

# Minutes

## Overview and Scrutiny Committee

19<sup>th</sup> January 2009



Councillors	Present	Councillors	Present
M. Dunn	Yes	R. Ramage	Yes
Dr. R. L. Evans	Yes	Mrs. C. Sandbrook	Yes
Ms. L. B. Flint	Yes	A. F. Shelton	Yes
M. Gage (Chairman)	Yes	C. Siddall	Yes
J. E. B. Gyford	Yes	Mrs. J. Smith	Yes
A. M. Meyer	Apologies	F. Swallow	Apologies

The Chairman congratulated Cllr. C. Siddall on being elected as Councillor at the recent Three Colnes Ward bye-election, and welcomed him to his first meeting of the Committee.

The Chairman also drew attention to the Members Seminar that was due to be held at Towerlands on Saturday 24<sup>th</sup> January 2009, and advised that the Leader of the Council was expecting that there would be a good attendance from members.

### 62. DECLARATIONS OF INTEREST

**INFORMATION:** There were no interests declared.

### 63. MINUTES

**DECISION:** That the minutes of the meeting of the Overview and Scrutiny Committee held on 10<sup>th</sup> December 2008 be approved as a correct record and signed by the Chairman.

### 64. QUESTION TIME

**INFORMATION:** There were no questions asked or statements made.

### 65. PROJECT MANAGEMENT STUDY

The Chairman advised the Committee that the main item of business was to conduct the next stage of the Committee's investigation into the Council's project management procedures as follows:-

(i) to scrutinise a live BDC project i.e. the Play Areas Refurbishment Project (witnesses attending: Paul Partridge, Head of Operations; Nick Day, Parks and Open Spaces Manager)

(ii) to scrutinise the SERCO project for replacing the Customer Relationship Management hardware (to provide an insight as to how SERCO undertake a project when working with

the Council, and to see whether there are any useful tips/guidance that the Council can usefully assimilate as part of its own project management procedures) (witnesses attending: Ian Thorne, SERCO Client Account Manager, Cherie Root, Customer and ICT Manager).

The Chairman welcomed the witnesses to the meeting.

### The Play Areas Refurbishment Project

Paul Partridge gave a brief opening statement, and advised the Committee that the project was part of the Council's capital programme. In recent years, the Council had allocated an annual sum of £250,000 which was used to refurbish 6 play areas per year at a cost of approximately £45,000 per play area. In addition, Witham Town Council had made a financial contribution to refurbishment of some of the play areas in Witham. An annual audit of sites and equipment is carried out by the National Playing Fields Association and this helps prioritise which play areas should be included, but local needs will also be carefully assessed.

The Committee then proceeded to work through the Question Plan which had been previously circulated to the witnesses.

A summary is set out below.

#### Question 1 – Do you have a preferred approach or style to project managing the project?

##### Answer by Nick Day

We adopt an open minded approach to play area refurbishment schemes and are guided by the needs of the local community at all stages.

#### Question 2 – Can you briefly take the Committee through the key milestones set out in the Project Plan on page 6 and 7 of the Project Initiation Document (PID), and bring members up to date in terms of work carried out on site and budget profile?

##### Answer by Nick Day

The process commences with the Council sending out a questionnaire to all local residents living within a 400 metre radius of the existing play area, and asking whether they feel a play area is still required at the site and, if so, whether it is in the best location. In the majority of cases, the response from residents to retain and refurbish the play area is positive. The Questionnaire will also ask residents to indicate the age group that is likely to use the play area – toddler, junior or senior. Once the age group is established, residents will be given a list of equipment and asked to indicate preferences, and whether they wish to attend a public meeting to consider and discuss the proposals further.

Completed questionnaires assist officers in compiling a design brief which will be sent to our approved suppliers. The suppliers will then submit an appropriate design and these will be discussed at the public meeting, and votes taken to determine the preferred design. Public meetings are advertised in the local press and notices put up in the locality – local members are invited.

An order is then placed with the supplier who submitted the preferred design, and there is a 4 to 6 week wait whilst the equipment is manufactured and work on site begins.

Installation takes 2 to 3 weeks depending on weather conditions.

A 'launch event' will be held once the work is completed.

Question 3 – How are budgets controlled?

Answer by Nick Day

I attend a quarterly meeting of the Capital Programme Monitoring Group which includes a representative from the Finance Department, and the Group reviews progress on schemes and ensures that the relevant budget profiles are on track.

In the Operations Department, we also have a monthly Senior Managers Meeting with Paul Partridge, to review progress on schemes and budget spend.

Supplementary Question by Cllr. J. Gyford

What is the response rate to the questionnaires that are sent out?

Answer by Nick Day

The response rate is between 17% to 25%.

Supplementary Question by Cllr. R. Ramage

There was a great deal of contention concerning the Maltings Lane Play Area. If the Council carries out public consultation, can you offer any explanation as to why in this particular case there was such a degree of opposition?

Answer by Nick Day

The play area at Maltings Lane was included as part of the developer's planning application for the development of the site, and consequently the Operations Department was not consulted on either the size of the play area or its location. The developer did, however, consult the Department as regards the equipment to be provided.

The public consultation that the Operations Department carries out is in respect of the refurbishment of existing play area sites that the Council owns.

---

In discussing this issue further, the Committee felt that the Operations Department should be consulted at an early stage in relation to play area proposals that are included in planning applications, so that it can comment as appropriate on the proposed location and size of the play area.

Accordingly, it is **RECOMMENDED** to Cabinet that the Operations Department should be consulted by the District Development Department at an early stage in relation to play areas that are included as part of planning applications and/or which are proposed to be included in Section106 agreements.

---

Supplementary Question by Cllr. Mrs. J. Smith

Once the budget has been set, are the finances regularly reviewed and any savings put back into the departmental pot for future projects?

Answer by Nick Day and Paul Partridge

There are unlikely to be any savings as such.

Suppliers are requested to prepare a design on the basis of a set budget of £45,000 per site. Designs are then assessed by Officers as regards value for money.

Although £45,000 per site is a relatively modest sum it does enable the Council to achieve significant play value, and the equipment provided is specifically targeted to users needs.

The reason that we advise our suppliers of the £45,000 budget limit per site is because in the past suppliers have submitted prices that have been far in excess of the budget available, and you then have to go through a further tender process to get quotes that are compatible with the budget allocated.

(Any savings on the capital programme would go back into the Council's capital budget, not to the departmental budget).

Supplementary Question by Cllr. Mrs. C. Sandbrook

How do you make sure that the play equipment that we provide is attractive and fun to use by children, and that it is aesthetically pleasing?

Answer by Nick Day

Officers use their professional knowledge and experience gained over many years, of providing play areas and equipment. We also make sure that suppliers are affiliated to the Association of Play Industries, and that equipment provided by suppliers meets current European standards and British safety standards.

All of our play areas are inspected annually by an external consultant who will use the National Playing Fields Association's play value scoring process to score individual sites. Our aim is to increase the play value of each site year on year.

Supplementary Question By Cllr. M. Dunn

During the public consultation process, are the public who attend the public meetings made aware of the prices of the individual pieces of play equipment?

Answer by Nick Day and Paul Partridge

No. We do not provide that level of detail, but information given to local residents will indicate the budget for the individual play area and what element of those costs has been contributed by a Town/Parish Council.

Furthermore, it is not considered prudent for costs of individual play equipment provided by suppliers to be in the public domain. The suppliers are competing against one another and discounts will often be given against normal catalogue prices. Knowledge of a

competitors pricing structure could give one supplier an advantage against the other.

Supplementary Question by Cllr. C. Siddall

Is there a mechanism to look at the fundamental costs of the equipment to ensure that it represents 'value for money'?

Answer by Nick Day

The quotations that we get back from suppliers in response to the design briefs are broken down into detail and costed so that we know what each item costs, and we can pick and choose what elements we want included. For any elements that are not felt to represent 'value for money', we may choose to seek alternative quotes. Recently, for instance, some of the costs quoted for self-closing gates and litter bins have not felt to represent 'value for money' and alternative suppliers sought for those elements.

Supplementary Question by Cllr. A. Shelton

In respect of the questionnaire response return of between 17% and 25%, approximately how many residents does this equate to?

Answer by Nick Day

Questionnaires are sent out to residents within a 400 metre radius of the play area site, but the actual number of residents will depend on the population density which can range from approximately 350 to a 1000 households.

Question 4 – Can you elaborate on the process that you followed as part of the public consultation to enable the public to vote on specific designs?

How did the outcome of the consultation affect the designs?

Answer by Nick Day

(The first part of the question has already been answered – see answer to question 1 above)

Careful account is taken of the comments included in the questionnaire in compiling the initial design brief. However, views expressed at the public meeting concerning the submitted design will of course be taken into account. There have been instances when the public meeting has expressed a wish for a design amendment (e.g. the removal of a youth shelter) and these have been reflected in the final scheme.

Question 5 – On the issue of Highlight Reports (page 7 of the Project Initiation Document), can you advise the Committee on the frequency of reporting?

Have there been any major issues raised or risks identified that it has been necessary to refer to the Project Sponsor?

Answer by Nick Day

There is a quarterly update for each project that is entered into the Council's Covalence (Performance Monitoring) system, and there is a monthly project briefing session that the

Head of Operations will have with the Cabinet Portfolio-holder to monitor progress.

In addition, Nick Day as the Project Manager will meet with Paul Partridge as the Project Sponsor to monitor progress on a monthly basis.

Question 6 – Has it been necessary to change any major variable in the project through the change control process? If so, please specify the changes?

Answer by Nick Day

In respect of the King George V play area site in Braintree, progress was delayed because it was felt necessary to undertake additional consultation to obtain greater feedback as the public meeting was quite poorly attended. Local schoolchildren were also consulted through their schools to get their views on the preferred design.

Question 7 – How are local Members involved in the planning and delivery of the project?

Answer by Nick Day

Ward Members are written to at the same time as questionnaires are sent out to local residents advising them of the project, and inviting their involvement. Local Members are also invited to the public meetings.

Question 8 – What is the role of the relevant Portfolio Holder in the reporting and management arrangements?

Answer by Nick Day

The Head of Operations will meet with the Portfolio Holder and his deputy on a monthly basis to report on an exception basis as part of the performance reporting process.

Question 9 – What arrangements do you have in place for carrying out a post implementation review?

Answer by Nick Day and Paul Partridge

The Parks and Open Spaces Team discuss every installation at its regular meetings, and design briefs for all future projects are subject to constant improvements and fine tuning.

All the new play areas are inspected annually by the Essex Playing Field Association and are entered into the best kept play area award. In 2008, the Council won 14 separate awards. We are confident that the refurbishment programme is raising the play value of all of our play areas.

There is not a formal post implementation review, but this is something that we could look at further.

The Head of Operations indicated that in terms of a post implementation review he felt that there was a need to get a greater feedback from users, and to adopt a more structured approach to ensure that if there were any lessons to be learnt that these are taken on board.

Question 10 – How useful have you found the Project Management Toolkit in managing

this project?

Are there any suggestions/amendments to the Toolkit that you feel would help improve the procedures?

Answer by Nick Day

The toolkit is well designed and comprehensive, and is a very useful asset in helping to ensure that the project is dealt with in a systematic and disciplined manner.

Supplementary Question by Cllr. C. Sandbrook

As members, do we have access to a data base of all Council play areas in the District?

Answer by Nick Day

Yes. There is a list on the web site. We are planning to add photographs of individual sites and details of any awards.

I do have a more detailed list that provides a note of specific equipment at each site that is available to members on request.

Supplementary Question by Cllr. R. Evans

With regard to the management of risks for each project, how do we ensure that we are monitoring and mitigating risks effectively?

How are risks managed as part of the reporting process?

Answer by Paul Partridge

In terms of the project management process, the project management toolkit provides a structured process that ensures accountability and ownership, as well as setting down requirements for regular progress reporting and review at operational and management levels, including monitoring and mitigation of identified risks.

Supplementary Question by Cllr. R. Ramage

Once the equipment is in place, how often do we check that it is in place and safe to use?

How many of these projects are currently ongoing and what is the timescale involved?

Answer by Nick Day

There is one full time member of staff who is dedicated to inspecting play areas, and the target is to inspect every play area at least once a week.

In addition, if a problem is reported at any particular site we can arrange for the Council's 'Clean Time' to visit.

There is a suppliers 12 month guarantee on all new play equipment installed.

Supplementary Question by Cllr. L. Flint



Do we have details of every play area in the District or just the ones that are the responsibility of the Council?

Answer by Nick Day

We have details of just those maintained by the Council.

Supplementary Question by Cllr. J. Gyford

Can you explain what is the criteria or units of measurement for 'play value'?

Answer by Nick Day

'Play value' is a scoring system set down by the National Playing Fields Association, which uses criteria such as the age range that can play on the unit of equipment, the number of children that can play on the unit at any one time, the skills and mental development that children will acquire through using the equipment.

Supplementary Question by Cllr. R. Ramage

Are the needs of the disabled taken into account in the design of play areas?

Answer by Nick Day

Yes. This is mentioned on all of the design briefs (to comply with Disability Discrimination Act requirements), and covers ease of access to the site for disabled adults/children, and the need for a mixed range of play equipment that can be used by both disabled and able bodied children.

---

At the end of the session, the Chairman summed up by indicating that the information provided by Paul and Nick had helped to reassure the Committee that the Council's toolkit works and that the officers are working to it. The elements of the process relating to progress reports, risk management, budgetary control all appear to be properly applied.

On behalf of the Committee, the Chairman thanked Paul and Nick for their full and frank answers.

---

The Committee then went on to scrutinise the SERCO project.

There was one question on the Question Plan as follows:-

Question 1. Can you please take us through the project management processes that SERCO follow when undertaking a project for the Council, and use the Customer Replacement Management hardware project to illustrate how you put your procedures into practice?

Answer by Cherie Root

By way of background information, Cherie informed the Committee that SERCO has been undertaking the Council's IT service provision since March 2002. In terms of project



management, when the Council proposes to undertake an IT project SERCO provide the necessary project management support and technical expertise.

Projects can be initiated by the Council through a service request to SERCO, or there may be a fault that has been identified that needs to be rectified.

The Customer Replacement Management hardware project is included on the Council's capital programme and is about the replacement of part of our IT infrastructure.

#### Answer by Ian Thorne

Ian explained SERCO's approach to managing projects. There is a heavy emphasis on undertaking projects in a managed fashion and SERCO use the PRINCE 2 (Projects in a controlled environment) project management methodology in this respect.

There is a certain amount of commercial protection that has to be taken into account for both SERCO and the Council, and captured within the project methodology.

There are a number of different phases:-

Developing a brief;

Compiling a proposal to provide an outline of the project and budgetary estimates;

Compiling a Project Initiation Document – the project is then broken down into product descriptions which give unique elements of deliverables within the project against which you can set timescales and relevant milestones, and specify regular reporting procedures to highlight progress and other pertinent issues including updating risk assessments. A traffic light system will highlight any matters of concern that require corrective action.

#### Supplementary Question by Cllr. Gage

Can you explain in layman's terms what the Customer Relationship Management system actually does?

#### Answer by Ian Thorne

The Customer Relationship Management application is based on Siebel software, and is the system used to record the Council's customer contacts via the Customer Service Centre, and to ensure that the request for information/service information is passed to the appropriate back office for action. The system will record all the relevant data in connection with the receipt and actioning of the service request.

#### Answer by Cherie Root

The Siebel system is used by both the Customer Advisors in the Contact Centre and the back offices, and it is important that information is communicated quickly from the customer to the Contact Centre and thence to the relevant back offices. The current equipment has been in place for some four years and is now somewhat dated and needs replacing to ensure that the Council provides customers with a speedy and efficient service. Furthermore, the Siebel system is more widely used by the Council compared to four years ago. Consequently, there is a higher demand on the system and the system itself is approaching the end of its service life.

Supplementary Question by Cllr. L. Flint

Is it because of the age of the system, that it takes the Council 2 days to respond to an e-mail that I sent in?

Answer by Cherie Root

This is not a fault of the Seibel system, but is an issue that you will need to take up with the Department concerned through the normal channels.

Supplementary Question by Cllr. C. Sandbrook

Where can we find out as members how the computer network is managed as regards running statistical reports etc.?

Answer by Cherie Root

The network is managed centrally and network traffic is monitored daily. Major reports for Benefit/Council Tax etc are run during the evening so that you have the maximum availability of the network for staff during normal office hours.

The new replacement hardware incorporates an automatic reporting system which should help improve overall efficiency.

There is a Service Level Agreement that the Council has in place with SERCO and that specifies how the network is run and how it is developed. As part of the corporate performance indicators, we report on a quarterly basis on the issue of network availability, and we consistently achieve 99% availability.

We also have a full business continuity plan available for disaster recovery.

Supplementary Question by Cllr. M. Gage to Ian Thorne

From your experience of the SERCO project management system, do you feel that there are any improvements that the Council could assimilate into its system?

Answer from Ian Thorne

We have had some input into the Council's toolkit when it was first being drafted and it follows much of the basic methodology of the SERCO system. The SERCO system goes into more detail because of the commercial aspects, and the detail of the methodology will be commensurate with the complexity and size of the project.

Supplementary Question by Cllr. C. Siddall

How would you ensure that the relationship between the Council and SERCO provides value for money?

Answer from Cherie Root

The contract with SERCO is a 9 year partnership contract which runs to 2011 with a potential of renewal for a further 2 year period. Every other year, we benchmark

performance and value for money with a series of other organisations, and we put together an Action Plan (in liaison with SERCO) in respect of areas that we feel we could improve on.

Supplementary Question from Cllr. R. Ramage

What is the annual cost of the partnership contract?

Answer from Cherie Root

The contract is reviewed regularly and is adjusted, for instance, when major changes take place e.g. the housing stock transfer.

At present, the contract cost is approximately £800,000 per annum for the day to day service, but there will be additional costs depending on what IT projects are taking place in any given year.

IT projects are subject to the Council's normal budget bidding processes.

Answer from Ian Thorne

There is a SERCO on site team at Causeway House and we do take a flexible approach in undertaking additional work even when it is not strictly part of the partnership contract.

---

Cherie advised the Committee that one of her responsibilities was project management and that she had played a key role in drafting the toolkit. The toolkit had been reviewed following consultation with users, and in addition Leigh Woodside from Alexander Consultants had also examined the Council's procedures. A number of improvements had been suggested and a report in this respect would be submitted to Cabinet shortly.

---

At the conclusion of the session, the Chairman thanked Ian and Cherie for providing full and frank answers to Members Questions.

---

The Chairman reminded the Committee that during the course of this study it had received (in addition to tonight's scrutiny session with witnesses) a briefing from Leigh Woodside, Alexander Consultants on the essential elements of project management processes, a briefing session with Cherie Root and Lesley Day on the Project Management Toolkit, a further briefing from Leigh Woodside summarising his thoughts on future improvements.

It was now appropriate for the Committee to consider the next steps in completing its study.

Following discussion, action was agreed as follows:-

1. The Scrutiny Manager will send to Members:-

(i). A copy of Leigh Woodside's final report entitled 'Project Management Futures Report' which was submitted to the Performance and Efficiency Programme Board on 27/11/08;

(ii). A copy of the report of Chris Fleetham, Corporate Director entitled Programme and Performance Management Review which is to be considered by Cabinet at its meeting on 2/2/09;

2. Once Members have considered the above reports and have reflected on all the information that they have received during the course of this study, they are to submit either to the Chairman or the Scrutiny Manager any draft recommendations that they would like to include in the Committee's final report – **the latest date for receipt of draft recommendations to be 13/2/09;**

3. The Committee will then consider its draft recommendations at its meeting on 11<sup>th</sup> March 2009.

---

The meeting closed at 8.50pm.

M. Gage  
Chairman