

# Confident, Capable Council Scrutiny Panel

## Minutes - 3 February 2016

### Attendance

#### Members of the Confident, Capable Council Scrutiny Panel

Cllr Alan Bolshaw  
Cllr Jasbir Jaspal  
Cllr Jacqueline Sweetman  
Cllr Mary Bateman  
Cllr Caroline Siarkiewicz  
Cllr Andrew Wynne (Vice-Chair)  
Cllr Harbans Bagri  
Cllr Rita Potter (Chair)  
Cllr Wendy Thompson

#### Employees

|                    |                            |
|--------------------|----------------------------|
| Earl Piggott-Smith | Scrutiny Officer           |
| Darren Herries     | Payments Manager – The Hub |
| Tim Johnson        | Strategic Director - Place |
| Adrian McCormick   | Head of Transformation     |
| Lisa Taylor        | Head of Service – The Hub  |
| Mark Taylor        | Director of Finance        |
| Mark Bassett       | Programme Director         |

#### In attendance

Cllr Andrew Johnson                      Cabinet Member for Resources

---

## Part 1 – items open to the press and public

*Item No.*      *Title*

- 1            Apologies**  
Apologies were received from the following members of the panel:  
  
Cllr Payal Bed  
Cllr Milkinderpal Jaspal
- 2            Declarations of interest**  
There were no declarations of interest recorded.
- 3            Minutes of previous meeting (2.12.15)**  
That the minutes of the meeting held on 2.12.15 be approved as a correct record and signed by the Chair.

4 **Matters arising**

Minute 6: Terms of Reference and Nominations for Specific Reserves Working Group

Scrutiny Officer commented that the members of Specific Reserves Working Group met on 14.1.16. The groups considered a report detailing reserves set aside by City of Wolverhampton Council in previous years in order to meet either specific items of expenditure or deal with unexpected budget pressures.

Scrutiny Officer commented that Claire Nye, Chief Accountant, agreed to co-ordinate the preparation of briefings with the information requested by the group. The comments of the group will be included as an appendix to the report that will be presented to Cabinet.

Scrutiny Officer to send the information to panel members when received.

5 **Future Space - developing the right accommodation to deliver the Council's services**

Cllr Andrew Johnson, Cabinet Member for Resources, introduced the report and explained that the Future Space programme is part of wide range of work focused on effectively managing the Council's property portfolio. The policy involves closing buildings no longer required. Cabinet Member for Resources explained the plans for redeveloping the Civic Centre were aimed at carrying out necessary electrical and engineering maintenance work to extend the life of the building. The work is estimated to cost £10 million and is expected to deliver savings of £500,000 and extend the lifespan of the building for a further 25 years.

Cabinet Member for Resources explained that the building work to the Civic Centre also includes maintenance work to the underground car park area. The Civic Centre car park provides the Council with an income of £600,000 annually and it is important to protect the asset. The planned work will deliver better customer service, reduced energy use. The scheme is a major project and will be partly funded by receipts from the sale of buildings no longer used and borrowing of £500,000. Cabinet Member for Resources commented that there was not another alternative option and this work was part of wider efforts to improve the City centre economy.

Mark Bassett, Programme Director, outlined the progress to date and explained that it is a complex programme and involves consultation and discussions with a range of colleagues about the plans for the Civic Centre. Programme Director explained that an important part of the work involves meeting regularly with key people to better understand their current and future business needs, that will deliver a better customer service experience.

Programme Director outlined the range of survey work done to inspect heating and ventilation systems to help inform plans that will give the building a further 25 years of use. Programme Director explained that the plans are designed to minimise disruption to people who work in the building. Programme Manager explained the plans for the redevelopment of the ground floor to improve the resident and visitor experience and how they access Council services.

The work will look in detail at the different needs of services, working styles and their location within the building and technology needs.

Programme Director explained that repair work will need to deal with issues that might arise during the building work programme. Programme Director explained that work will comply with legal and building safety standards.

Tim Johnson, Strategic Director: Place, commented on the learning from doing similar large scale projects elsewhere and also there was in-house expertise to manage the programme. Strategic Director explained that there will be an element of disruption while the work is being done but it will bring a number of benefits to the organisation.

The panel requested details of the performance measures that will be used to monitor progress and also give Councillors an overview of the project. Programme Director explained that the work is monitored regularly; this includes face-to-face meetings with the Heads of Service.

The programme board is presented with regular reports to give an update on the monitoring of costs and issues arising from the programme of planned work. The project links to the Corporate Plan priorities.

Strategic Director commented on the complexity of the building and that plans for the redesign are aimed at making changes that will go beyond improving the first floor but also make more rational use of the space. Cabinet Member for Resources explained that plans will involve looking at the whole customer service and was confident it would deliver the required changes.

Cabinet Member for Resources commented that the capital budget of £19.9 million is a significant amount of money and that there are risks of costs overspends.

Cabinet Member for Resources explained that there will be monthly meetings with the Head of Procurement and Strategic Director. The Cabinet Member for Resources was confident that expenditure will be kept within budget. The Council will also be recruiting contractors with the necessary experience and expertise. The performance of contractors will be monitored on a monthly basis

The panel queried whether the current plans were flexible enough to deal with future technological and other advancements in the next 25 years and the re-modelling work done to take account of these developments. Cabinet Member for Resources commented that if there is a reduced demand for work space in the future then the Council will look at the idea of renting the space or accommodation to a partner organisation.

Strategic Director explained that at the end of the project the Council will have a more flexible building that can be used in different ways and also respond to demand from businesses wanting quality building space in the city centre.

The panel queried if the Council strategic risk register could be shared with the panel. Cabinet Member for Resources confirmed that he would be happy to share the information with the panel.

The panel discussed the management of different risks. Cabinet Member for Resources explained that there is a built-in contingency fund to cover unforeseen risks.

The panel queried the current state of the building and the results of any recent inspection work. Programme Director explained that the building has been inspected and it is generally in a good state of repair. However, the underground car park is in need of repair as the concrete has been affected by the environmental conditions and water damage over the years, which will need to be made good. The repair work related to the civic centre is related to general maintenance and electrical issues.

Mark Taylor, Director of Finance, explained that the inflation will be built into the lifetime of the contract. Director of Finance explained the need to actively manage risks and test that the programme is delivering value for money.

The panel queried the responses received to the public consultation about the plans. Cabinet Member for Resources commented that customers will see a clean and efficient building that can deal with their queries quickly and also provide the environment that can help people to deliver the service. The starting point for the project is considering the needs of the customer.

Cabinet Member for Resources explained that discussions are on-going about creating project spaces and also looking at the meeting requirements to avoid people meeting outside the Civic Centre. Cabinet Member for Resources commented that the changes are aimed creating a space that can showcase the City and provide a flexible workspace.

The panel queried how residents would view the decision to spend £10 -£20 million at this time and if the money would only be spent on what was considered to be essential repair work. Cabinet Member for Resources commented that £10 million would cover the cost of fixing the necessary electrical work and building maintenance. However, this would not create the required flexible space and now was a good opportunity to invest in the building. Cabinet Member for Resources explained that the money would not be used to refurbish the third floor of the Civic Centre, but to create a building that was fit for purpose. Cabinet Member for Resources explained that the money would not be spent on vanity projects only those areas needed to bring the building up to a decent standard.

The panel commented that would like reassurance that the money would be spent on what was needed. Cabinet Member for Resources explained that the budget would be spent on putting things right in the building and getting the customer service areas on the first floor right. Cabinet Member for Resources commented that the ground floor space would be used to accommodate the new Multi Agency Strategic Hub (MASH) team.

The panel welcomed the report.

Resolved:

The panel agreed to receive a copy of the Strategic Risk Register.

The panel agreed to receive further progress report on the FutureSpace Programme at a future meeting.

6 **Future Money : Agresso payment performance**

Lisa Taylor, Head of Service – The Hub, explained that this report is a follow up to a briefing paper on the payment performance within the Agresso finance system since being introduced. Head of Service explained that background to the changes.

Darren Herries, Payments Manager – The Hub, gave a brief overview of the legacy mainframe system that was used to manage payments to individuals and suppliers. Payment Manager detailed the range of difficulties with the using this system, for example, delays in the payment of invoices to suppliers.

Payments Manager commented on the benefits to the Council following the implementation of Agresso system. Payments Manager commented that the current payment system was considered to be good and continuing to improve. Payments Manager explained that the service has been promoted to small firms who have been encouraged to change to an electronic payment system rather than cheques, which take longer to process. The Agresso links the receipt to the invoice order which makes it possible to process payments much quicker.

Payments Manager commented on the progress made since Agresso was introduced. Payments Manager explained 81 per cent of invoices are paid within 30 days. Furthermore, that during 2014/15 the Agresso system paid 150,000 invoices across 85,000 payment transaction, with a value of £360 million.

Payments Manager commented that the service recently received an Excellence in Finance category award. The award was made in recognition of the quantifiable savings and process improvements and in delivering value to the Council as a whole. Payments Manager explained that the service is currently taking stock about what has been learnt following the introduction of Agresso. Payments Manager outlined other changes that have been introduced to the system and future plans for improving the service.

Head of Service – The Hub explained the work being done with suppliers about further changes that would deliver a better service. Payments Manager explained that the service is offering an advice workshop to local businesses on Agresso to explain the benefits of moving to an electronic payment system.

The panel queried the reference in the report that 20 per cent of commercial suppliers do not have a valid email address and what was being done to reduce this figure further. Payments Manager commented on the benefits to businesses having an email contact such as a prompt payment. In addition, the change will reduce the costs to the Council in processing invoices and issuing cheques. The production of a cheque costs the Council £20. The panel discussed options for encouraging businesses to make the change.

Payments Manager explained that based on contract principles the Council must pay an invoice within 30 days of receipt.

A supplier cannot be forced to change the invoice method and it will be long term challenge to make progress in this area. Payments Manager commented on the cash flow problems caused to small businesses due to the delay in receiving payment.

Head of Service – The Hub commented that supplier engagement was critical and the importance of two-way communication with businesses.

The panel queried the current Council performance on recovering payment owed by debtors for domiciliary services. The panel requested that a report be presented to the panel at a future meeting. The panel requested that a report include details on the impact on the number of debtors owing money to the Council since the introduction the Agresso system.

The panel discussed the payment of invoices to school suppliers. Payments Manager explained that the Council has no control over how long invoices are held by the school suppliers and will process payments as quickly as possible.

The panel discussed the current policy about the use of purchase cards and restrictions on their use. Payments Manager that there is a restricted limit and category in the new system and there is work being done to reduce the numbers and amount spent on cards. Payments Manager explained the circumstances where a payment card would be used and also payments are analysed by procurement. Payment Manager explained that Sandwell MBC are interested in introducing a similar system to reduce the number of purchase cards.

The panel queried the effectiveness of internet security and the Council's firewall. Payments Manager explained the measures in place to protect the Agresso system from security threats.

The panel welcomed the report and the progress made.

Resolved:

The panel to receive a report on debt recovery at a future meeting.

The meeting ended at 19:32