected by redundancy.

The Corporate Director reported that the Council was not in a position to comment on the outcome of negotiations, but in his view the Council was putting forward the best possible outcome within the wider financial constraints it was dealing with.

Support for staff during Transformation:

HR continued to support staff during this period of change. This was best achieved by ensuring a decision was reached on providing a single structure which was fit for purpose and redressed previous inequalities among the workforce, and then communicating and implementing this structure in a sensitive manner. Smarter Structures had been dealt with out of sequence because it was one of the projects identified for acceleration as part of the Council's response to the impact of the pandemic on its financial position.

Loss of staff, the impact of Covid and Brexit on the job market and whether this will affect Pay and Reward:

For a Council the size and complexity of BCP turnover was fairly average. Members of the leadership team had been replaced on the whole with like for like. The fluctuating market would need careful monitoring. Pay and Reward put the Council in a good position to face these challenges and there was sufficient flexibility to adapt to local market forces.

Assurances around the senior leadership and project plan to deliver the technology:

The Council employed a member of staff in a chief technology officer role and would appoint to a new position of chief information officer once the work with KPMG and Agilisys was finished. One of the key priorities in this area was to replace the large number of existing legacy applications with a single platform capable of supporting digital innovation. The Council was considering the project timetable over the next four weeks.

Retention of staff in key areas when redundancies were being made:

There was no intention to reduce essential frontline staff, but as a consequence of LGR and Transformation some support roles in larger teams were no longer required. The Council was working to retrain and redeploy staff where possible while making best use of natural turnover.

Plans for existing office accommodation, including staff and services in satellite locations:

The current phase of work was due to be complete by March 2022. This included the new BCP Civic Centre and the reconfiguration of library facilities in Christchurch and Poole. Office space in the Dolphin Centre was being retained as a drop in facility accessible to all staff. On advice the lease for Newfields had been surrendered. The next phase of work had been commissioned and would include accommodation outside the three central buildings. It was noted that any decision involving the disposal of a Council freehold or lease over £0.5million required full Council approval. The Council was confident in delivering a modern, fit for purpose working environment to meet the needs of all staff, as originally planned pre Covid.

Safeguarding the data of residents using digital services, e.g. how to ensure this is not provided to third parties or in terms and conditions:

The digital scenarios used in the KPMG video were raised as an example of where residents may have concerns. It was explained that safeguarding data was an issue which all Councils were aware of and were having to consider. The Board was advised that the examples in the video were only meant to show possible solutions and should not be a concern. Whatever digital options were put into practice would require appropriate controls in place.

Costs to the Council and the local economy in relying on multi-national software providers to maintain systems and how can the Council procure a single, coherent system:

The Council was employing its own staff to support systems in house. However, the use of global software and the associated licensing costs was unavoidable. The number of systems in operation would reduce significantly as a result of Transformation.

Access to services in community locations affected by staff working from home – would these return to normal:

One of the absolute aims of Transformation was to deliver services to people directly where they were needed rather than being constrained by location.

Loss of experienced staff and the appointment of interim replacements who may be remote and lack local knowledge – concerns about feedback from staff on the direction of travel and whether there is a wider problem in competitive recruitment and attracting new employees:

It was not accepted that staff were unhappier but it was acknowledged that change could be unsettling, particular when done at speed. The Council was creating a modern office environment, replacing more traditional working practices, and this was bound to cause some discomfort. It was noted that home working, which had been accelerated by necessity due to the pandemic, was now a familiar and welcome practice for many staff. The outcome of Pay and Reward and Smarter Structures would provide some reassurance.

The Board was assured that working for BCP Council was an attractive proposition, particularly in light of ambitious Transformation project, and some high calibre appointments had been made.

The ambition of the Centre of Excellence and whether it was achievable:

A single commissioning and procurement centre of excellence was intended to address the problem of multiple relationships with one provider existing across and within the legacy councils. It would provide a single commissioning cycle for BCP resulting in better, more informed choices and had the support of partners in the public and voluntary sector.

The relationship between the SIPs and Cabinet/Transformation team:

KPMG and Agilisys teams had been working with the Transformation team and other officers to support work on the detailed design of the programme, to ensure it was achieved within timescales, and on understanding the technological architecture required to achieve the ambitions of the programme. They were now supporting the work on third party spend and the centre of excellence, which should feed into the February 2022 budget. The SIPs operated in accordance with the governance arrangements set out in the procurement agreement.

The Chairman concluded by saying that it had a useful session for the Board. It would be helpful if the Transformation programme could be a bit more visible, particularly in providing more detail in project plans. It was proposed to include an update on the Forward Plan in six to twelve months.

The meeting ended at 5.15 pm

CHAIRMAN