

Public Document Pack

Learning, Skills and Economy Scrutiny Committee Wednesday, 17 October 2018

MINUTES OF A MEETING OF THE LEARNING, SKILLS AND ECONOMY SCRUTINY COMMITTEE HELD AT COUNCIL CHAMBER - COUNTY HALL, LLANDRINDOD WELLS, POWYS ON WEDNESDAY, 17 OCTOBER 2018

PRESENT

County Councillors P Roberts (Chair), D R Jones, G Breeze, K W Curry, B Davies, S C Davies, D O Evans, E M Jones, G Jones, D Jones-Poston, K Laurie-Parry, S McNicholas, L Roberts, E Roderick, D Selby, R G Thomas, R Williams, Parent Governor Representatives Mrs A Davies and Mrs S. Davies
Church Representative Mrs M Evitts

In attendance

Item 5

P Oades (HoWPS Board Chair), R Hensey (Head of Service HoWPs), J Thomas (Powys County Council representative on HoWPS Board)

Item 6

County Councillor M Alexander (Portfolio Holder for Learning and Welsh Language)

I Budd (Director of Education), A Clark (Head of Learning), E Towns (Senior Challenge Advisor), E Patterson (Scrutiny Officer)

1. APOLOGIES

Apologies for absence were received from County Councillors L George, G Jones, J Pugh and P Davies (Portfolio Holder for Highways, Recycling and Assets)

2. DECLARATIONS OF INTEREST

No declarations of interest were received.

3. DECLARATIONS OF PARTY WHIPS

No declarations of party whips were received.

4. MINUTES

This item was deferred.

5. HEART OF WALES PROPERTY SERVICES LTD ANNUAL REPORT 2017-18
--

Documents:

- Annual Report Heart of Wales Property Services Limited Joint Venture 2017-18 (Year 1)
- Appendix 1 Key Performance Indicators Year 1
- Appendix 2 Year 1 Business Plan

Documents:

- Annual Report Heart of Wales Property Services Limited Joint Venture 2017-18 (Year 1)
- Appendix 1 Key Performance Indicators Year 1
- Appendix 2 Year 1 Business Plan

Introduction

The HoWPS Chair gave the following overview.

The HoWPS was set up on 3rd July 2017. It is a 50:50 joint venture between Kier and Powys County Council. The Board consists of 8 Directors, 4 from each organisation. The aim was to create a long term sustainable partnership to deliver services in the area of housing, corporate and consultancy by developing a trusted brand. Also to keep the Powys pound local, to grow the business to support local employment and to return a dividend to Powys. The new Joint Venture had a difficult start but 109 staff were transferred. A new IT system had to be introduced and there have been a number of changes at Board and senior staff level. There were also problems with paying suppliers.

The Key Performance Indicators (KPIs) show an improving picture with customer satisfaction at 92% on housing service work and 96% on corporate reactive work. There have been no accidents during the 18,000 hours of work. One of the biggest challenges is the time taken to return voids for occupancy. The consultancy service are working well with 5 new primary schools recently completed.

The company have been engaging well with local suppliers with 44% of sub-contractor spend within Powys and an additional 36% in Wales. 73% of supplies are purchased within Powys and an additional 10% in Wales. The aim is to increase the percentage of spend within Powys.

The culture of partnership working is improving but communication with groups including schools and farm tenants needs to improve. Both Kier and Powys County Council will need to work together to grow the business.

The Year 2 Business Plan has been signed off. The company will be taking on 7 new apprentices and working with Syrian refugees and aims to support the Powys Vision 2025.

Discussion

The call answering and call abandoned KPIs seems to be getting worse. How are customers meant to interact with HoWPS?

It is recognised and accepted the speed of calls answered and numbers of abandoned calls is not where HoWPS would like to be and is below the industry norm. It has been a challenge running one contact centre with three hubs.

Since the HoWPS Head of Service took up his role in May 2018 he had spent time understanding the issue. Greater prominence was given to the call centre which had been enlarged and was again fully staffed (after secondments which hadn't been backfilled). There are now 7 staff in post and a Customer Services and Quality Officer has been recruited locally and a Performance Analyst has been appointed for real time analysis of performance which had previously been monitored monthly or at most weekly. Monthly meetings with Housing, Corporate and Consultancy colleagues have been introduced. The HoWPS Head of Service has attended a meeting of the Housing Repairs Forum and undertake ride outs to view progress on Voids. Each month a sample of 8-12 jobs are undertaken with calls to tenants to seek their views on their experience of HoWPS. Talking to customers is important and an invitation to meet Head

teachers has been requested. Tenant representatives have been invited to visit the call centre.

The call statistics have improved since September 2018 and are moving from red towards amber. Improvements need to be sustainable in the long term.

What is the complaints process?

An acknowledgement will be received within 24 hours. The complaint is sent to the relevant department who have 20 working days to respond. The company have received compliments on their complaints resolution from housing colleagues.

A copy of the complaints process will be provided.

Why do voids take so long to bring back into occupation, the longer a property is unavailable for rent the less rental income is available to the housing department and the longer tenants are waiting for suitable housing?

At present HoWPS are only responsible for that part of the process where houses are mended. The full process includes from quitting, through mending to letting and HoWPS are working closely with housing colleagues to rectify this. A new structure has been introduced specifically dedicated to voids, HoWPS and housing are sharing data on voids and a cleansing exercise has taken place to ensure that voids already returned to housing are no longer showing on the system. The KPI on voids is now showing an improving picture and has a high profile on the HoWPS Board. The importance of improving this indicator is understood in relation to the need for properties to be promptly let.

What priority is given for improvement works when outgoing tenants refuse this work as they do not want the disruption?

Ongoing improvements are undertaken separately from the teams working on voids. Priority is set on instruction from Powys and this is factored into work planning arrangements.

The new IT and communication arrangements are welcomed. Schools need a system where jobs logged can be easily tracked. At present schools are finding it difficult to follow-up jobs requested and do not understand the priority given regarding reporting problems such as health and safety issues, issues regarding environmental legislation or safeguarding matters.

When a job is received in HoWPS it is logged and a reference is generated. Schools can call in with this reference to check progress. It was not known if the HoWPS IT system had the potential for complainants to track progress independently. This would be explored in conjunction with colleagues from the schools service. At the Head teachers meeting HoWPS will be asking what are the hot topics across this sector. A sample of schools will be visited to gain an understanding of the issues they are facing.

The role of HoWPS in allowing schools to remain compliant is understood. The issue of complaints appearing to be lost has been picked up and it is intended to improve efficiency in the contact centre so that outbound calls can be made to complainants advising them of the current situation.

With regard to the KPI on the speed of complaints resolution it is not clear how confident Members can be in this indicator when it appears from schools that when jobs are requested from HoWPS they do not receive a job number. Without a job number it is not possible to know how the complaint is ranked nor

to track it. Whilst the meeting has heard that HoWPS identifies different client groups as housing, corporate and consultancy it is not clear where schools fit into this.

When schools report a job they should be given a job number. Having heard today this is not always happening this will be investigated. There are two ways to contact HoWPS which are:

complaints@howps.co.uk

compliments@howps.co.uk

this information should have been disseminated to everyone under the Powys umbrella. Complaints come through this system and are tracked by the Head of Customer Services.

What constitutes an emergency?

The definition of emergency is contained within the contract but it is accepted that this does require clarification and may be different for primary, secondary or special schools.

The definition of an emergency will be clarified with schools.

The use of local contractors is welcomed but 44% does not seem particularly high. It is known that contractors from South Wales and Staffordshire are being used. What plans are there to improve the amount of local contractors used?

One of the objectives in the Business Plan is to increase the use of local contractors and it time HoWPS would be looking at using 80% of local contractors. It is aimed to reach this position by decreasing the number of contractors on the list but spending more with these contractors as they grow their businesses. This is an appropriate commercial approach. Experience elsewhere has shown that small companies are able to expand to support Joint Ventures similar to HoWPS. Non Powys contractors have had to be used where local skill sets are lacking but the common perception that when Keir arrive they will bring their supply chain is incorrect. The intention is to use the local supply chain but it is necessary that the rates and quality of local supplies is right.

The Annual Report notes that one local contractor is not in sync with the response time of HoWPS. Why is this the case and what is being done to address this?

This was discovered in July when detailed work was being undertaken. The HoWPS contract specifies a response time of 2 hours. One of the sub-contractors response time is 3 hours. This was a contractor who previously had a contract with Powys County Council which was novated to HoWPS with the original timescale still in force. The current contract was extended in June 2018 for one year and HoWPS will now be reporting missed times separately for HoWPS and the contractor. The next opportunity to look at response times in the sub-contractors contract will be June 2019. It is hoped that over the year the in-house team will be strengthened.

It is understood that there have been instances with sub-contractors sub-contracting their work. With each company taking a cut how is this cost efficient?

This is known as sub subbing in the industry. HoWPS appoint compliant sub-contractors (to ensure these businesses have insurance and are health and safety compliant). Sub subbing should not happen without signoff by a HoWPS Director. It is the intention to grow the direct delivery to make best use of

resources but sub-contracting will always be necessary in respect of specialisms, spikes and adverse weather.

What arrangements has HoWPS got in relation to resilience?

HoWPS has a Severe Weather Plan and also checks with their suppliers what their Winter Plans are. It is intended to work closely with Powys to explore the opportunity for using strategic buildings across the county for welfare purposes during extreme weather. All engineers have skillsets and vehicles and an out of hours scheme is in operation with engineers on standby. The escalation process goes right up to the Chief Executive if required.

Now that the call centre staff are up to strength has there been an increase in front line staff to deal with the volume of work required?

Front line staff are increasing but there is also a need to use staff more efficiently.

What has been heard has been greatly encouraging but this has also including an acknowledgement that there had to be an increase in call centre staff, that a meeting with Head teachers is needed, that both a Customer Services Manager and Voids Manager has had to be appointed. Did HoWPS underestimate the size of the task in Powys?

When HoWPS was set up staff were transferred directly. If anything was underestimated it was the skillset of the transferring staff and there were gaps in the front line managers and health and safety. In addition there were unexpected IT issues. The first year has had its challenges and it was suggested that the company should be judged on its second year results.

Outcomes:

- **That the complaints procedure be provided**
- **That in future reports additional information is provided regarding what has changed since the previous report and what actions need to be taken**
- **That in future reports performance relating to schools are defined separately from corporate performance in the same way housing performance is defined separately**
- **That schools are advised of the definition of emergency**
- **That in future financial information is provided alongside performance information in the Annual Report**

6.	REVIEW OF PRE-SCHOOL PROVISION
-----------	---------------------------------------

Documents considered:

- Briefing on the review of pre-school provision

Introduction

The Director of Education outlined that Powys was one of a few Welsh Authorities to raise the age of admission to school to statutory age. There are lessons to be learnt about how this was implemented and this will be used to shape how this is progressed. The change in age of admission resulted in a

number of changes to both schools, the provision of high quality early years' education and childcare sufficiency.

Welsh Government have committed to providing access to sufficient childcare for all families by the end of the current term. The rollout plan has recently been communicated from Welsh Government and for Powys means that 30 hours childcare should be available across the county by April 2019 (having previously indicated it would be piloted in two areas from January 2019).

It is recognised that additional work needs to be undertaken regarding the governance of settings. There are sufficient settings but a number of these have surplus capacity. It is not sustainable to spend public money on unsustainable settings. It is positive to record that the 10 regulatory reports received on settings this year record 'Good' for standards.

The Senior Challenge Advisor noted he had taken Early Years on in June 2018 which was towards the end of the first year of operation. At present Welsh Government fund 10 hours of pre-school provision. Powys currently provide 12.5 hours a week.

The service have undertaken a review of the changes regarding pre-school provision. Setting Leaders reported they had received support from Early Years and Education to extend their age range to 4 year olds. Schools are working with settings and are meeting the pupils that will be coming into school. There have been issues regarding governance which need to be clarified. At present there are three types of governance:

- Independent (non-maintained)
- In schools prior to change (Responsible Individual and Management Committee)
- In schools – new settings (Responsible Individual and Powys County Council governance)

Advice often differs depending on the governance arrangements and reducing the governance types will help simplify this.

When the change of age of admission was made savings of £1.5million were expected. Of these £873k have been achieved in 2017/18. In 2018/19 £623k were expected of which £397k have been achieved. Additional costs not originally budgeted for include extra staffing costs when establishing settings, building works to meet Care Inspectorate Wales standards and employment rights which had not been budgeted for. In addition, the service needs to find £221k of efficiencies during 2018/19. Welsh Government support for 3 year old funding is provided for 10 hours a week. At present the schools service is picking up the additional employment support costs but this will need to be included during the review of funding for 3 year old provision.

When the arrangements were changed each setting was funded for two staff (up to 16 children). A number of settings have fewer than 16 children and two settings have agreed for funding to be withdrawn (one with no children and the second with 2 children who can access alternative provision locally). A further five settings are forecast to decrease to 8 children and the service are keeping these settings under review. It may be that the change to 30 hours free child care will alleviate the funding issue in some cases.

853 children are accessing settings but not all are full time and some are accessing more than one setting. It had been forecast that there would be over 1,000 children and space was provided for all children. It was difficult to predict uptake but from 2019 the schools service will be responsible for admitting children to settings which will help track need.

It is expected between 40 and 70% of settings will want to take on the 30 hours childcare offer.

Discussion

What evaluation has been undertaken with schools on the impact of this change?

The children who started school in September 2018 were the first cohort to have gone through the new system. Foundation phase staff have been working with settings with the advantage that they know the children coming in. During this half term baseline assessment will be undertaken. There will be some children who haven't accessed settings and there is a perception that these children have missed a year in school or setting. The baseline assessments will reveal if this is the case. Some schools are reporting issues regarding school readiness (including the ability to use the toilet).

Are teachers finding the assessments provided to them by settings are correct?

This will be identified during the baseline assessments undertaken this term.

Are school staff supporting those settings which are located in schools to the detriment of the school age children?

There are differences in the governance arrangements which need to be addressed and the finance issue is another area which will be reviewed to ensure that settings receive funding to cover for example sick leave.

Why were for example employment costs not factored into the original plans?

It is not known why these costs were not included in the original proposals for this project. Since June when responsibility for this transferred it has been acknowledged that this should have been part of the proposals. In the meantime these costs have been picked up by the schools service.

There are overspends in primary and secondary schools and it appears early years are experiencing a similar position. What action will be taken to address the savings (both unachieved and identified) for this service?

Whilst there are overspends in the high schools most primary schools are compliant.

Admission to early years settings will be undertaken by the authority to ensure that children are only admitted where there are places available.

The funding formula will be reviewed to ensure that money is targeted where there is demand.

Most capital work has been undertaken.

The Portfolio Holder advised that she had expressed concerns regarding this change prior to her taking over the portfolio but these concerns were not addressed. The availability of Welsh speaking staff had been overestimated. The project did require more detailed planning.

What additional work was needed in respect of Llanelwedd, Llangattock and Llanfyllin and has these been completed?

The additional work in Llanfyllin has been completed, the work in Llangattock is due to be completed by the end of half term and some outstanding work remains in Llanelwedd.

Do the changes particularly impact on Welsh learners given that those who are from English speaking homes effectively are starting school one year later?

Terminology for educating children in Powys should reflect if they are receiving a single language education or bi-lingual education.

The Welsh in Education Strategic Plan outlines the way the authority meets requirements regarding the language of education. There is a need to meet and generate demand for Welsh Medium education and ambition will be needed to get there.

A problem with using the term bi-lingual education is that some schools in Powys have a large proportion of children that do speak a second language which may be Polish or Nepalese and care needs to be exercised in how schools are described.

At present there are 51 non-maintained settings, 21 maintained settings and 9 maintained settings with a Powys management responsibility. What changes are proposed?

Initially it is intended to address the 9 settings that have management committees so this will reduce the governance arrangements to just two options.

It appears that 10-15% of children expected did not turn up. How were these numbers forecast?

The number of three year olds is provided by Powys Teaching Health Board and there are over 1,000 children in the cohort. It is parental choice whether or not to send a child to a three year old setting.

Is transport available to access three year old provision?

There is no requirement to transport children to pre-school provision as they are under statutory school age.

Cllr M Williams left 12.55pm

As the authority move from 12.5 hours pre-school provision to 30 hours free childcare will there be sufficient places available?

If there is an increase in demand it will not be affecting the 12.5 hours a week but may affect the sufficiency of childcare.

What are the levels of surplus places?

The 2018/19 school roll figures are just coming through. It is anticipated that 1047 places will need to be provided next year. It is possible that there will be some over provision but it is expected that there will be some families who do not realise they should apply for admission to a setting.

Of the settings that closed did any have capital money spent on them?

One school based setting had toilets reconfigured.

Will the new funding model be trialled?

Officers have researched funding models in the other ERW authorities that offer 3 year old settings. All of these models base funding on number of children accessing places rather than adult support.

Education are not leading on 30 hours child care which is being undertaken under the Start Well Programme of the Public Services Board.

Can single parents or parents undertaking full time education access 30 hours childcare?

It was not thought to be the case but would be checked.

Outcomes

- **There is an acknowledgement by the service that the implementation of the change of age of admission was undertaken in such a way that gave rise to problems which should have been identified. The lessons learned need to be shared with Officers involved in the roll-out of 30 hours childcare to ensure that the same mistakes are not made and assurance is sought that these lessons have been shared in the appropriate arena.**
- **To address the problems that have arisen the work identified as necessary in particular around governance and finance needs to proceed at pace for introduction by the start of the next financial/academic year. Assurance is sought that this work will be completed within this timeframe.**

7. CHAIR'S BRIEFING

The Chair advised he had attended the Schools Forum as an observer and this had echoed what the scrutiny meetings had heard.

The Chair advised that the potential call-in of a decision by the Portfolio Holder for Economy had, on further discussion, found not to be necessary but that the discussions had revealed that some reports were not as detailed as they might be and that a review of the structure of decision papers would take place.

8. WORK PROGRAMME

2nd November 2018 – Highways Asset Management Plan

21st November 2018 – Funding Formula Review

13th December 2018 – ALN review

County Councillor P Roberts

This page is intentionally left blank