

# Sc.49

## MINUTES OF A MEETING OF THE SCRUTINY COMMITTEE

HELD AT THE GUILDHALL,  
ABINGDON ON THURSDAY, 17TH  
APRIL, 2008 AT 7.00 PM

### **Open to the Public, including the Press**

PRESENT:

MEMBERS: Councillor Yvonne Constance, Jim Halliday, Judy Roberts, Laurel Symons, Melinda Tilley (Chairman) and Reg Waite.

SUBSTITUTE MEMBERS: Councillor Roger Cox, Councillor Terry Quinlan and Councillor Tim Smith.

NON MEMBERS: Councillor Richard Farrell, Councillor Mary de Vere and Councillor Tony de Vere.

OFFICERS: Steve Bishop, Claire Litchfield and Robert Woodside

NUMBER OF MEMBERS OF THE PUBLIC: None

### SC.71 NOTIFICATION OF SUBSTITUTES AND APOLOGIES FOR ABSENCE

The attendance of Substitute Members who had been authorised to attend in accordance with the provisions of Standing Order 17(1) was recorded as referred to above with apologies for absence having been given by Councillors Matthew Barber, Andrew Crawford, Joyce Hutchinson, Sue Marchant and Janet Morgan.

### SC.72 MINUTES

The Minutes of the meeting of the Committee held on 14 February 2008 were adopted and signed as a correct record subject to the following amendment:-

Minute SC.67 at the end of paragraph 2, the following paragraph to be inserted,

“Councillor Halliday expressed concern that the report of the Working Party had been altered after its approval by the Working Party and before its circulation to the Scrutiny Committee without notification to, or approval by, members of the Working Party. Councillor Crawford, another member of the Working Party expressed similar concerns. The Chairman said that she had agreed to the alterations and regretted that other Working Party members had not been consulted.”

### SC.73 DECLARATIONS OF INTEREST

Councillor Terry Quinlan declared a personal interest in Agenda item 9, in that his daughter was currently employed by Agresso.

### SC.74 URGENT BUSINESS AND CHAIRMAN'S ANNOUNCEMENTS

None.

SC.75 STATEMENTS AND PETITIONS FROM THE PUBLIC UNDER STANDING ORDER 32

None.

SC.76 QUESTIONS FROM THE PUBLIC UNDER STANDING ORDER 32

None.

SC.77 REFERRALS UNDER THE OVERVIEW AND SCRUTINY PROCEDURE RULES OR THE BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

None.

SC.78 RESPONSES OF AND REFERENCES FROM THE EXECUTIVE

None.

SC.79 IMPLEMENTATION OF AGRESSO 5.5 FINANCIAL MANAGEMENT SYSTEM

The Committee had invited Councillors Mary de Vere, Tony de Vere and Richard Farrell to attend the meeting to discuss the findings of the Agresso Working Party.

A list of questions had previously been circulated and formed the basis of the discussion.

It was confirmed that the Vale had not appointed a "Champion" to look after its interests, however there were suitably qualified Officers and Board Members involved in the project.

Councillor Farrell commented that of the Working Party's "Lessons", the appointment of a "Critical Friend", at paragraph (9), was one which would have made a difference to the successful implementation of the project. This person would have been able to scrutinise the contract and it was likely that this would have led to a better outcome.

In response to a question as to who drafted the contract, the Strategic Director confirmed that SODC had drafted the specifications with assistance from a financial management systems expert and a lawyer. In terms of whether the Vale was confident that the specification met its requirements it was confirmed that Officers had checked the specification and had in fact suggested Agresso, as this was the financial system in use at the Vale, whilst giving those submitting tenders the opportunity to suggest a competitor, it was an open specification.

In response to a question as to whether the contract specified which version of Agresso would be implemented, the Strategic Director confirmed that the Vale had made it known that version 5.4 was in use; however the Vale did not specify a preference for 5.4 or 5.5. He advised that the contract was silent on whether it should be 5.4 or 5.5.

Councillor Tony de Vere advised the Committee that he had been involved when the Vale had introduced Agresso initially and had a “champion” type role. He considered that it was very important that a quality project manager be involved in projects to keep a close eye on what was happening. He advised that it was his belief that a project manager would have been aware of the problems with version specification, however did not consider that a member champion would have necessarily have made a difference.

One Member questioned whether Councillor Tony de Vere was confident that the proposed Waste Partnership would not go down the same route as Agresso implementation. Councillor Tony de Vere confirmed that lessons had been learned, there were quality people on the team and the same thing would not happen again.

In response to a question as to whether the Executive members considered that the Vale was the junior partner in the project, Councillor Tony de Vere advised that in negotiations and strategic decision making, he did not believe that the Vale was a junior partner. He accepted that operationally SODC made decisions as the lead authority.

The Strategic Director advised that the Vale and SODC were equal partners as far as the contract was concerned, however SODC had taken the lead as the Vale had fewer resources.

One Member considered that it had been a mistake for the Vale to allow SODC to take the lead without ensuring that it had its own experts on board who understood the consequences for it. She stated that this was where the project had gone wrong, in that had someone understood the importance of the version specification, a clear plan could have been in place.

One Member asked whether the Executive Members present had assumed that the project management capabilities at SODC were of the standard they had come to expect of the Vale. Councillor Tony de Vere answered that there had been such an assumption and that SODC and Capita staff had been relied upon. He further stated that there had been an underestimation of the significance of the version specification, which ought to have been brought to the attention of the Board members.

One Member asked why the Vale allowed Capita to implement a system which the Vale knew nothing about and whether it was Agresso that was pushing the new software.

The Strategic Director advised that the Vale had no relationship with Agresso, and was reliant on Capita. He advised that in October 2006, Capita had been informed that Agresso were no longer supporting version 5.4 at new sites. He stated that Capita considered it had no option other than to implement version 5.5. He advised that the Vale was not made aware of this change until February 2007, which had an enormous impact. He confirmed that within the contract there was a Change Control Mechanism, which meant that Capita were required to advise of any significant changes, however Capita considered that this issue was not subject to that mechanism because the decision fell within its remit as project manager.

One Member questioned whether the Board Members present felt that the reports they received from Capita were adequate in particular, whether they provided the right information to ask the right questions. The Strategic Director advised the Committee that at the time of the Agresso implementation, there were 5 other major IT migrations, all of which were implemented successfully and based on the information presented to the Board at the time, looked no different to Agresso.

The Strategic Director was asked what steps had been taken to improve staff morale. He confirmed that confidence was picking up. He advised that in addition to the approximately 300 corrections identified, a further 100 supplementary corrections had been identified, 90% of which had now been corrected. He confirmed that the recovery plan was due to be signed next week, that the major milestones were being achieved and that it was expected that Agresso would be working at steady state shortly. He advised that the Vale had taken the lead on the recovery plan, providing training for staff.

He confirmed that the system had been introduced in April 2007 and it had taken a year to achieve steady state, although Agresso 5.5 was being used in the meantime.

The Executive Members in attendance confirmed that the lessons identified within the Agresso Working Party's report were of use and would be considered at the outset of future projects. Councillor Tony de Vere advised that the Joint Waste Management Project would benefit from the identified lessons.

The Chairman commented that the Scrutiny Committee had taken a great interest in the Waste Management Project, and suggested that it should receive a report on progress. She considered that the project would benefit from improved communication to Members so that they were able to relay information to the public.

The Scrutiny Committee wished to express their thanks to the Officers who had worked hard to ensure a successful recovery for the Agresso 5.5 implementation.

The Chairman thanked the Executive Members for their attendance.

## SC.80 CORPORATE GOVERNANCE - THIRD QUARTER 2007/08

The Committee received and considered the contents of report 181/07 of the Senior Management Team.

It was noted that in general terms, performance had improved. The Committee considered the Best Value Performance Indicators contained within the report. The Strategic Director advised that there was likely to be an improvement against BVPI 8 with the implementation of a fully functioning Agresso system.

With respect to BVPI 79 (b) (i), it was confirmed that Capita, who were responsible for achieving this target, had underperformed and may be penalised.

One Member questioned the relevance of BVPIs 127(a) and 127(b), given that the Vale had no control over the commission of violent crimes or robberies. It was

explained that this BVPI had been classed as in “indicator” and it was accepted that the Vale had limited influence on the result of these indicators. Another Member advised that there was an element of control in education and preventative measures.

It was confirmed by the Principal Performance Management Officer that the BVPI’s were shortly to be replaced by a new set of national indicators.

SC.81 BEST VALUE PERFORMANCE INDICATOR MONITORING

The Committee received and considered report 182/07 of the Principal Performance Management Officer.

The Principal Performance Management Officer confirmed that the figures contained within the report related to 2006/07. Several Members expressed exasperation that more up to date figures were unavailable. The Principal Performance Management Officer advised that a new set of indicators were to be introduced, guidance having been released on 1 April 2008. He confirmed that he was about to publish information about the new indicators on the Vale’s web pages. He agreed that he would include the information together with a brief item on the next Scrutiny Agenda.

SC.82 REVIEW THE ACTIVITY OF THE EXECUTIVE

None.

SC.83 EXCLUSION OF THE PUBLIC, INCLUDING THE PRESS

*RESOLVED*

*that in accordance with Section 100A (4) of the Local Government Act 1972 the public, including the press, be excluded from the remainder of the meeting to prevent the disclosure to them of exempt information as defined in Section 100(1) and part 1 of Schedule 12A, as amended, to the Act when the following items are considered:*

*Minutes*

*Category 3 – Information relating to the financial or business affairs of any particular person (including the Authority holding that information)*

**SUMMARY OF THE EXEMPT ITEMS CONSIDERED AT THE MEETING OF THE SCRUTINY COMMITTEE HELD ON THURSDAY 17 APRIL 2008.**

SC.84 MINUTES

The exempt Minutes of the meeting of the Scrutiny Committee held on 14 February 2008 were adopted and signed as a correct record.

The meeting rose at 8.30pm.