

Resources Overview and Scrutiny Committee
8 November 2016

WELWYN HATFIELD COUNCIL

Minutes of a meeting of the RESOURCES OVERVIEW AND SCRUTINY COMMITTEE held on Tuesday, 8th November, 2016 at 7.30 pm in the Council Chamber, Council Offices, The Campus, Welwyn Garden City, Herts, AL8 6AE

PRESENT: Councillors S Markiewicz (Chairman)
M Levitt (Vice-Chairman)

M Birleson, H Bower, L Brandon, M Cowan
(substituting for T Bailey), B Fitzsimon (substituting for
J Boulton), G Michaelides, N Pace and S Roberts

ALSO PRESENT: Councillor D Bell – Executive Member Resources

OFFICIALS PRESENT: K Ng – Executive Director
M Martinus – Head of Law and Administration
F Cantel – Client Support Services Manager
J Cika – Finance Manager
M Donaldson – Interim Management Accountant – Capital & Revenue
S Hulks – Governance Services Officer
G Seal – Governance Services Manager
S Jones – Revenues and Benefits Manager
J Pilbeam – HR Manager

25. SUBSTITUTION OF MEMBERS

The following substitution of Committee Members had been made in accordance with Council Procedure Rules 19-22:

Councillor M Cowan for Councillor T Bailey and Councillor B Fitzsimon for Councillor J Boulton.

26. APOLOGIES

Apologies were received from Councillors T Bailey and J Boulton.

27. MINUTES

The Minutes from the meeting held on 13 September 2016 were confirmed as a correct record and signed by the Chairman.

28. ACTIONS UPDATE

Members received updates on the following:

- Details of the number of companies invited to tender for the Bereavement Services would be circulated.
- The request for information on Severity Level 1 incidents being completed on target had been incorporated into the report.
- The level of uncollected debts had been incorporated into the finance reports.

The HR Manager provided information on the likely timescale for changes in reporting of exit interview analysis data.

29. SOPRA STERIA CONTRACT PERFORMANCE - 2016/17

Members received a report which provided information on service performance for Sopra Steria against performance indicators and service level targets.

It was noted that the IT incidents completed within Service Level Targets were below target. This was due to an issue during August when the Council had been subject to a number of ransomware attacks. The attacks had been contained, but the rebuild of several computers had meant that resources had to be taken from other calls.

There was a small slip on the collection of NNDR. This was due to additional companies electing to pay over twelve instalments rather than ten and this now equated to approximately £300,000 per month. This was also due to two large companies being in arrears with their rates payment. The target would be adjusted next year to take into account the change to 12 month instalments.

There had been a staff shortage in Sopra Steria which had resulted in the target of attending to visitors in reception within three minutes not being met. This had been addressed and Sopra Steria had paid a financial penalty for missing target.

Members asked whether the issue during October with the loss of emails for some Members was reflected in the figures. They were informed that these figures did not include October data.

Clarification was given that loss of emails for small number of people would not be classed as severity 1 although it was recognised that for the people affected the problem would be severe.

Members asked whether the improvement in figures for benefits claims was due to efficiency or a reduction in the number of claimants. Officers replied that it was probably a mixture of both. However, whilst there were fewer claimants, the amount of work involved in each claim was higher.

Members asked whether the Council had paid in respect of the ransomware. They were advised that the situation had been contained and therefore no

ransom was paid. Further information was provided which clarified that ransomware works by a virus attacking the network and, when the network is under the control of the attacker a ransom is demanded in bitcoins. Once paid, the network is released.

Members were advised that software had been procured which would, over time, build up a "white list" of applications which the system recognised as being safe. This would help to make sure that unsafe applications did not have access to the network. However, attacks on systems would remain an ongoing problem as more sophisticated malevolent software was produced.

Members asked when the Sopra Steria contract was scheduled to run until. They were informed that it was due to finish on 31 December 2022.

RESOLVED

To note the report and the performance of Sopra Steria during the period July to September 2016.

30. PERFORMANCE INDICATORS

Members received a report which provided them with details of the performance indicator data collected for the services within the remit of this Committee.

It was noted that satisfaction survey data supplied by Serco had not been included in the report as the data had not been made available on time. Members commented that they were not happy with this, there was always a concern when data was not presented that there were problems, and they asked for officers to inform Serco of their dis-satisfaction. Officers agreed to do so.

Members commented on the long-term absence data and asked whether it was as it appeared in that three employees had been absent for 210 days between them. There had, in fact, been more employees on long term sickness absence during the period, but only three were still off. Efforts were ongoing with any long-term absence to encourage the earliest return to work possible.

RESOLVED

To note the Performance Indicator report and the performance indicator data for the services within its remit.

31. REVENUE AND CAPITAL BUDGET MONITORING - PERIOD 6

Members received a report which provided details of the revenue and capital monitoring position at 30 September 2016 (Period 6).

Members asked for future reports to include a table showing the variances in section 3 of the report.

The following questions were raised and answered:

- Q How did the items in paragraph 6.3 equate to Appendix B15?
- A *Appendix B15 showed the Corporate Project Budget which was now being used for various projects and therefore was showing as growth items and transfers.*
- Q Why does the debtor system not include housing rents, council tax and business rates?
- A *These other areas have their own debt collection procedures.*
- Q When was the issue of the Gosling pension liability highlighted?
- A *Officers agreed to report back with details of the reporting process for third party liabilities such as this.*
- Q Was the amount shown for Weltach rents and service charges outstanding?
- A *The figure shown was the total for the year for all tenants.*
- Q How much of the Provision for Bad Debt becomes bad debt?
- A *This information will be provided for 14/15 and 15/16.. It should be noted that the level of debt has reduced and therefore the provision has also been reduced. The provision was set in anticipation of Universal Credit having a greater impact.*
- Q Would the Housing Trust accounts be reported to this Committee in the future?
- A *Should there be a decision that the Housing Trust will be taken in-house, then the accounts would be reported to this Committee.*
- Q Could a list be provided of all instances for which the Council is guarantor for any other pension funds? If the liability is not known then the amount will not show in the accounts.
- A *This will be looked into and reported back to Committee.*
- Q Could a thank you be passed on to the relevant officers for the work undertaken which has resulted in a reduction in utilities costs. The gas in particular is especially pleasing.
- A *The Procurement Manager will be advised of the comments of the Committee.*

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- Q What is meant by debt management expenses?
- A *This is the cost of brokers for treasury management and the costs of investment.*
- Q Where is the information regarding the costs for collecting bad debts? Would it be possible to provide information regarding debt collection by the Housing Trust as the current scrutiny review of debt collection/enforcement tied in with this.
- A *This information would be emailed to Members.*
- Q Why was such a large amount rolled forward in the accounts?
- A *This was mainly due to an underspend on the Affordable Housing Project. Spend had now been re-profiled.*
- Q What “other income” is included in the Campus West categories?
- A *The answer to this would be circulated.*
- Q Was there still budget available for any work on the Council Chamber – particularly in respect of any issues with the Audio Visual system?
- A *Snagging is taking place at the moment and there was an intention that all issues would be dealt with.*
- Q Is there anything planned for Stanborough?
- A *Options are being discussed and the Cabinet Panel would be meeting on 27 November to discuss these. Invitations to tender would then be sent out.*
- Q Would the outcome of the High Ropes case and its impact on Finesse have any impact on the Council?
- A *There would be no financial impact on the Council. Finesse would pay its own fine and deal with its insurers on the case.*

RESOLVED

To note the Revenue and Capital monitoring report for both the General Fund and HRA services and the variances highlighted within the report.

32. COMMITTEE OVERVIEW WORK PROGRAMME 2016/17

Members received a pro-forma of the work programme for the Committee for 2016-2017.

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RESOLVED

To note the work programme and that the next meeting would be the budget setting meeting. Also noted that the Housing Revenue budget would be the responsibility of Tim Neill.

Meeting ended at 8.55 pm
SH