

AT A MEETING of the POLICY AND RESOURCES SELECT COMMITTEE of the COUNTY COUNCIL held at The Castle Winchester on Thursday, 27 October 2011.

PRESENT

Chairman:
p Councillor Carol Leversha

Vice-Chairman
p Councillor Keith Evans

Councillors:

p Adrian Collett	a Elaine Still
p Liz Fairhurst	p Bruce Tennent
a Brian Gurden	p Chris Thomas
p Robin McIntosh	p Pat West
p Stephen Reid	a Sharyn Wheale

Also in attendance, Cllr Ray Ellis, Executive Member for Economic Development and Rural Affairs.

85. **APOLOGIES FOR ABSENCE**

Cllrs Elaine Still, Brian Gurden and Sharyn Wheale had given apologies.

86. **DECLARATIONS OF INTEREST**

Members were mindful that, where they believed they had a personal or personal prejudicial interest in any matter to be considered at the meeting, they should normally at the time of the debate declare their interest, and having regard to the circumstances described in paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting whilst the matter was discussed save for exercising any right to speak in accordance with Paragraph 12 of the Code.

Cllr Reid declared an interest in relation to Item 5 (Strategic Asset Management Plan) – that he sat on the Planning committee at Basingstoke Borough Council.

Cllr Reid declared an interest in relation to Item 8 (IT Update) – that he worked for Hewlett Packard.

87. **MINUTES**

The Minutes of the Policy & Resources Select Committee Meeting held on 21 July 2011 were

confirmed as a correct record and signed by the Chairman.

88. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman announced the future meeting dates of the committee as follows:

19 January 2012, 19 April 2012, 13 June 2012, 25 October 2012, 24 January 2013.

It was noted these were all due to start at 10.00am in the Wellington Room, Elizabeth II Court South, Winchester.

89. **STRATEGIC ASSET MANAGEMENT PLAN 2011/12**

The Director of Culture Communities and Business Services introduced the report (see Item 5 in the Minute Book). It was noted that the Strategic Asset Management Plan had been approved by the Executive Member for Policy and Resources in July 2011, however it was designed to be a rolling document, so any comments from the Select Committee could be incorporated in the next version.

It was highlighted that key themes of the plan were asset reduction, working with public sector partners in regard to assets, adapting to changes in service requirements, and aiming to 'sweat' assets more to get the most out of them. It was noted the plan was a public document and was due to be shared widely. It was explained that the Plan was in three parts, part 1 identified current asset management arrangements and gave a self assessment of their strengths and weaknesses. Part 2 brought together all asset management policies and strategies and Part 3 comprised an Action Plan which identified potential efficiencies and opportunities.

It was highlighted that the County Council had taken part in a national 'Pathfinder' project regarding the potential for sharing public sector assets. Learning from this would be applied to future opportunities to work with partners as the 'pathfinder' had demonstrated savings could be made.

Members asked questions regarding the content of the plan. Regarding the 'workstyles' initiative, which involved open plan offices, a Member queried whether any assessment had been undertaken of productivity in this environment, given that there was greater potential for distractions. It was noted that quiet areas were available for use when staff had tasks that required particular concentration.

A Member queried the statement on page 28 of the plan that the Counties Farm Estate was 14th largest out of all Counties that continued to have a farm estate. The Member commented that their understanding was Hampshire used to have one of the largest County Farm Estates. It was responded that a couple of other Authorities had been actively expanding their farms estate, though most others had been disposing of these land holdings in recent years. Hampshire County Council had disposed of some land, but had worked on maintaining the overall level by bidding for more when possible, including the recent successful acquisition of over 150 acres at Priors Farm, Rotherwick in the past few months. It was reported a review of the County Farms Estate had been undertaken and the outcome had been a policy to maintain the estate at current levels. The officer offered to check if Hampshire's relative position had changed significantly over time to respond to the interested Member (Cllr Collett).

Regarding disposal of community assets, a Member questioned the policy regarding how the funds from such sales were re-invested. It was reported that in the majority of cases such disposals were service driven, and the funds generated would be re-invested in delivery of that service area in that location.

A Member raised concern at the estimated level of maintenance liability. It was reported that the budget for maintenance of the non schools estate was currently small, and works were undertaken on a risk basis. It was noted this issue had been raised with the County Treasurer regarding future resources to address this.

Regarding the approach in the plan to working with public sector partners in relation to assets, Members queried whether this would extend to joint purchasing if appropriate. It was responded that the approach was open and therefore could include purchases. However it was noted that the County Council's requirements and the requirements of other authorities didn't always match.

Members commented that the Plan focused on value for money for the County Council in relation to assets, rather than the broader 'tax payers pound'. It was noted that the County Council was focusing on its own assets initially, but the ambition was to extend the focus in future. The committee agreed to pass comment to the Executive Member that the plan should focus on value for money for the Hampshire tax payer.

Comment to be passed to the Executive Member for Policy & Resources

A Member asked if the County retained liability for maintenance of school buildings where schools chose to become academies. It was reported that the liability would pass to the academy, and a Service Level Agreement with the County Council would be available to them for maintenance.

A Member asked if it was possible to see on a map what assets the County owned in their division. It was noted this information could be requested from the 'land terrier' via the Director of Culture Communities and Business Services.

A Member asked how the County was responding to the central government White Paper regarding the 'green estate'. It was responded that the County Council was looking to develop management of the green estate, to bring together aspects that were currently managed separately e.g. rights of way and countryside sites.

A Member commented that the County had recently disposed of housing that had been used for key workers when house prices in the area were out of kilter with pay rates, expressing concern that this facility may be needed again in future. It was responded that there was no demand for this facility at present. It was noted an alternative was nomination rights with social landlords.

A Member asked whether consideration was given to number of staff per square metre in office buildings, and cost per square metre for maintenance. It was reported that this was part of the criteria that would be taken into account in disposals in relation to the 'workstyles' initiative.

A Member asked whether the County Council would benefit if any assets that had been disposed of subsequently increased in value. It was noted that an agreement could be made when the asset was sold so that the County Council would share in any potential future uplift in value. The Member welcomed this and suggested this policy be noted in the Asset Management Plan.

RESOLVED:

That the officer be thanked for answering Members questions. That Members comments be taken into account when the Strategic Asset Management Plan was revised in January 2012.

90. **NEW PERFORMANCE MANAGEMENT
FRAMEWORK – OPEN FOR BUSINESS PLAN**

The Chief Executive gave a presentation regarding the 'Open for Business Plan' and the County Council's new approach to performance management (see Item 6 in the Minute Book). It was explained that the back drop to the plan was funding reductions and policy changes from central government, and a reduction in reporting burdens – the County Council would now be held to account by local people rather than central government.

The approach being taken was to bring plans for generating efficiencies, priority areas and 'business as usual' together, forming the 'open for business' plan. This was based around 8 priorities: vulnerable and disadvantaged groups, community engagement and partnership working, environment and sustainability, new models of service provision, customer service, expenditure reductions, capacity and flexibility of staff.

It was noted that the Council was previously required to report against 180 national indicators. The new plan was based on 86 measures, a third of which were new local indicators, and some of the national indicators had been adapted to better suit local needs. It was noted that some measures were still statutory and Members commented that this should be made clear in the plan. It was noted that measures used had been negotiated with Departments, and were included in the relevant Department's business plan. Progress against the measures would be reported quarterly to Cabinet.

The 'scorecard' was designed to give an 'at a glance' indication of progress. Members suggested it needed to be clear if the figure increasing or decreasing was good, and that it would be helpful to have a column for the previous quarter or year to show the trend. It was also suggested a key would be helpful to explain what was being measured e.g. number of teenage pregnancies per 1000 population.

Department's would also now be expected to undertake self assessment annually against 6 streams which was more detailed than previous processes. These findings would inform the annual performance report which would be published, and the focus for the next year.

Members queried if there was a mechanism for front line staff to put forward ideas for service improvements. It was responded that staff could make suggestions through the Individual Performance Planning process, and that some departments held regular staff briefings

where feedback was encouraged. It was noted that a one off process had been run corporately called 'the Big Idea' but had been resource intensive to manage. A Member commented that large Private Sector companies encouraged this ideas culture, and consideration could be given to learning from how they did it. The officer agreed to take members views on this to the Corporate Management Team for consideration of how this might be progressed.

Members views on enabling staff to provide improvement ideas be taken to CMT.

A Member queried why there was not more focus on supporting the local economy. It was responded that the economic development function had transferred departments in the past year, and measures for support to the economy were still under development.

A Member queried whether the targets were stretching enough given that the first quarter information suggested a large number of targets were being met. It was noted that a number of measures did not have baseline data yet, and targets would be adjusted if necessary over time.

RESOLVED:

That the Officer be thanked for providing the briefing and responding to Members queries. That the 'Open for Business Plan' remain on the work programme for a future update once further performance data was available.

91. **MANAGING SICKNESS ABSENCE**

The Director of Human Resources gave a presentation regarding sickness absence at the County Council and how it was being managed (see Item 7 in the Minute Book). It was reported that there were two sickness absence procedures 'promoting attendance' and 'managing unacceptable absence and long term ill health'.

It was noted that the unacceptable absence policy contained trigger points, in terms of number of days absence in a 12 month period, that would flag the individuals record as a potential issue. Line managers would receive an automatic monthly report if staff they managed were near to or had reached a trigger point. Evidence suggested that if managers displayed an interest in an individuals absence record, this had an effect on the situation going forwards.

It was also reported that HR had given particular additional support to Adults Services over absence

management, and this had helped reduce absence rates in that department. It was reported that management of sickness absence would now be incorporated in managers Individual Performance Plans, so they would be measured on how well they managed their staff's absence levels. A sickness absence e-tool had also recently been developed, and a campaign was due to be launched shortly to raise the profile of absence management.

It was noted that historically staff may have taken sick leave for other reasons e.g. child care problems. The Council now had a number of flexible working policies and these should address this type of absence.

Findings of a national survey on absence management were quoted to put the County Council's absence levels in perspective: Hampshire County Council's average absence level at end September 2011 was 9.6 days per Full Time Equivalent Member of Staff per year. The national average across all public sector organisations was 9.1 per FTE, 10.9 per FTE for local government, and for local government organisations employing more than 5,000 staff it was 9.6 per FTE. The average in the private sector overall was 7.1 per FTE, however for private sector organisations employing more than 5,000 staff it was 11.8 per FTE.

Members commented that the County Council's average absence would be significantly lower if Adults Services were excluded, as Adults Services had particularly high levels of absence, predominantly in residential care roles.

It was reported that absence rates had reduced from 2010 to 2011. It was suggested that the County had appropriate systems in place – other authorities with a better record had similar systems. What had been picked up was that absence was not being managed consistently across all departments. Up to now this had not been performance managed, this was being addressed and would be monitored by the Corporate Management Team. It was also reported that a new policy had been agreed regarding consideration of sickness absence records at the recruitment stage and managing absence robustly from the first day of employment. It was also reported that the County Council had re-tendered, in conjunction with a number of partners, to contract a private sector provider for Occupational Health.

Members commented that if a manager was required to meet with a member of staff when their absence

reached a trigger point, a report on action taken as a result should be logged against the individuals record.

Members commented that 'planned absence' such as surgery should be treated separately, as this was usually known in advance and could be planned for, and was a type of absence that couldn't be avoided. Separating this out would make it easier to focus on the type of absence that the County could reasonably expect to be able to reduce. It was responded that there were particular ways to record certain absences such as swine flu related, so that these unusual situations did not distort the general figure. However, the system was not sophisticated enough at present to separate out all types of absence.

A Member asked if the County could ask it's temporary staff provider to adopt similar policies. It was reported that the new polices would be shared with them and they would be encouraged to do so.

A Member commented that the recommended frequency of communication between a member of staff off sick and their line manager, as indicated in the policy, should be every day rather than every week, unless it was long term absence.

A Member wished to highlight that 34% of staff had not taken any sickness absence, and asked if not taking sick leave was rewarded. It was noted that special recognition payments could be used, however use of this mechanism was reduced due to the economic situation. A Member also asked if the cost benefit of the employee helpline was monitored. It was responded that the numbers using the service and the outcomes achieved were measured, and the service operated as a business unit so it needed to demonstrate value for Departments to buy in to it.

RESOLVED:

That the Officer be thanked for the report.

92. **ANNUAL IT UPDATE 2010/11**

The Head of IT presented a report (see Item 8 in the Minute Book) giving an update on IT developments and performance over the past year, and priorities for the year ahead. The report and progress was noted and welcomed, and a number of questions were raised.

Members commented that feedback from staff indicated issues with the PrintSmart facility. The business case for

PrintSmart was based on savings on hardware and reducing unnecessary printing - previously there had been 1 printer per 4 members of staff, the ratio was now 1 printer to 28 members of staff. It was acknowledged that the number of PrintSmart printers in some locations may still have some issues and any specific concerns would be followed up and dealt with.

A Member queried whether the income generated from IT work for other organisations covered costs or had an impact on the Department's ability to support in house IT projects. It was responded that it was important to ensure that outside clients were re-charged to cover all costs and to contribute towards overheads. For any shared service approach there would need to be a business case to show that the income would cover those costs.

A Member asked whether progress had been made on developing a central grants database. It was reported that work was now underway, with senior officer involvement.

It was noted that decisions regarding IT project prioritisation were now overseen by an IT Board which comprised representatives from all Departments. This was a significant change and recognised that IT investment decisions should be taken corporately, so that needs across different departments could be appropriately prioritised, and investment linked to Corporate priorities. This approach was commended by the Committee. The overall success in improvements and savings shown in the report of IT activity and the support for change, was welcomed.

A verbal update was also given on Rural Broadband at the request of the Chairman. It was reported that Hampshire was bidding for government funding, and was working with Broadband Delivery UK (BDUK). It was reported that the preferred approach was a 'gap funding' model - bridging the gap between a viable commercial broadband service in rural areas by public sector investment, as this would be quicker to implement than a Joint Venture Company. It was noted the County would be working with interested District Council's on the project, and it was intended to communicate with Parish Councils once further information was known.

It was noted that the pilot project in 'Little London' had been challenging, but the findings were invaluable for deploying the concept to other areas. It was indicated this approach (re-using the Hampshire Public Service

Network HPSN2) could save up to 30% of rural broadband costs, and was an innovative solution. It was noted a briefing on IT for members and its role in efficiency, shared services and service improvement had been scheduled for the New Year (29 February 2012).

RESOLVED:

That the officer be thanked for the update.

93. **SCRUTINY PANEL: PROCUREMENT OF TEMPORARY AGENCY STAFF**

The Chairman tabled the conclusions and recommendations of this Panel, which had held 3 meetings over the past 3 months.

RESOLVED:

The conclusions and recommendations of the Panel are supported by the Select Committee, to be formally put to the Executive Member for Policy & Resources by the Chairman.

The Chairman write to the Executive Member for Policy & Resources to present the recommendations.

94. **WORK PROGRAMME**

The Chairman went through the committee's future work programme and invited Members views regarding the items listed. The Chairman indicated her intention to develop the consultation topic for a potential light touch review in the new year, which the committee supported. Members also reiterated their interest in receiving a briefing on Economic Development including Hampshire Economic Partnership and Local Enterprise Partnerships.

RESOLVED:

That the Committee's Work Programme be approved subject to the amendments made at this meeting.

Scrutiny Officer to update the work programme.

Chairman, 19 January 2012