

AUDIT AND PERFORMANCE REVIEW PANEL

TUESDAY, 17 NOVEMBER 2015

PRESENT: Councillors Paul Brimacombe (Chairman), Stuart Carroll, Lynne Jones, Jack Rankin, Adam Smith (Vice-Chairman) and Edward Wilson

OFFICERS: Duncan Laird (KPMG), Rocco Labellarte, Richard Bunn, Andrew Brooker, Simon Fletcher, Mark Lampard and David Cook.

APOLOGIES

Apologies for absence were received by Councillors Lilly Evans and Lisa Targowska.

DECLARATIONS OF INTEREST

There were no declarations of interest received.

MINUTES

The Part I minutes of the meeting held on 8 September 2015 were approved as a true and correct record subject to the following amendments:

- 17/15 Statement of Account 2014-15 Following Audit. Add to the recommendation that the Finance Department be commended for their work.
- Add Cllr Rankin as in attendance.
- Change Cllr 'Carrol' to Cllr Carroll.

The Chairman requested that the requests / updates made at the meeting be circulated to Members.

ANNUAL AUDIT LETTER 2014/15

Duncan Laird introduced the Annual Audit Letter 2014/15 that summarised the key findings of KPMG's audit of RBWM's financial statement and VFM conclusion. The report brought together identified risk elements, summarised the outputs from their financial audits of the borough including those of the Pension Fund and it was the last document brought to the Panel before they closed the 2015/15 audit. They had now seen the Pension funds Annual Report and were in the process of drafting a response to a public objection to the accounts.

The Chairman asked for clarification if the inquiry to the accounts from a resident had turned into an objection and was informed that the resident had confirmed that they wanted their inquiry to become an objection and this related to process and thus did not change the over all conclusion.

Cllr Carroll questioned the benchmark for the audit fee and was informed that the audit fee was set by the public sector audit body (previously the Audit Commission) and would benchmark against similar sized organisations. The Chairman informed that over the last couple of years there had been a reduction in fees because of this benchmarking.

Cllr Rankin pointed out that the report showed that the authority was maintaining an efficient use of resources whilst maintaining service delivery to residents.

UPDATE ON THE ICT STRATEGY 2010-15

The Chairman informed that he had asked for this to come to Panel as there had been a long journey since the ICT Strategy had been adopted, we had new Members and we did not have in any one place the journey the authority had undertaken; it was often forgotten where we started from to where we are today.

There had been a lot of successes behind us and it was a good time to review the journey. RBWM started with a strategy document in 2010; that was not very good and thus was updated in 2012. Rocco Labellarte joined the authority and took on this challenge.

Rocco Labellarte informed that the report before the Panel gave an indication of the journey they had been on with regards to implementing the ICT strategy and its subsequent updates. There had been a lack of investment in ICT so the strategy was starting from a low base, however in 2012 there was a shift from traditional working methods towards investment into 'the cloud' and the smarter working project. The report showed 17 key achievements and if you looked back to 2012 this showed the challenges faced by the authority; it was a useful reflection of what we didn't have at that time.

Today we have a new website, joined up procurement and asset management, remote working was now embedded as was the use of Wi-Fi and mobile technology. We now have a reasonable decent infrastructure with better enablement of technology. A better resilient and defended environment had been introduced with frequent security checks showing year on year improvements. The authority was now about two thirds along the journey. We have moved from a capital intensive strategy to a hosted basis and the vast majority of business applications were now up to date.

Moving forward the authority was working towards a digital 24/7 council with the new website being refined. The introduction of a 'residents account' would form the foundation of bringing together services for residents and businesses as part of the digital transformation of our offer.

Cllr Jones asked if wireless networking was going to be introduced to York House, Windsor, and was informed that yes York House would be wireless enabled. With regards to a question about how the 'Paris' system was utilised differently by Adult Services and Children's service the panel were informed that Paris was one of the case management systems that the authority used that needed rationalisation. There was a general consensus that we need to move away from Paris to another solution, it was a complex move that would take at least two to three years to achieve the business and efficiency needs.

Cllr Rankin questioned the current position of the CRM replacement system and was informed that the aim was to have a single contact point for the resident that then went through the system to follow the journey of the contact. There had been one procurement process that hadn't delivered a workable solution so they were investigating a digital system; the current system was hindered by the need for 3rd party development driving up the price.

The Chairman informed that the original project had been halted because it was not the right solution at the right cost. The aim was to have residents telling us once and nether again, we should have one view across the council in real time and it should aid work flow distributing information to the right points. We were looking for better working methods.

The Chairman asked for an update on the town centre Wi-Fi project. The Panel were informed that this was not in the original strategy but as the opportunity arose to give residents free Wi-Fi in town centres; especially Windsor that had high footfall, the project was added to the work flow. The authority went to market and had 20 expressions of interests, however when they found out they had to do it for free this reduced to one expression of interest. The contract was agreed and awarded however in the end it was not fulfilled as the company wrongly thought they would also be including Ascot Racecourse and without this the finances did not add up. Other options were currently being explored at zero cost or adding onto another project at low cost.

Cllr Wilson asked if the community wardens were to be provided with tablets to aid them in their work and was informed that this went back to the earlier CRM discussion in enabling a single point of contact for residents. ICT were working with their internal customer to see what their requirements were and how best to meet them.

Cllr Wilson also questioned the safety of our residents' data and asked for reassurance. The panel were informed that every year the council was compliance tested and that the standards were becoming every increasingly more robust; the goal posts were constantly moving and because of this compliance was increasingly becoming more difficult to achieve. The Panel were informed that just over two years ago the Council's penetration test allowed access to our core data within about 11 seconds; corrective measures had improved this to over 4 hours. The Council's firewalls had also just been updated and all mobile devices were encrypted.

Cllr Smith questioned the very specific savings targets in the strategy and how on the revenue side this was £900k. The Panel were informed that all targets had not been met but they had reduce capital spend by £500k per year and with regards to revenue they were due to go to the Employment Panel to propose £259k of savings. There were also additional proposals as part of the Council's restructure. These would relate to £500k savings from staff costs. The delay into moving to the cloud had also delayed saving proposals.

Cllr Smith also mentioned that due to the work undertaken it was time to refresh the ICT Strategy and the Chairman agreed that the journey had been moved on since Rocco had been recruited and that it was time to see the strategy being updated.

The Chairman mentioned it was important to note that security was now cabinet compliant and that the vision of projects had vastly improved with visibility of all projects now available. The decluttering of project management and enabling of technology was part of the new journey. It was also recommended that a post implementation review of the ICT strategy be undertaken to show what we had achieved and if we did not achieve why not. It was agreed to circulate the summary document to all members.

RESOLVED UNANIMOUSLY: That the Panel note the update.

COUNCIL RESERVES

Richard Bunn presented the paper that analysed the use of 'Usable' and 'Unusable' reserves held by the authority. The Panel were informed that there were 6 main usable categories:

- The General Fund, which was the main revenue from which the costs of service is met.
- Capital Reserves used for funding capital expenditure on short life assets.
- Insurance Reserves an internal insurance provision to cover the policy excesses met by the Council under its insurance arrangements for claims for damage to its own assets and its financial exposure to legal liability claims from third parties and employees.
- Corporate Development Fund that is utilised to pump-prime savings generating initiatives and general infrastructure support around the Borough.
- Capital Grants Unapplied. This reserve holds capital grants when all conditions of the grant have been met. The grant is recognised in the Comprehensive Income & Expenditure Statement and reversed out to the reserve via the Movement in Reserves
- School Revenue Balances & DSG Reserve. Schools receive delegated funding (known as the Individual Schools Budget (ISB)) each year to support expenditure on pupils.

Cllr Rankin questioned if the £3 million target under the Legacy Bridge Fund was achievable and if not should the £25k reserve be allocated elsewhere. The Chairman asked if the £25k could be used by the legacy group to help fund initiatives to raise the £3 million. The Panel were informed that it was part of the Participatory Budget but the campaign group had not raised the funding.

Cllr Jones questioned why the Capital Reserves allocation had decreased this year and was informed that funding to capital projects had not decreased it was a change in the way they were funded. MRP had been used to help fund capital projects and thus reduce the need for loan repayments; this was being reduced as there was increased income from capital gains due to planned redevelopment projects.

It was also noted that the Thames Path Missing Link Fund still had expenditure outstanding and that each line of the document were separate accounts.

RESOLVED UNANIMOUSLY: That the Panel note the update.

INCOME GENERATED BY FINES

Mark Lampard circulated five years of data for the income generated by fines for:

- Litter
- Parking (off street)
- Parking (on street)
- School non-attendance
- Library Fines

In 2010/11 the total amount of fines collected was £1,467,580 and the projected figure for 2016/16 was £832,361; officers felt that this reduction was down to better compliance.

Cllr E Wilson raised concern that residents often felt that there was a lack of enforcement and used the example of volunteers collecting rubbish in their local area often collect sacks of rubbish with no sign of enforcement. Cllr E Wilson went on to ask if in this area resources had been decreased by 50% or if resilience had increased by 50%. The Panel were informed that resources had not been reduced but there were only 18 wardens who have the power to issue fines regarding litter, officers were reviewing alternative ways of empowering other officers to be able to issue fines.

It was noted that the level of fines issued for dog fouling was significantly less than for litter as the public were more compliant when they see wardens in the vicinity. The Panel requested that if it was possible to see the fines issued at a ward level and it was suggested that heat mapping could be used to identify problematic areas.

The Chairman mentioned that he had raised concern about the temporary suspension of parking bays and the level of fines that were generated as it was not clear that parking had been suspended. He recommended that if a bay / bays needed to be suspended then this should be for a limited period of time whilst work was being undertaken and that the organisation requesting the suspension should corner off the bays so there was no confusion.

RESOLVED UNANIMOUSLY: That the Panel note the update.

HIGHWAYS STRUCTURAL MAINTENANCE

Simon Fletcher informed that a report was due to go to the Highways, Transport & Environment Overview & Scrutiny Panel so it had not been presented to this panel. The Chairman said that this Panel wished to examine the effective use of resources in this area and asked Cllr Wilson to email his questions to officers with a report being scheduled for a future meeting in the New Year.

OPERATIONS DIRECTORATE PLAN

Simon Fletcher presented the Operations Directorate Business Plan 2015/16 – 2018/19. The Panel were informed that the directorate plan set out the key outputs for the directorate and was supported by services plans detailing how these key outputs would be achieved. It was proposed that the Audit and Performance Review Panel review the directorate plan on a regular basis to review progress against their objectives. Simon Fletcher went through the different sections of the plan and informed that it would be published on the RBWM website.

The chairman informed the Panel that he had asked for the plan to be monitored to assess performance and that it was good to see that the document contained mainly data rather than unnecessary words. It was recommended that the name be changed to 'service objectives' rather than business plan.

In response to questions the Panel were informed that targets would have baseline data added to them where possible, that certain targets would be retained (even though they had consistent high performance) so they could be monitored as we shift to more self service and that the directorate had been reduced from 8 heads of service to 7.

It was noted that they could not target increased Penalty Charge Notices' however as it was costing more to issue tickets than collected they were aiming to reach a break even point. With regards to landfill a reduced target remained as only about 90% of waste could be recycled.

RESOLVED UNANIMOUSLY: That the Panel note the plan and add a review to their work programme.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on following items on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act.

The meeting, which began at 7.00 pm, finished at 8.45 pm

CHAIRMAN.....

DATE.....