

## LOCAL JOINT CONSULTATIVE COMMITTEE

Minutes of the meeting held at 6.30 pm on 9 June 2016

### Present:

#### Employer's Side

Councillor Russell Mellor (Chairman)  
Councillor Kate Lymer  
Councillor Tom Philpott  
Councillor Colin Smith  
Councillor Diane Smith  
Councillor Michael Turner  
Councillor Angela Wilkins

#### Staff Side and Departmental Representatives

Kathy Smith (Unite) (Vice-Chairman)  
Helen Akpogheneta, Chief Executives (HR)  
Duncan Bridgewater, Chief Executives  
Jill Crawley, Unite  
Jackie Goad, Chief Executives  
Stuart Henderson, Chief Executive (Registrars)  
Sandra Jones, Education, Care and Health Services  
Gill Slater, Unite Representative  
Kirsty Wilkinson, Education, Care and Health Services (SEN & Disability Service)

### **28 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies were received from Cllr Tim Stevens.

Cllrs Simon Fawthrop, Kate Lymer and Michael Turner collaboratively apologised for having to leave by 7.00pm to attend the Plans Sub Committee No 4.

Apologies were also received from Amanda Henry, and Jan McWhinnie.

### **29 DECLARATIONS OF INTEREST**

There were no new declarations of interest.

### **30 MINUTES OF THE PREVIOUS MEETING OF THE LOCAL JOINT CONSULTATIVE COMMITTEE HELD ON 25th FEBRUARY 2016**

The Vice-Chairman and one Member raised concerns that the minutes of the LJCC meeting for 25th February 2016 did not properly reflect the tone and nature of the meeting regarding the Library Service.

There were no concerns raised regarding the factual accuracy of the minutes for 25th February 2016, and so they were agreed as a correct record.

### 31 NEW IT CONTRACT WITH BT

The Staff Side asked the following question:

*“Unite have noted that all of the reports concerning the IT contract that have gone to various committees, have been part 2 reports.*

*The written response provided and the response to the 23rd March Executive do not suggest that these wider costs, borne partly by staff, have been reported and therefore factored into decisions.*

*Were the wider costs to the Council reflected in these reports?”*

The Employer’s Side answered by stating that the report to the Executive and Resources PDS Committee meeting on 12th March 2015 was a public report, and contained a detailed review of contractor performance. Other reports dealing with contracting options were quite properly part 2 reports.

Under the CAPITA contact, there was a requirement to have a minimum system availability of 99%. The contractor met this performance standard throughout the contract period, and in the last 5 quarters of the contract, commencing at Year 4 Quarter 4 and running through to contract end at Year 5 Quarter 4, the system availability was 99.62%, 99.6%, 99.47%; 99.5% and 99.47%.

The Employer’s Side highlighted that it was important to be aware that the contractor had responsibility for core systems, e.g. Outlook and Lync, but was not responsible for directly supporting “line of business” applications. The ICT contractor’s responsibility was to ensure the operating platform was kept up to date. This would be achieved by proper maintenance, security updates/ back-ups, and engaging with the Application Vendor if there were issues.

The Employer’s Side referenced the previous response:

*“It must be remembered that IT issues can arise from a variety of sources including but not limited to user error , hardware failures, data corruption, issues with third party suppliers and software and external events, as well as issues arising from contractor performance . Whilst there is increasing dependency on IT, not all tasks undertaken are dependent on IT.”*

It was acknowledged that system availability dipped below 99.6% for the final 3 quarters of the contract. However the contractor did meet the KPI requirements; system availability was in line with the previous contract, and for the reason set out, it was neither possible nor appropriate to undertake the suggested calculation.

Gill Slater responded by presenting an overview of the various costs and savings of the previous and current IT contracts. She expressed the view that

the data presented did not allow for the wider costs that may have been experienced due to systems failure, and that all costs should be fairly reported. The Staff Side contended that the Liberata contract demonstrated significant failings of a contracted out service. The Staff Side expressed the view that if wider costs were not reported, then that was a significant worry; they felt that all contracts should be open and vigorously assessed.

Lesley Moore (Director of Commissioning) responded by stating that all the elements of costs and savings with and without the partnership with Lewisham (for the previous IT contract with Capita), had been clearly outlined. It was the case that all the elements of the contract had been transparent. She explained that the new contractual arrangement with BT was better for the Council. Officers had investigated in depth, the possibilities and frameworks that could be developed for a new IT contract. They came to the conclusion that the best option was a new IT contract with BT, and it was estimated that the new contract would provide additional savings of 11% against the Capita contract after Lewisham had dropped out of the partnership.

The Director stated that all of this information was clear, and that there was no ambiguity—the right information had been given. She stated that the retendering of the IT contract was the correct course of action, as it had resulted in greater efficiencies, reliability and cost savings.

Councillor Colin Smith stated that in his view, the IT systems that he used were working very effectively, and he was pleased with the new BT IT contract. He stated that if it was the case that systems failures were preventing staff from doing their work, then that would be unacceptable. If such cases existed, then they should be highlighted so that action could be taken to find a resolution.

Councillor Angela Wilkins stated that she was a member of the Contracts Sub Committee and that it was indeed the case that there were costs to the Council due to systems failure of the Capita contract. She suggested that the Staff Side be offered the opportunity at the meeting to highlight any problems that they had experienced with systems failure. The Chairman responded that this suggestion was not timely or appropriate, and that Members had previously asked the Staff Side to evidence failings to Council management.

Gill Slater clarified that the Staff Side were not stating that there was anything wrong with the current BT contract. Their aim was to point out that the Capita contract was a failure, but was nevertheless reported in glowing terms by Capita as they were allowed to self-report.

Cllr Colin Smith stated that any systems failures and the impact on services should be reported to Duncan Bridgewater given his strategic lead role for

customer service, and that contractors could be penalised for system failures if appropriate within the contract.

**32 LESSONS LEARNT FROM PREVIOUS CONTRACTS  
INFORMING THE TOTAL FACILITIES MANAGEMENT  
COMMISSIONING PROJECT**

The Staff Side asked the following question:

Lessons are learnt from all contracts. At the 23<sup>rd</sup> March Executive, Members asked for a report back on the Total Facilities Management Commissioning project, once due diligence was underway, before a decision could be taken--particularly if it was felt that staff needed reassurance. The Commissioning Team agreed that discussions between the contractor and staff should be taking place. Are Members aware how the lessons learnt from the TLG contract are being used to inform the TFM proposals?

Lesley Moore (Director of Commissioning) attended to answer the question.

The Vice Chairman (Kathy Smith) proposed that this item be deferred. Instead, a paper would be prepared by Kathy Smith for the next meeting, focusing on what the Staff Side perceived as deficiencies in the Landscape Group contract. This proposal was agreed by the Committee.

**RECOMMENDED that the Staff Side present a paper to the Committee, outlining their concerns concerning the contract that was outsourced to the Landscape Group. The paper should be available two weeks before the next meeting of the LJCC to allow members to understand the issues.**

**33 CORPORATE RISK MANAGEMENT POLICY STATEMENT AND STRATEGY**

The Staff Side asked the following question:

**Does the Council have a publically accessible Corporate Risk Management Policy Statement and Strategy? If so does it consider and address the risks to the organisation, in terms of Resilience, as the Council moves towards an increasingly commissioned authority?**

It was noted that an email was sent to both sides on June 3<sup>rd</sup> detailing the following answer that had been provided by Mr David Stevenson:

*“A copy of our Risk Management Policy Statement is attached; this is available on the intranet.*

*Within our overall Risk Management Strategy, LBB identifies various risk categories, including the operational risk category ‘Contractual and Partnership’ which includes ‘Risks associated with the failure of contractors to deliver services or products to the agreed cost and specification.*

*Procurement, contract and relationship management. Overall partnership arrangements.'*

*Whilst the Policy Statement and Strategy do not specifically mention Resilience (Business Continuity) and commissioning, both have been identified as corporate risks.*

*Attached is an extract from the Corporate Risks / Organisational issues that were presented to Audit Sub-Committee in April".*

Two documents had been attached to the email for clarification, these were:

- Risk Management Policy Statement
- An extract of a document presented to the Audit Sub Committee in April 2016 which outlined Commissioning and Business Continuity/Emergency Planning risks.

These documents were also tabled at the meeting.

Mr Stevenson attended the meeting to brief the committee and answer questions.

Gill Slater highlighted that the Risk Management Policy was not publically available, and that this was a source of concern to the public. She asked why "Risk" was not factored into Gateway reports, and new contracts. She expressed the view that as all change involved risk, then potential risks to the Council should be documented in the reports.

Cllr Colin Smith acknowledged that risk should be identified in contracts, but queried why risk should just be confined to new contracts, as there would also be similar risks applicable to existing services. It was often the case that risk management was better handled in the commercial sector, and it was not necessarily the case that risks would increase though outsourcing. The Director of Human Resources stated that every organisation would hold a risk register. The risk to the Council lay in holding the contractor to the terms of the contract. Every report set out key issues, financial considerations, legal issues, staffing implications, and impact assessments.

The Director of Commissioning explained to the Committee that the commissioning process looked at what was required, and in what ways this could be achieved. This may involve outsourcing, but it also meant that sometimes services would remain in house. A detailed business case would be prepared by officers that would assess all possible options. The report would then go to Members who would then make the final decision on whether or not the service would be out sourced or not. It had also to be borne in mind that limited budgets were available.

Councillor Wilkins stated that she was interested in Corporate risk, and would like to have some training and overview to increase her understanding of the subject and the issues involved. She expressed the view that the Risk

Register should be in the public domain, as was the case with many other local authorities. She asked which Directorate this lay under, and Mr Stevenson answered that it was part of the Chief Executive's division.

The Chairman suggested that the matter of publishing the Risk Register on the Council website could be a matter for a future meeting. Mr Stevenson commented that some of the relevant information was available on part 1 documents. Councillor Colin Smith stated that subject to legal advice, and in view of the fact that other local authorities were publishing this information, then there was a strong case for LBB to do the same.

Gill Slater asked how the commissioning process would impact the Risk Register. The Assistant Director responded that the current levels of risk were based on existing service levels, and so outsourcing would not increase the level of risk.

The Chairman suggested that Gill Slater may like to draft a paper to the LJCC, outlining her concerns around the issue of 'Risk'.

#### **34            DATE OF THE NEXT MEETING**

The date of the next meeting was confirmed as Wednesday 19<sup>th</sup> October 2016.

The Meeting ended at 7.30 pm

Chairman