RESOURCES & PERFORMANCE SELECT COMMITTEE

NOTES OF PERFORMANCE MONITORING SESSION

18 March 2024 at 2pm (Remote Meeting)

Attendees: Edward Hawkins
Bob Hughes (Chairman)
Steven McCormick (Vice-Chairman)
Nick Darby
Lance Spencer
David Lewis (Cabinet Member for Finance and Resources)

Officers: Julie Armstrong, Scrutiny Officer
Hannah Clark, Democratic Services Assistant
Sarah J Smith, Political Assistant
Anna D'Alessandro, Director for Finance Corporate & Commercial (Interim s151)
Louise Lawson, Strategic Finance Business Partner
David Oates, Head of Performance & Data Management
Richard Supple, Performance Insight Analyst
Bella Smith, Head of Insights, Systems & Governance
Lee Thomas, Senior Project Manager (DB&I)
Adrian Stockbridge, Head of Transformation & Programme Manager
Graham Glenn, Assistant Director for Workplace & Facilities
Grisilda Ponniah, Corporate Information Governance Manager
Paul Evans, Director of Law & Governance

Apologies: Hazel Watson
Tim Hall
Becky Rush
Robert King
John O'Reilly
Lesley Steeds (Vice-Chairman)

Key Points raised during the discussion:

People and Change

1. The Chairman asked for comments on the off payroll workers as a % of workforce, indicator. The Head of Insights, Systems and Governance explained that it was currently static, and there was not a lot of fluctuation during this time of year. Tends to go down at the beginning of the financial year. It was monitored every month.

2. The Director of Finance Corporate & Commercial (Interim s151) added that as part of the monthly finance report to the Corporate Leadership Team, the off-

payroll workers as a % of workforce indicator would be introduced as a metric again, to ensure the Council was on top of it.

3. The Chairman asked if Voluntary turnover (%) indicator's downward trajectory was going to continue a good trend. The Head of Insights, Systems and Governance explained that minor fluctuations were seen on the Key Performance Indicator (KPI) across the People and Change directorate. It was monitored for each directorate monthly and specifically for Adults, Wellbeing and Health Partnerships and Childrens, Families and Lifelong Learning in the qualified social worker arena. The trends were generally all on the downward trajectory.

4. The Chairman noted that percentage of the workforce who were aged under 30 years old indicator was not in the Council's control. The Head of Insights, Systems & Governance agreed and highlighted that one of the areas that People and Change was monitoring closely was the apprenticeship arena. It was suggested to be a good idea to bring an apprenticeship report to the Resource and Performance Select Committee, because a lot of work had been done on this area. The Chairman noted it would be good to know how much the Council used of the apprenticeship levy and how much had to return to the government each year, as it had been substantial in the past.

5. A Chairman asked how the Sickness absence rate (Full-Time Equivalent (FTE) days per employee) indicator compared to the private sector. The Head of Insights, Systems & Governance said the Council was marginally higher than the private sector, an average of 5.7 days per FTE lost across the board. Would need to confirm the average days per FTE by the private sector.

Action I: PC15- Head of Insights, Systems & Governance to provide figure for how the sickness absence rate compared to the private sector (the average days per fte by private sector)

Finance

6. Regarding the indicator on the variance to budget target within +/-2.5%, the Chairman raised it got more difficult as the year came to an end. The Director of Finance Corporate & Commercial (Interim s151) noted it was monitored monthly. Some things did not materialise until the year-end.

Land and Property

7. Regarding, Estates: To achieve £46 million (m) of Capital Receipts by 2025 indicator, the Assistant Director for Workplace & Facilities noted that the figures presented in the report were slightly outdated. To date, the overall target for £46m by 2025, based on the 2023/24 and 2024/25 financial year, and what had been contracted for the next two years, had exceeded the £4.24m figure. Land and Property was currently at just over £16m and anticipated another £2.5m this year. A big challenge was around the

Coxbridge Farm disposal, which was completed in February and was raising just over £30m.

8. A Member raised a potential regular report on acquisition disposals that could go to the Resources and Performance Select Committee. The Assistant Director for Workplace & Facilities would look into this.

Action II: LP08- Head of Acquisitions & Disposals to share the historic and current schedule of what is being done on capital receipts (potentially a 6-monthly report on acquisition disposals).

Legal and Democratic

9. The Chairman asked why increases in the Number of personal data breaches across Directorates seemed to be seasonal. The Corporate Information Governance Manager explained that it was believed to be related to approaching the end of the financial year, with the accompanying deadlines. Breaches tend to go up around Easter, Summertime, and the Christmas period because there was a higher pressure on people to get work completed before holidays. 96% of the 77 data breaches was related to people sending things to the wrong recipient due to work pressure.

10. A Member asked how many of the January 2024 data breaches (61) were related to Unit 4/MySurrey. The Corporate Information Governance Manager said 4 breaches were related to Unit 4/MySurrey. The Member asked what type of the breaches they were. The Corporate Information Governance Manager explained it was mostly related to glitches in the system and individuals having more access in the system than appropriate. The Senior Project Manager (DB&I) added there were issues around access in schools, where people could see different information. When these issues were received, it was reviewed to see how the access could be restructured.

11. Regarding delays, the Chairman asked what the targets were for processing work in the legal department. The Director of Law & Governance explained that there were pressures the areas of property, procurement and highways and planning matters. There was a mixed provision for these areas with some internal capacity, but a lot of work was externalised because of the increase in the Council’s demand. There was an amount of work that waited until internal capacity was available, as the funding was not available to prioritise it straight away.

12. A Member raised that the Council could be doing more with legal service’s fee income and charging. The Director of Law and Governance said the legal department gets around £450,000 per year in income from a variety of fees and charges. An issue was recruiting experienced planning, procurement, and property lawyers.

Action III: LD08.1- The Corporate Information Governance Manager to provide additional detail around what the data breaches, related to Unit 4, were.

Resources- Project Indicators

13. The Chairman requested some background information on the progress made to ongoing problems with maintained schools. The Senior Project Manager (DB&I) explained that school clinics had been enforced. Work was being done with schools on access, processing, and knowledge issues. There was a dedicated school engagement team, to solve any challenges schools had. A lot of the challenges had been knowledge-based, so work was being done with schools to ensure the data entry processes were correct.

14. The Senior Project Manager noted that the *delivery of system upgrade from* v7.10 to v7.12 (includes Payroll patch) indicator was rated amber as it was still being tested. The Transition to Business-As-Usual (BAU) indicator was rated amber because the delivery date was for the end of May 2024.

15. A Member asked if the Change and Optimisation Function (Client Engagement & Development Function (CEDF)) indicator was complete. The Senior Project Manager (DB&I) explained that the CEDF roles had been recruited and the team was in place. The evaluation for the Managed Services Provider of Technical Delivery indicator, to put in place a Managed Service solution, was complete and was moving into the next phase, which was on track.

Transformation

16. The Head of Transformation & Programme Manager explained that as of January 2024, £0.6m of efficiencies were expected to be underachieved this year, but the remaining, just under £3m, were anticipated to be achieved. The Project Indigo efficiencies, which was the transformation of the facilities management service, were forecasted to be achieved this year. The latest position was £3.3m of efficiencies expected to be achieved.

Finance Update

17. The Strategic Finance Business Partner explained the month 9 forecast position was a £3.3m overspend, after using the £20m contingency. This was a deterioration of £1.1m from month 8. There was a £6.5m reduction in performance in the Childrens, Families and Lifelong Learning (CFLL) Directorate, relating to home to school travel assistance (H2STA) and some unachievable efficiencies. There was also a £1m reduction in performance in the Adults, Wellbeing and Health Partnerships Directorate, relating to packages. There was a reduction in central income and expenditure of £5.2m, largely relating to business rates, but also reductions in the forecasted redundancy spend and use of the empty property subsidy.

18. A Member asked if there was a plan for the Council to address the H2STA pressures. The Director of Finance Corporate & Commercial (Interim s151) explained the Council was aware of the issue and was having conversation to understand what the financial recovery plan was for H2STA.

19. The Director of Finance Corporate & Commercial (Interim s151) clarified for a Member that 100% of efficiencies are never achieved, and this was not unusual.

Action IV: Finance- to provide details on efficiencies that were not achieved and reasons from services as to why they were not and a comparative between last year's unachieved efficiencies to this year's unachieved efficiencies.

20. The Chairman asked what the £4.3m unachievable efficiencies in the CFLL Directorate was. The Strategic Finance Business Partner explained that a large proportion of it was the social care packages and trying to contain the demand increases.

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