

RESOURCES & PERFORMANCE SELECT COMMITTEE
NOTES OF PERFORMANCE MONITORING SESSION
 28 September 2023 at 9:30am (Remote Meeting)

Attendees: Will Forster
 Tim Hall
 Edward Hawkins
 Bob Hughes (Chairman)
 Steven McCormick (Vice-Chairman)
 John O'Reilly
 Lesley Steeds (Vice-Chairman)
 Hazel Watson
 David Lewis

Officers: Julie Armstrong, Scrutiny Officer
 Anna D'Alessandro, Director for Corporate Finance & Commercial
 Paul Evans, Director for Law & Governance
 Ricky Fuller, Head of Business Services
 David John, Audit Manager
 Louise Lawson, Strategic Finance Business Partner
 Abigail Linyard-Tough, Strategic Lead – Resident Insight
 Emma McGowan, Director for Design & Transformation
 David Oates, Head of Performance & Data Management
 Nicola O'Connor, Strategic Finance Business Partner
 Emma Pope, Financing & Purchasing Operations Manager
 Bella Smith, Head of Insights, Systems & Governance
 Shella Smith, Director for People and Change
 Adrian Stockbridge, Head of Transformation & Programme Manager
 Richard Supple, Performance Insight Analyst

Apologies None received

The following key points were raised during the discussion:

Residents

1. Members noted the percentage of residents survey respondents who were satisfied that the Council is open and honest had fallen to 42% and asked what were the specific areas of concern. The Strategic Lead – Resident Insight said it was a purely quantitative indicator for trust and as such respondents were not asked for reasons, but it was known from services that road and pavement maintenance were key areas of dissatisfaction. It is a randomised telephone survey of 1,100 residents each quarter, sampled to have a balance of age and gender and across boroughs and districts. A year's worth of data is awaited to have a better understanding of what targets should be.

Action: Strategic Lead – Resident Insight to provide definitions for indicators PSR14, PSR15 and PSR16.

People and Change

2. A Member asked if the increase in proportion of off payroll staffing spend meant that agency staff had increased. The Head of Insights, Systems & Governance said numbers of agency workers was stable but explained the spike was the cumulative impact of a delay from system to system in posting accounts as they moved into this financial year. This happened each year, causing a spike in July/August which then plateaued out.
3. The Chairman was pleased to note voluntary turnover had decreased to 13.3 per cent in May, from 14.8 per cent in January.
4. The Chairman commented that the disabled staff target seemed low and asked how it had been determined. This was based principally on the Surrey 2021 Census of working age adults but also took into account the London and South East demographic. The 4.5% target (for those who indicated they are limited in day-to-day activities) was being raised incrementally each year up to a long-term target of 6%.

Service performance (Audit)

5. A Member asked what actions were outstanding in responding to audit findings. The Audit Manager said they were now 100% implemented. The one outstanding high priority action had been to put in place procedures to update the system with Children's Services Panels outcomes on finance or care. Although the agreed implementation date was in fact met, they had been unable to obtain evidence to demonstrate this until after the end of the quarter.

Financial Services

6. A Member queried the percentage of Council's payments to its suppliers within 30 days decreasing to 89 per cent. Thirty per cent of late payments were made within 40 days. The Financing & Purchasing Operations Manager informed that delays had been in the service areas of Property and Adults, which each have their own interface, and Proactis (which replaced Taulia) - the solution delivered by MySurrey used by suppliers for electronic invoicing. Proactis has had a number of technical issues meaning suppliers were not able to use it, resulting in a decrease in the number of invoices being raised via e-invoicing since the go-live of MySurrey, and some invoices having to be manually processed. A plan was currently with SCC's implementation partner Vision 30. Once resolved, a communications plan would be rolled out to let suppliers know the benefits of its functionality. In Property, payments made quickly were showing as being made late because suppliers submitted invoices late due to resourcing issues and the interface, Planon, did not take this into account. The Director for Corporate Finance & Commercial added that from November the Council would be sending one timely invoice to Mace who would then deal with sub-contractors, reducing delays.

Action: Director for Corporate Finance & Commercial to provide (a) the raw number of organisations who have not been paid by SCC within 30 days and (b) information on the improvement plan for Proactis and the date technical issues are expected to be resolved.

7. Members raised concerns about the cashflow impact of payment delays on suppliers during a cost of living crisis. The Chairman said last year a charity risked not being able to pay its staff's salaries when it was owed £500,000. The Strategic Finance Business Partner acknowledged that purchase orders should be raised in a timely manner and it was not good practice to wait until the invoice was received. The Audit Manager assured Members that Internal Audit would in Q3/4 be looking at the fitness for purpose and controls of MySurrey key financial systems.
8. The Financing & Purchasing Operations Manager said the general debt over six months had largely been cleared, with just under £1m owed from Surrey Heartlands still outstanding.

Land and Property

9. The Strategic Finance Business Partner informed that, since the £3.2m capital receipts in June, progress towards achieving £46m by 2025 had improved significantly and the Council was on track for the year.

Action: Head of Performance & Data Management to provide the latest available figure for indicator LP01.

Enterprise Resource Planning system

10. Transition to Business As Usual is planned for December 2023. A Member who enquired about the amber rating of the final implementation phase was told prudence dictated it needed to be amber.

Transformation

11. A list of programmes with delayed milestones had been shared with the Select Committee. The Head of Transformation & Programme Manager said slippage from Q1 to Q2 did not have any material impact and the programmes would still deliver the expected benefits.

Action: Head of Transformation & Programme Manager to confirm whether programme milestones due to have been reached in Q1, but delayed, were all reached in Q2 2023/24 as was hoped.

Budget monitoring 2023/24

12. Members were told £12.2m of the projected £21.3m total year's overspend for all directorates was for children's social care placements; this was less about demand and more about the national insufficiency, and therefore high cost, of placements.

Action: Head of Performance & Data Management to add measure descriptions in an appendix of all future Performance Monitoring reports.

Date of next meeting:

11 December 2023 at 1:15 pm.