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## SCRUTINY BOARD (RESOURCES AND COUNCIL SERVICES)

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Meeting to be held in the Civic Hall, Leeds on  
Monday, 5th September, 2011 at 10.00 am

*(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)*

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### MEMBERSHIP

#### Councillors

S Bentley - Weetwood;  
A Blackburn - Farnley and Wortley;  
J L Carter - Adel and Wharfedale;  
B Chastney - Weetwood;  
N Dawson - Morley South;  
A Gabriel - Beeston and Holbeck;  
P Grahame (Chair) - Cross Gates and Whinmoor;  
J Hardy - Farnley and Wortley;  
A Lowe - Armley;  
C Macniven - Roundhay;  
R Wood - Calverley and Farsley;

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*Please note: Certain or all items on this agenda may be recorded*

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**Agenda compiled by:**  
**John Grieve**  
**Governance Services**  
**Civic Hall**  
**LEEDS LS1 1UR**  
**Tel: 22 43836**

**Head of Scrutiny and Member**  
**Development:**  
**Peter Marrington**  
**Tel: 39 51151**

# A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p><b>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</b></p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Chief Democratic Services Officer at least 24 hours before the meeting).</p>	
2			<p><b>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</b></p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p><b>RESOLVED</b> – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:-</p> <p><b>No exempt items on this agenda.</b></p>	

3

### **LATE ITEMS**

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

### **DECLARATIONS OF INTEREST**

To declare any personal / prejudicial interests for the purpose of Section 81 (3) of the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct.

5

### **APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES**

To receive any apologies for absence and notifications of substitutes.

6

### **MINUTES OF THE PREVIOUS MEETING**

1 - 4

To confirm as a correct record, the minutes of the meeting held on 11<sup>th</sup> July 2011.

7

### **FINANCIAL HEALTH MONITORING 2011/12 - FIRST QUARTER REPORT**

5 - 28

To consider a report of the Head of Scrutiny and Member Development on the first quarter report on Financial Health Monitoring 2011/12.

8

### **BEST VALUE REVIEW OF ICT**

29 -  
48

To consider a report of the Chief Officer ICT on the outcome of the Best Value review of ICT undertaken earlier this year.

9

### **OFFICER REGISTRATION OF INTERESTS 2011/12**

49 -  
60

To consider a report of the Head of Scrutiny and Member Development on Officer Registration of Interests 2011/12.

10

**WORK SCHEDULE**

61 -  
92

To consider a report of the Head of Scrutiny and Member Development on the Board's draft work schedule, together with the latest Executive Board minutes and Forward Plan.

11

**DATE AND TIME OF NEXT MEETING**

Monday 3<sup>rd</sup> October 2011 at 10.00am in the Civic Hall, Leeds (Pre-meeting for Board Members at 9.30am)

# Agenda Item 6

## SCRUTINY BOARD (RESOURCES AND COUNCIL SERVICES)

**MONDAY, 11TH JULY, 2011**

**PRESENT:** Councillor P Grahame in the Chair

Councillors S Bentley, A Blackburn,  
J L Carter, B Chastney, Dawson,  
R Grahame, J Hardy, A Lowe, C Macniven  
and R Wood

### **10 Declarations of Interest**

Councillor J Hardy declared a personal interest in Agenda Item No.8 Customer Access Strategy as a Director of West North West Homes who were referred to in the submitted report (Minute No.14 refers).

### **11 Apologies for Absence and Notification of Substitutes**

Apologies for absence were received from Councillor A Gabriel.

Notification had been received for Councillor R Grahame to substitute for Councillor Gabriel.

### **12 Minutes of the Previous Meeting**

**RESOLVED** – That the minutes of the previous meeting held on 17<sup>th</sup> June 2011 be confirmed as a true and correct record.

### **13 Financial Performance - Outturn 2010/11**

The Head of Scrutiny and Member Development submitted a report which set out details of the Council's Financial Performance for the year ending 31<sup>st</sup> March 2011.

The following officers were in attendance and responded to Board Members questions and comments:

Alan Gay – Director of Resources  
Helen Mylan – Head of Finance Corporate Services  
Ian Williams – Human Resources Manager

The Chair, on behalf of the Board invited the Director of Resources to present his report.

In summary, specific reference was made to the following issues:

- The potential impact on the City Council's Budget of the governments proposals to change the way in which business rates are collected
- Tax Collection performance - Comparisons with other Local Authorities
- Reduction in staffing levels as a result of ELI and the subsequent affect on workforce planning, particularly retaining necessary skills and succession planning
- The requirement to recognise the need for service reconfiguration to meet budget pressures including the development of relationships with other providers
- The use of and management of agency staff
- Sundry Income Collection performance
- The management of Insurance Claims, real and potential

## **RESOLVED –**

- (i) That the contents of the report be noted.
- (ii) That the Head of Scrutiny and Member Development schedule into the Boards work programme reports relating to the following issues:
  - Workforce Planning
  - Insurance claims
  - Sundry Income and collections
- (iii) That data on tax collections and comparisons with other Local Authorities be obtained and circulated to Board Members prior to the September meeting.

## **14 Customer Access Strategy**

Following a decision from the Board to invite Officers to discuss issues relating to the Customer Access Strategy 2011 – 2015.

The Chair welcomed to the meeting:

- Paul Broughton, Chief Officer (Customer Services)
- Lee Hemsworth, Chief Officer (Business Transformation)

The Chief Officer (Customer Services) delivered a brief presentation providing details of the Council's one stop service which included:

- 14 One Stop Centres, 2 Joint Service Centres
- Customer Services Excellence accreditation
- Statistics for 2010/11
- Customer satisfaction
- Opening Hours
- Recent Development
- Current Projects

The Chief Officer (Business Transformation) also addressed the Board and spoke about the rationale for change and the development of a new customer service strategy, and in doing so identified the strategic customer outcomes and highlighted the key deliverables.

**RESOLVED –**

- (i) That the presentation on the Customer Access Strategy be noted and welcomed.
- (ii) That this Scrutiny Board should proactively monitor the progress of the development of the customer service strategy. The following key milestones were agreed for further scrutiny:
  - The redraft on the basis of feedback and consultation
  - Results of, and the use of the Customer Consultation
  - The development of the business case for phase 1
  - The delivery of phase 1
- (iii) The Head of Scrutiny and Member Development was asked to work with the Chief Officer (Business Transformation) and schedule these key milestones into the Board's work programme.

**15 Work Schedule**

The Head of Scrutiny and Member Development submitted a report outlining the Board's work schedule for the forthcoming municipal year and also included an extract of the Council's Forward Plan relating to the Board's portfolio and a copy of the latest Executive Board minutes.

**RESOLVED –**

- (i) That the Executive minutes and Forward Plan be noted.
- (ii) To agree the work schedule including the amendments made at today's meeting.

**16 Date and Time of Next Meeting**

**RESOLVED –** To note that future meetings of the Board be scheduled as follows:

Monday 5<sup>th</sup> September 2011  
Monday 3<sup>rd</sup> October 2011  
Monday 7<sup>th</sup> November 2011  
Monday 5<sup>th</sup> December 2011  
Monday 9<sup>th</sup> January 2012  
Monday 6<sup>th</sup> February 2012  
Monday 5<sup>th</sup> March 2012  
Monday 2<sup>nd</sup> April 2012

Draft minutes to be approved at the meeting  
to be held on Monday, 5<sup>th</sup> September, 2011

All meetings to held in the Civic Hall, Leeds commencing at 10.00 a.m.  
(Pre-meeting for Board Members to commence at 9.30 a.m.)

**(The meeting concluded at 11.50am)**



**Report of Head of Scrutiny and Member Development**

**Report to Scrutiny Board (Resources and Council Services)**

**Date: 5<sup>th</sup> September 2011**

**Subject: Financial Health Monitoring 2011/12 – First quarter report**

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

**Summary of main issues**

1. Attached as Appendix 1 is the Financial Performance 2011/12 – First Quarter Report. The purpose of this report is to inform members of the financial health of the authority after three months of the financial year in respect of the revenue budget and the housing revenue account.
2. As members will be aware, the 2011/12 budget was prepared against a backdrop of a £50m+ reduction in Government Grants, and significant pressures within a number of Council services. These pressures included demand pressures within both Adults Social Care and Children’s services and declining income levels impacting upon both City development and Environment and Neighbourhoods. Overall the 2011/12 budget has had to include savings across a range of services in excess of £90m.
3. In light of the above the Chair has invited officers from Adult Social Care and Children’s services to attend today’s meeting to discuss how they intend to manage their element of the budget. Officers from Resources will also be in attendance to give an overview of the current budget situation.

## **Recommendations**

4. Members are asked to;
  - (i) Note the Council's Financial Performance.
  - (ii) Discuss with officers from Adult Social Care and Children's services their budget pressures.

## **Background documents**

5. None used



## Report of the Director of Resources

### Executive Board

Date: 27<sup>th</sup> July 2011

Subject: Financial Health Monitoring 2011/12 – First quarter report

**Electoral Wards Affected:**

Ward Members consulted  
(referred to in report)

**Specific Implications For:**

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In  
(Details contained in the report)

### Executive Summary

1. The purpose of this report is to inform members of the financial health of the authority after three months of the financial year in respect of the revenue budget and the housing revenue account.
2. As members will be aware, the 2011/12 budget was prepared against a backdrop of a £50m+ reduction in Government Grants, and significant pressures within a number of Council services. Overall the 2011/12 budget includes savings across a range of services in excess of £90m. This includes staffing savings of £30m, equating to 400 leavers; procurement savings of £20m to be delivered through procurement activity and reductions in spend; £6m from premises costs including the £1m energy saving challenge, rationalisation of buildings and deferring non essential building maintenance; income from new charges and income generation activities. Given the scale and nature of these savings, delivery of the 2011/12 budget represents a significant financial challenge.

Action is taking place across all areas of the Council and it is clear that significant savings are being delivered in line with the budget, but nevertheless at this stage of the financial year an overall overspend of £8.2m is projected. Detailed directorate reports are included at Appendix 1.

3. Directorates will continue to develop and implement a number of action plans but further options will be required to reduce the funding gap by the year end.

4. Members are asked to note the projected financial position of the authority after three months of the financial year together with the impact on reserves should directorate spending not be maintained within approved estimates.

## **1. PURPOSE OF REPORT**

- 1.1 This report sets out for the Board the Council's financial health position for 2010/11 after three months of the financial year. This is based on a detailed review of the month 2 position and updated at month 3 for any significant changes identified.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget after three months and comments on the key issues impacting on the overall achievement of the budget for the current year.
- 1.3 A separate report on the Capital Programme can be found elsewhere on this agenda.

## **2. BACKGROUND INFORMATION**

- 2.1 Members will recall that the net budget<sup>1</sup> for the general fund was set at £582.2m, supported by the use of £2m of general fund reserves and the level of general fund reserves at 31<sup>st</sup> March 2012 was estimated to be £19.4m.
- 2.2 Following the closure of the 2010/11 accounts, the reserves position has been largely achieved with reserves standing at £21.2m at 31<sup>st</sup> March 2011.
- 2.3 As members will be aware, the 2011/12 budget was prepared against a backdrop of a £50m+ reduction in Government Grants, and significant pressures within a number of Council services. These pressures included demand pressures within both Adults Social Care and Children's services and declining income levels impacting upon both City development and Environment and Neighbourhoods. Overall the 2011/12 budget has had to include savings across a range of services in excess of £90m. The budget report to Council<sup>2</sup> in February 2011 recognised that the 2011/12 budget contained a number of risks, and there were also outlined in the financial health report submitted to the Board at its meeting on the 22<sup>nd</sup> June 2011. As such it does need to be appreciated that the delivery of the 2011/12 budget represents probably the most significant financial challenge currently facing the Council, and it is clear that action will need to be constantly taken to ensure that overall budgets are delivered and reserves maintained. It is recognised that failure to deliver the 2011/12 budget will have implications for the 2012/13 budget and beyond.

## **3. MAIN ISSUES**

- 3.1 Budget monitoring to date is identifying that the authority has made significant progress on achieving the demanding savings targets, but three main issues are causing concern and an overspend of £8.2m is currently projected. This does need to be seen in the context of the scale of the financial challenge as outlined above, and it also needs to be appreciated that action is being taken across the all directorates to contain spending to the approved budget.
- 3.2 The demand pressures both in Adult Social Care and Children's Services, and declining income in City Development and Environment and Neighbourhoods were addressed in the 2011/12 budget. Provision was made for increased expenditure on services for vulnerable children and adults including safeguarding, whilst addressing cost and income pressures arising from the current economic conditions. However as outlined in the revenue outturn report presented to Members in June<sup>3</sup> these pressures continued to rise in the final quarter of 2010/11 which impact upon the 2011/12 budget.

- 3.3 The 2011/12 budget included a target for reducing the workforce by 400 full time employees and on the 1st July a new early leaver's scheme was launched inviting expressions of interest from anyone wishing to take early retirement, voluntary severance, a reduction in paid hours or an unpaid employment break.
- 3.4 In addition, the budget included challenging savings targets from procurement and in the cost of running council premises. Whilst work is ongoing to deliver these savings through a number of initiatives e.g. the Million Pound Challenge to help the Council save £1 million in energy costs and reduce our emissions. In addition the budget included a £5.75m reduction in fees paid to residential and nursing care providers.
- 3.5 After three months of the financial year an overspend of £8.2m is projected as detailed in table 1.
- 3.6 As part of the budget monitoring process, action plans built into budgets have been reviewed and the above projections do assume the continuing delivery of action plans both corporately and within directorates.

Table 1

(Under) / Over Spend for the current period											
Directorate	Director	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to		Total Expenditure £000	Income £000	Total Under /Overspend £000
							External Bodies £000	Transfer Payments £000			
Adult Social Care	Sandie Keene	0	169	(570)	(6)	351	2,455	100	2,499	(152)	2,348
Children's Services	Nigel Richardson	(79)	14	7	3	(2)	5,244	0	5,187	(66)	5,121
City Development	Martin Farrington	(277)	(174)	(517)	(455)	177	0	0	(1,246)	1,829	583
Environment & Neighbourhoods	Neil Evans	262	6	116	54	0	0	(500)	(62)	141	79
Resources	Alan Gay	(216)	188	(129)	46	(9)	0	3,239	3,120	(3,161)	(41)
Legal Services	Robert Pritchard	387	0	1	0	0	0	0	388	(271)	117
Planning, Policy and Improvement	James Rogers	12	0	0	0	0	0	0	12	(13)	(1)
<b>Total</b>		<b>88</b>	<b>203</b>	<b>(1,092)</b>	<b>(358)</b>	<b>517</b>	<b>7,700</b>	<b>2,840</b>	<b>9,898</b>	<b>(1,693)</b>	<b>8,205</b>

- 3.7 Full details of directorate variations and proposed actions to help achieve a balanced budget are attached as Appendix 1. The main variations can be analysed as follows:
- Staffing - Overall staffing FTEs have decreased by 170.82 since 1st April 2011 which compares to the planned reduction of 400 for the year.
  - Adult Social Care – Early indications are that there is a lower of level of demand in residential and nursing care, but this is more than offset by a projected shortfall in the delivery of budgeted procurement savings. Although the directorate is still working hard to reduce the shortfall, the current forecast is an overspend of £2.3m.
  - Children's Services – significant activity is taking place to manage demand pressures for looked after children, but at this time the forecast for external placements is £1m overspend and independent foster care at £4m. These projections do assume some decline in demand pressures during the year, but given current trends, there is a risk that the position may deteriorate even further as the year proceeds. The position is being monitored on a weekly basis.
  - City Development Income – this area of the budget continues to be a major challenge for the directorate and the trend in building and planning fees, markets, and architectural design services continues with a forecast shortfall of £1.8m.

#### 4. Risks

- 4.1 The Council has prepared and maintained a financial risk register for a number of years. The register details the risk and consequences, existing controls to mitigate against the risk, the value in monetary terms of the risk, review dates and progress towards managing the risk within existing resources. The register is prepared before the start of each financial year and is monitored on a regular basis. Any significant changes will be reported to this Board as part of the financial health report.
- 4.2 The initial register shows there are 3 very high risks and 10 high risks. The very high risks are as follows:-

Risk	Key Budget Impacted	Quarter 1		
		P	I	Rating
Procurement savings for residential and nursing placements .	Commissioning adult social care	3	5	Very High
The increase in the fostering budget (£3.3m) may not be sufficient to meet demand. In addition, slippage on the budgeted action plan around recruiting additional in-house carers and reducing the use of externally provided Independent Fostering Agency placements may not be achieved.	Children and Young People Social Care	3	5	Very High
The increase in the externally provided residential placement budget £4.7m may not be sufficient to meet demand	Children and Young People Social Care	3	5	Very High

- 4.3 There are currently no new risks or changes in the rating. However given the scale of budget reductions which need to be made to deliver the 2011/12 budget, there is inevitably an increased risk that the overall budget is not achieved.

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- 4.4 Any significant changes will be reported to this Board as part of the monthly financial health report.

#### 5 HOUSING REVENUE ACCOUNT (HRA)

- 5.1 At the end of the quarter the HRA is projecting a deficit of £641k. This variation is primarily due to refurbishment costs associated with establishment of the ALMO Business Centre (£100k), increased charges of £130k and £147k respectively from Internal Audit for work in relation to ALMO assurance and PPPU for additional work in respect of the Little London and Beeston Hill and Holbeck PFI project. In addition £200k is required to contribute towards the Housing Capital Programme.

#### 6. RECOMMENDATION

- 6.1 Members of the Executive Board are asked to note the projected financial position of the authority after three months of the financial year and request that directorates continue to develop and implement action plans which are robust and will deliver a balanced budget by the year end.

BACKGROUND

- 
- <sup>1</sup> Revenue Budget and Council Tax 2011/12 – report to Executive Board 11<sup>th</sup> February 2011
  - <sup>2</sup> Budget report 2011/12 to Council
  - <sup>3</sup> Financial performance outturn 2010/11 – report to Executive Board 22.062011





## ADULT SOCIAL CARE DIRECTORATE: 2011/12 BUDGET

### 1.0 Introduction

This report sets out the financial position for the Adult Social Care directorate after three months of the financial year.

### 2.0 Overall Summary

The overall position for the Adult Social Care Directorate is a projected overspend of £2.3m compared with the Net Managed Budget of £178m. This takes account of the projected delivery of £10.7m of budgeted savings. The main shortfall in the delivery of budgeted savings relates to procurement savings and had these been on target the directorate would be projecting an overall underspend for 2011/12.

### 3.0 Explanation of the Projected Overspend

The main variations are explained below:

- **Community Care Packages - £2.7m**

- Residential and Nursing Care Placements - £2.6m

- Placement numbers for the first quarter averaged three per week (10%) less than the budgeted numbers. This, together with the full-year effect of 2010/11 placements is reflected in spend being less than budgeted in respect of placement numbers. There is some risk that placement numbers may increase due to the impact of the Leeds Teaching Hospitals Trust's decision to close 200 acute beds. The current budget assumption is that any budgetary pressure arising from these bed closures will be funded by NHS Leeds, although this assumption also carries some risk. The 2011/12 budget also included significant procurement savings that are not yet being achieved, although work is ongoing.

- Direct Payments & Personal Budgets – £0.1m

- This expenditure reflects the extent to which customers choose to receive their services as a cash payment rather than through traditional services and the level of need being met by the care package. This expenditure is projected to be £0.1m higher than budgeted due to the impact of one high cost package for someone with particularly complex needs.

There are some potential budget pressures within the learning disability pooled budget. This partly relates to Continuing Health Care cases that are the statutory responsibility of the health service and discussions are ongoing with NHS Leeds to ensure that the appropriate health contribution is made to the pooled budget. The directorate is working hard to contain these potential pressures and identify contingency savings to address any that do arise.

**Directorate Children's Services**

Traffic Light	Service	Staffing £000	Premises £000	Supplies & Transport Services £000	Agency Payments £000	Transfer £000	Total Expenditure £000	Income £000	Total £000
G	Partnership Dev. & Business Support	12	0	7	0	0	19	(6)	13
G	Learning, Skills & Universal Services	0	0	0	0	0	0	0	0
R	Safeguarding, Targeted & Specialist	(80)	14	0	5,244	0	5,179	(60)	5,119
G	Strategy, Commissioning & Performance	(11)	0	0	0	0	(11)	0	(11)
R	<b>Total</b>	<b>(79)</b>	<b>14</b>	<b>7</b>	<b>5,244</b>	<b>0</b>	<b>5,187</b>	<b>(66)</b>	<b>5,121</b>

## CHILDREN'S SERVICES: 2011/2 BUDGET

### 1.1 Overall Position

1. The latest forecast for Children's Services is a projected overspend of £5.12m (4%) against the net managed budget of £129.3m.

### 2. Staffing

- 2.1 The forecast across the employee budgets is an underspend of £79k on the £111.65m budget.

### 3. Externally Provided Placements

- 3.1 The level of demand within the services remains high, as evidenced by the high number of referrals, assessments, the number of children subject to a child protection plan and the number of children within the care system. This high level of demand translates into the number of placements needed for looked after children and, recognising the changing placement mix and the saturation of the current in-house provision, directly into pressure on the externally provided residential and fostering placement budgets.
- 3.2 During the final quarter of 2010/11, the number of looked after children (LAC) placed with external providers continued to increase. Currently the number of externally provided residential placements is higher than the number of placements profiled within the original Budget Action Plan. Based on the current number of placements, but taking account of the directorate plan, the forecast outturn pressure related to externally provided residential placements is £1m.
- 3.3 Similarly, the number of placements with the Independent Fostering Agency (IFA) is increasing, and is currently in excess of the budget by around 40 placements. After taking into account the ongoing activity to manage demand, the forecast outturn is £4m in excess of the budget

**Directorate City Development**

		(Under) / Over Spend for the current period										Total Under /Overspend
		Staffing	Premises	Supplies &	Transport	Internal	Payments	Total	Income			
		£000	£000	Services	£000	Charges	to External	Expenditure	£000	£000	£000	
				£000		£000	Bodies	£000				
Traffic Light	Service	Chief Officer										
R	Planning and Sustainable Development	Chief Planning and Sustainable Development Officer	0	(45)	441	29	0	435	829	1,264		
G	Economic Development	Chief Economic Development Officer	(50)	13	(133)	3	0	(168)	(55)	(223)		
R	Asset Management	Chief Officer Asset Management	(50)	4	(60)	(24)	0	(300)	167	(133)		
G	Highways and Transportation	Chief Officer Highways and Transportation	(150)	216	(98)	(301)	0	22	(497)	(475)		
G	Libraries, Arts and Heritage	Chief Libraries, Arts and Heritage Officer	(253)	169	(49)	33	0	(112)	62	(50)		
R	Recreation	Chief Recreation Officer	300	(529)	(481)	(193)	0	(911)	1,272	361		
G	Resources and Strategy	Chief Officer Resources and Strategy	(74)	(1)	(136)	(1)	0	(213)	51	(162)		
R	<b>Total</b>		<b>(277)</b>	<b>(174)</b>	<b>(517)</b>	<b>(455)</b>	<b>0</b>	<b>(1,245)</b>	<b>1,829</b>	<b>584</b>		

## CITY DEVELOPMENT DIRECTORATE: 2011/12 BUDGET

### 1.0 Introduction

This report sets out the financial position for City Development Directorate after three months of the financial year.

### 2.0 Overall Summary

The overall position for City Development Directorate shows a projected overspend of £0.583m.

Whilst it is still early in the financial year a number of key budget pressures are emerging particularly on external income. The projection does also allow for a number of proposed budget actions to be implemented to offset anticipated pressures and a full review of possible savings and other actions is currently being progressed with the aim of bringing forward agreed actions to further reduce the projected overspend.

### 3.0 Explanation of the Projected Overspend

The main reasons for the projected overspend are an overall shortfall in income of £1.8m and additional costs of £0.45m arising from ongoing planning appeal cases. Partly offsetting these are a projected underspend on staffing of £0.28m and other net running cost savings of £1.4m.

#### Premises Costs

Highways and Transportation has received an additional £1.8m of grant income as the Leeds allocation for the 'pot hole' grant. This was awarded after the 2011/12 budget had been determined and will mean an additional £1.8m will be spent on highway maintenance. Allowing for this, there is actually a projected underspend of £173k on premises costs. Savings are mainly anticipated in Parks and Countryside as a result of reduced work loads. There are a number of potential pressures on premises costs, mainly around energy costs. A pressure of £250k is anticipated in Highways and Transportation as a result of a larger increase in the Street Lighting energy contract than was anticipated in the budget. There is also a risk that the energy savings assumed in the budget across most services are not achieved. The majority of savings anticipated from the rationalisation of Sport and Library facilities should be achieved.

#### Supplies and Services

Savings in supplies and services are anticipated in Parks and Countryside and Resources and Strategy. The cost of planning appeals was a major budget pressure in 2010/11 and will continue to be an issue in 2011/12 as costs for some of the cases have still be finalised and charged and the outcome of other cases is still unknown. A provision of £200k was made in the 2010/11 accounts where the outcome and amount was known but it is projected that there could be additional costs of £450k over and above the budget provision. The projection assumes that further savings will be made on operational budgets and plans to deliver these savings are being discussed with each Service.

## **Transport**

Savings of £448k are anticipated across the Directorate, the largest is in Highways and Transportation from reduced spend on plant and fuel.

## **Income**

Achieving the income targets continues to be a major challenge for the Directorate and the early indications are that there will be significant shortfalls in some areas.

The projected shortfall for planning and building fees for the year is forecast to be just under £1m. In addition, the projected income shortfall for Recreation of £1.27m is mainly within Parks and Countryside and is largely offset by projected savings in expenditure. The budget is in the process of being realigned to reflect this. On the whole income in Sport is expected to be in line with budgets.

Other income variations include a shortfall in Markets income of £300k which is a reflection of reduced occupancy levels at Kirkgate Market and a £300k shortfall in Architectural Design Services and Client Services income reflecting reducing workloads.

Directorate	Environment & Neighbourhoods	Staffing	Premises	Supplies & Services	Transport	Transfer Payments	Total Expenditure	Income	Total (Under)/ Overspend
		£000	£000	£000	£000	£000	£000	£000	£000
Traffic Light									
R	Streetscene Environmental Services	414	0	(57)	81	0	438	0	438
R	Health & Environmental Action		6	(31)	(9)	0	(34)	(27)	(61)
G	Car Parking Services	(152)	0	43	0	0	(109)	31	(79)
R	Community Safety		0	0	0	0	0	0	0
R	Regeneration		0	60	0	0	60	56	116
G	Jobs And Skills		0	0	(0)	0	(0)	0	(0)
G	Community Centres		0	0	0	0	0	0	0
G	Housing Services		0	(25)	0	(500)	(525)	0	(525)
R	General Fund Support Services		0	0	0	0	0	0	0
R	Waste Management		0	126	(18)	0	108	81	189
G	Safer Leeds Drugs Team		0	0	0	0	0	0	0
<b>R</b>	<b>Total</b>	<b>262</b>	<b>6</b>	<b>116</b>	<b>54</b>	<b>(500)</b>	<b>(62)</b>	<b>141</b>	<b>79</b>



## ENVIRONMENT AND NEIGHBOURHOODS: 2011/12 BUDGET

### 1.0 Introduction

This report sets out the financial position for Environment and Neighbourhoods after three months of the financial year.

### 2.0 Overall Summary

The projected position for Environment and Neighbourhoods Directorate is an overspend of £0.1m.

### 3.0 Explanation of the Projected Overspend

#### Staffing +£262k

The estimated cost of covering Time off in Lieu (TOIL) relating to Refuse and Cleansing staff bank holidays entitlement is projected at £262k based on spend in 2010/11. Savings in Car Parking services reflecting vacant posts are offset by ongoing route support and attendance costs in Refuse Collection.

#### Supplies and Services + £172k

Significant savings of over £1m which were budgeted for in waste disposal from new contracts are being delivered. However, a variation in waste disposal costs of £50k is now projected. This mainly relates to reductions in the national price for the sale of glass which has resulted in the service now having to pay for glass disposal, instead of generating an income. Recycling levels for both April and May have reached 40% for the first time. However, even with this success, there is a potential for a LATS shortfall in 2011/12 which, depending upon the prices of allowances, could reach £100k. The service is already actively seeking ways to mitigate this cost and it is expected that the opening of an existing contractors new recycling plant in the autumn will result in more residual waste be diverted for recycling.

#### Transport +£54k

Rising fuel prices are estimated to cost £155k across Environmental Services, whilst ongoing back up support to the Refuse Change Programme is estimated at £143k; These pressures are partially offset by a review of Street Cleansing and Household Waste Sites vehicles numbers which when reduced will save an anticipated (£123k) and transport savings from more effective vehicle utilisation of (£100k).

#### Transfer Payments (£500k)

Work to determine the feasibility of funding support charges in Sheltered Housing through Housing Benefit rather than Supporting People for eligible tenants, is being progressed in conjunction with the ALMOs and BITMO. An action plan to realise a part year saving of £500k, has therefore been included within the financial position.

#### Income + £141k

Car Parking income is currently projected to be £30k short of the budget overall. However, this comprises a number of variations.

Additional income from parking at the former International Pool site is helping offset an anticipated £160k pressure of a further reduction in PCN numbers, lower than anticipated income from suspended bays and the expected non achievement of conversion of short stay spaces to long stay.

Income from recycling is anticipated to be £70k below budget as a result of not receiving any income from recycled glass.

There are other minor income variations of £40k across Environmental Services which will be matched by expenditure savings.

## Directorate Resources

		(Under) / Over Spend for the current period								Total Under / Overspend £000
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport	Transfer Payments £000	Total Expenditure £000	Income £000	
G	Financial Management	Chief Officer Fin Management	8	0	9	3	0	20	(20)	0
G	Business Support Centre	Chief Officer Fin Management	(53)	0	64	(1)	0	9	(9)	0
G	Financial Development	Chief Officer Fin Development	(70)	0	14	0	0	(56)	(11)	(67)
R	Revenues and Benefits	Chief Revenues and Benefits Officer	(94)	2	52	40	3,246	3,246	(2,956)	290
R	Information Technology	Chief ICT Officer	197	0	(221)	0	0	(24)	97	73
G	Human Resources	Chief Officer HR	(264)	0	62	0	0	(202)	0	(202)
G	Audit & Risk	Chief Officer Audit and Risk	(70)	2	9	1	0	(59)	0	(60)
G	CORS Directorate	Chief Officer Resources and Strategy	5	0	(18)	0	0	(13)	0	(13)
G	Public Private Partnership Unit	Chief Officer PPPU	81	0	14	0	0	94	(95)	(1)
G	Democratic and Central Services	Chief Officer Democratic and Central Services	206	86	(178)	6	(7)	114	(166)	(53)
G	Commercial Services	Chief Officer Commercial Services	(161)	99	64	(3)	0	(0)	0	(0)
G	<b>Total</b>		<b>(216)</b>	<b>188</b>	<b>(129)</b>	<b>46</b>	<b>3,239</b>	<b>3,128</b>	<b>(3,161)</b>	<b>(33)</b>

**Directorate                      Legal Services**

**(Under) / Over Spend for the current period**

Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport	Expenditure £000	Income £000	Total Under /Overspend £000
R	Legal Services	Chief Legal Services Officer	387	0	1	0	388	(271)	117
R	<b>Total</b>		<b>387</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>388</b>	<b>(271)</b>	<b>117</b>

**Directorate Planning, Policy and Improvement**

(Under) / Over Spend for the current period

Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport	Expenditure £000	Income £000	Total Under /Overspend £000
G	Customer Services	Chief Officer Customer Services	1	0	0	0	1	0	1
G	Leeds Initiative & Partnerships	Chief Officer LIP	0	0	0	0	0	0	0
G	Business Transformation	Chief Officer Business Transformation	0	0	0	0	0	0	0
G	PPI Management & Support	Assistant Chief Executive	11	0	0	0	11	(13)	(2)
<b>G</b>	<b>Total</b>		<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>(13)</b>	<b>(1)</b>

## **CENTRAL AND CORPORATE FUNCTIONS: 2011/12 BUDGET**

### **1.0 Introduction**

This report sets out the financial position for Central and Corporate Functions after three months of the financial year.

### **2.0 Overall Summary**

The Central and Corporate budget for 2011/12 reflects savings and efficiencies amounting to £15.7m representing a considerable challenge for services to deliver.

The projection is that a balanced budget will be delivered by year end. This is based on activity to month 3 combined with the fact that 9 months of the financial year remain in which to enact further action plans to achieve the level of savings required.

### **3.0 Explanation of the projected underspend**

#### **Resources (£32k underspend)**

Some services are now predicting to underspend pay budgets by year end, with others predicted to be over budget, but it is expected that natural turnover and the impact of the second early leavers initiative will bring the budgets in on-line. The projection at month 2 is therefore an overall underspend of £77k on pay.

In terms of running cost budgets, the biggest challenge is around an overall reduction of £1m applied, partly on the assumption of procurement savings. A detailed budget review is currently taking place within the Directorate comparing outturn 2010/11 to 2011/12 budgets. The objective is to 'rebase' budgets where appropriate. The projections assume that spend will be contained within budget for running costs.

Housing Benefits are predicted to be £290k over budget. This mainly due to reduced levels of overpayments compared to budget.

In terms of income, the most vulnerable area is the trading functions within Commercial Services. Trends so far this year combined with projections for the year end suggest that budgeted income levels will be achieved.

#### **Planning, Policy and Improvement (balanced position)**

No significant variations in spend or income are apparent and the Directorate have plans in place to ensure that the budget is brought in on-line.

#### **Legal Services (£117k overspend)**

The main feature of the budget in 2011/12 is the targeted £1m reduction in legal spend. This was represented in the budget through a reduction in spend within Legal Services which in turn reduced the 'client' budgets within Directorates. The saving is targeted not only at internal legal costs, but also external spend.

Based on activity to date, current demand for legal services will have the full year impact of an overspend on staffing (mainly temporary and agency) of £387k. In terms of the legal services budget, this matched by internal income, however the impact will be within client directorates. Legal services are working with clients to try and reduce workloads and work in different ways.

The cause of the overspend of £117k is that all court costs are now being returned direct to services, whereas previously Legal Services retained some of the more minor costs awarded and had an income budget for this.

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**Report of Chief Officer ICT**

**Report to Scrutiny Board (Resources and Council Services)**

**Date: 5<sup>th</sup> September 2011**

**Subject: Best Value Review of ICT**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of main issues**

1. CLT have asked for an independent and external review of the ICT function to ensure that it provides a 'fit for purpose service' that can positively contribute to the delivery of 'Best Council' in the UK by 2015. The review was undertaken by an experienced consultancy company (Mouchel) and is now complete. The final report is attached.

**Recommendations**

- 1.1 Scrutiny Board (Resources and Council Services) are asked to note the contents of the report and to support the recommendations

**2 Purpose of this report**

- 2.1 To inform the Scrutiny Board (Resources and Council Services) of the outcome of the Best Value review of ICT undertaken earlier in the year.

**3 Background information**

- 3.1 ICT is used extensively in every service of the Council, both in front-line services and back-office support functions. All of the Council's business operations are supported by ICT systems. The Council recognises the importance of ICT in terms of its potential to underpin further business transformation and improved citizen and partner access to information.

3.2 ICT services are provided to users across the Council through a mix of internal and external service provision. The Council is keen to identify and improve the relative effectiveness and efficiency of the ICT service against best practice and best value in the market place.

#### **4 Main issues**

4.1 A previous study of ICT was carried out in 2007 and concluded that the ICT service represented good value and a quality service.

4.2 Whilst the ICT function has continued to develop since 2007, in line with the requirements of the Council, it was deemed timely to undergo a further review of ICT services to ensure that the ICT service is suitably positioned to meet the ambitions of the Council

#### **5 Corporate Considerations**

##### **5.1 Consultation and Engagement**

5.1.1 No implications

##### **5.2 Equality and Diversity / Cohesion and Integration**

5.2.1 No implications

##### **5.3 Council Policies and City Priorities**

5.3.1 The ICT service is key to supporting the business areas in the delivery of the Council outcomes and priorities.

##### **5.4 Resources and Value for Money**

5.4.1 The review of ICT was undertaken to ensure value for money is being achieved.

##### **5.5 Legal Implications, Access to Information and Call In**

5.5.1 None

##### **5.6 Risk Management**

5.6.1 Without business area engagement working as partners with ICT and there is a risk that overall utility and value from ICT will not be achieved.

5.6.2 Without the development of a Business \ ICT strategic plan there is a risk that ICT investments will not achieve a return on investment, deliver anticipated benefits and may not support Council priorities.

#### **6 Conclusions**

6.1 The review concludes that the ICT Service is value for money, well run, performing well and that the strategy for delivering the ICT Service is appropriate for supporting the ongoing needs of the Council. The infrastructure on which the Council's ICT

operates is stable and the plans to upgrade it are sound and on track. However, in contrast, it also concludes that we as an organisation as a whole are not achieving best returns from our ICT investments. This is an area we need to understand and resolve

## **7 Recommendations**

- 7.1 Scrutiny Board (Resources and Council Services) are asked to note the contents of the report and to support the recommendations

## **8 Background documents**

- 8.1 None

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## Leeds City Council

Review of ICT Services

Final Report v1.0

April 2011



## Quality Control Sheet

Client	Leeds City Council
Assignment	ICT Review
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### Distribution:

Organisation	Contact	Copies
Leeds CC	Alan Gay	1
Leeds CC	Dylan Roberts	1
Leeds CC	ICT Senior Leadership Team	1

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This document was prepared on behalf of Mouchel Management Consulting by:	
	Strategic IT Effectiveness Services Ltd, 27 The Wardens, Kenilworth, CV8 2UH. Tel: 01926 863 570 Contact: Tim.Bollands@SITEservices.co
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# 1 Introduction

## 1.1 Overview

This document forms the final report of a Review of ICT Services, carried out in March 2011 by Mouchel Management Consulting for Leeds City Council.

## 1.2 Purpose

The purpose of this report is to provide a review of ICT Services within Leeds City Council and to provide answers to the seven key questions asked. These questions were:

- i. Review of the existing infrastructure (Including Birthright Workplace Tools) to determine whether the infrastructure and generic ICT provision currently in place is appropriate and fit for purpose*
- ii. Are the resource levels in ICT appropriate to support the existing environment and develop it further? This includes ICT support for business applications*
- iii. Does ICT have the appropriate level of knowledge, skills and expertise (Skill balance) to support the environment and move forward?*
- iv. Does the Council (i.e. Business Areas) have the right skills and knowledge to realise the benefits from ICT in the following areas: Change management expertise; ICT knowledge of managers\leaders; ICT skills and competencies of staff (i.e. employees)*
- v. Does ICT (including ICT Sourcing) provide a value for money Service to the Council?*
- vi. Provide an external review of the recently updated ICT Strategy 2011- 2015.*
- vii. Provide a recommendation to the Corporate Leadership Team on the top 3 activities the Council needs to undertake in order to implement the optimal ICT service to meet the transformational ambitions of the Council.*

## 1.3 Structure

The findings from this review are contained in two accompanying appendices:

Appendix I Strategic ICT Effectiveness Assessment v1.0

Appendix II ICT Infrastructure Review v1.0

Our conclusions are presented in Section 2, in the form of responses to questions (i) to (vi).

Our recommendations are presented in Section 3, as a response to question (vii).



## 2 Conclusions

### 2.1 Review of the existing infrastructure (Including Birthright Workplace Tools) to determine whether the infrastructure and generic ICT provision currently in place is appropriate and fit for purpose

The ICT infrastructure currently in use in LCC is fit-for-purpose and appears to be providing an adequate level of service. Much of the infrastructure (including desktop and BWT) is ageing and in need of replacement, however, with numerous issues and risks affecting many areas. These are recognised and understood by ICT, with plans in place to refresh all infrastructure areas as part of the Essential Services (and related) Programmes:

- Overall, the quality of server hardware, the number of servers and the type of build is appropriate for the organisation, delivering good performance for application hosting. Versions of server O/S vary across the estate with legacy servers running versions as old as NT & 2000, through a good deal of 2003 versions to the latest 2008 offerings. The strategy is to now deploy only 2008 (where possible) and the Active Directory / Domain Controller implementation has been built on a 2008 platform.
- Much of the current ageing and silo-based data storage is approaching the end of its lifecycle. Although still fit for purpose, some of the assets within this area will need replacing within the short-term. This will assist ICT in achieving the overall strategy of a single storage model with centralised management. The much needed replication and resilience for storage and the servers that utilise the SANs can also be addressed during transformation
- The network is generally in good shape and the design is continuously evolving to cater for project and user demands. The distributed infrastructure is difficult to manage but with the level of inventory documentation and knowledge of the staff we spoke to in this area, it left us with no significant doubt about the management and development of the WAN, LAN and Voice infrastructure.
- Overall securing the ICT Infrastructure and its data has been carried out to a high standards and in-line with what would be expected of an organisation of this size. Further projects currently planned or being delivered will enhance this situation and leave LCC well placed to increase flexible working and centralise data stores
- It is clear that the desktop service has reached a crucial time for investment. Build creep and lack of control over the end point has resulted in an inconsistent desktop and the ageing BWT software included within the current build means that the ability to deliver certain solutions is now compromised. Although the current BWT are adequate and generally still fit for purpose, due to their stage in the product lifecycle they are now likely to be restricting what end users can achieve, require higher levels of support and constraining improvements in productivity.

The overall direction for ICT at LCC is sound, both in regard to the technology refresh undertaken by the current ESP programme and the longer-term intentions in areas such as use of Cloud services and the Public Service Network.

See also Appendix I Section 3.5 and Appendix II ICT Infrastructure Review.

## 2.2 **Are the resource levels in ICT appropriate to support the existing environment and develop it further? This includes ICT support for business applications**

The ICT department has seen significant reduction in its staffing levels over recent years, reducing from over 380 to around 270 with further cuts planned for future years. This has been achieved through reduction in the overall staff budget, as well as a recruitment freeze over in the past year, which has resulted in a very high number of vacant posts.

Managers from across ICT report that they are struggling with current levels of resources, not helped by the large volume of project work currently underway. Most affected are the technical teams, which tend to be at most at risk from staff turnover. This has meant a need to hire external contractors into some teams, to ensure sufficient technical skills are in place.

Despite this, the department has managed to maintain service levels over the past year, with service statistics indicating a steady improvement in performance. This demonstrates a strong commitment to customer service from ICT staff, a view echoed by the majority of Chief Officers and other ICT customers interviewed for this review (with the notable exception of Council Members). Of greater concern is the ability of the department to maintain such service levels over the coming year, as well as deliver high volumes of change projects, including the Essential Service Programme (ESP).

ESP will deliver a major refresh to ICT infrastructure, addressing many of the issues referred to earlier and delivering an improved user experience. While improvements in infrastructure should reduce requirements for support resources, looking one or two years ahead, the programme will consume a significant amount of development resource over the coming year. The scale and complexity of the programme, coupled with staff reductions in many areas, suggest that there is a risk of ESP not delivering successfully within the planned timescale. If this were to happen, the department is unlikely to achieve the efficiencies desired, while maintaining current levels of service.

In regard to the support and development of business applications, the ICT department does not have a prioritised, strategic plan of projects covering the next few years, on which it might base estimates of resources required. Despite exercises like the ICT Strategy to anticipate what developments will be needed, the thinking is not sufficiently advanced (across all Directorates) to provide an understanding of all ICT solutions envisaged and therefore the projects, investments and internal resources needed to put these in place.

Without such a plan, it is not possible to determine whether current or planned resource levels will be sufficient. However, given the scale of ambition indicated by the ICT Strategy, it is unlikely that planned budgets reductions can be achieved without affecting the ability of the department to deliver existing and future change programmes.

See also Appendix I Section 2.5 Organisation and Sourcing.

### 2.3 Does ICT have the appropriate level of knowledge, skills and expertise (Skill balance) to support the environment and move forward?

Overall, the ICT department has a very comprehensively defined organisation, covering the majority of capabilities one would hope to see in a first-class ICT Services organisation, covering:

- Business relationship management
- Project and programme management
- Technical strategy, solution architecture and design authority
- Infrastructure development and support
- Applications development and support
- Service management, service desk and operations
- Planning, financial management and procurement.

Capabilities are strongest in the technical and service management areas, characteristic of an ICT function focused on the delivery of day-to-day infrastructure and support services. Internal processes are generally in line with ITIL best practice, demonstrating a clear commitment from managers to continuous service improvement over a number of years. Customer service skills are also very strong, with many positive comments received from Chief Officers relating to business relationship, development and service support staff.

The skills and experience exhibited by the technical staff interviewed for the Infrastructure Review (see Appendix II) was very high and consistent. There was a good user focus in evidence, even amongst the more technical members of staff we spoke to. Provided they are backed with the investment needed and programme control is evident, they would appear to have the capabilities needed to deliver the current technology strategy to the benefit of users and the council as a whole.

The ICT department is less strong in relation to the “Business ICT” arena, including:

- Business ICT Strategy and Planning (in relation to business applications)
- Enterprise architecture (business / application / information architecture)
- Business Change Management
- User Support and Training.

In regards to Line of Business applications, the responsibility for such activities currently lies with the various business departments, supported to some extent by ICT. It appears, however, that neither the business nor ICT have strong capabilities in any of these areas.

See also Appendix I Section 2.5 Organisation and Sourcing.

## 2.4 Does the Council (i.e. Business Areas) have the right skills and knowledge to realise the benefits from ICT in the following areas: Change management expertise; ICT knowledge of managers\leaders; ICT skills and competencies of staff (i.e. employees)

ICT skills and competencies of managers and staff vary greatly across the Council. The more office-based staff, such as are found in Central and Corporate functions, tend to be more ICT-literate and better able to make good use of the services provided. Equally, their managers are more experienced in the management of change and the application of technology within a business environment.

The more community-based staff, such as Social Workers, are much less ICT-literate, and in many cases positively resistant to the use of ICT systems. This is due partly to the attitude of many older staff towards technology – a factor that will diminish as more from the ‘Facebook generation’ enter the profession. It is also related to the use of an ICT system which is not aligned to an agreed business process and does not help staff to do their jobs more easily. A further factor is a lack of formal responsibilities to ensure that staff are trained and motivated to use the systems provided, that the business process is being correctly followed and that the information held within a system is kept up to date.

These are the kind of factors which the change manager on an ICT project would aim to prevent or manage, in such a way that the full benefits of the system may be realised.

This review found that there is good awareness amongst the CORs (Chief Officers for Resources and Strategy), and other Chief Officers interviewed, of the importance of effective business change management as part of any major ICT project. There was also a good understanding of how a lack of business change on previous projects has resulted in systems that are not well used and have not delivered the improvements envisaged. Many were keen to suggest how projects would be managed in future, demonstrating a good grasp of the challenges associated with organisational, process, people and culture change.

It was suggested there the same awareness does not extend to senior levels in the Council - that many Directors do not recognise the complexities involved in the planning, delivery and management of ICT systems. This includes the importance of change management and the active realisation of benefits; the significant difficulties and risks involved in achieving these; and the time it takes to successfully implement a large business application.

We did not have the opportunity to speak to Council Directors to validate this point of view. However, the common understanding of such issues by the CORs was encouraging. Less encouraging was their acceptance that the Council does not currently possess the levels of expertise and resources needed to succeed in this regard. Despite pockets of expertise, such as the BPR team in Audit, it was felt in many areas that the Council does not have a good understanding of business change and does not have the resources to do it properly.

Of equal concern to this review is whether the Council has the organisational capability to ensure it maximises benefits from its investments in ICT. Does it, for example, ensure that ICT investments are prioritised according to their likely return on investment and their support for Council priorities? Is there sufficient governance over large ICT projects to ensure they follow best practice and to stop any project that may fail to deliver the benefits envisaged? And when a project has completed, is enough done to ensure that the systems are used in a way that does realise benefits, as well measuring the value gained from each investment and

ensuring lessons are learned. This review found reasons to doubt the Council's capabilities in regard to each of these questions.

See also Appendix I, Sections 2.1, 2.3, 3.1 – 3.4 and Section 5.

## 2.5 Does ICT (including ICT Sourcing) provide a value for money Service to the Council?

While this review has not included a detailed benchmarking against similar organisations, there is clear evidence that the cost of the ICT service as a whole is significantly below average for the public sector (per user) and much lower than that of the private sector. In regard to external sourcing of products and services, the evidence available suggests that ICT is able to gain highly competitive prices for commodity items when compared to market rates.

Overall, the ICT department appears to be providing good value for money for the services it provides to the Council at this current time. Since much of the technology in place is aging and in need of replacement, it is not surprising to find a variety of grumbles from users relating to the service provided on their desktop and their ability to respond quickly to requests for change. Indeed, it would be a concern if this was not the case, given the large investment in a major refresh of the ICT infrastructure which is planned for the next 12 months.

With the delivery of the ESP programme, LCC should see improvements in the user experience, along with reductions in support requirements for what is currently an ageing and distributed desktop. This will enable the department to provide greater support for business ICT initiatives, as well as enabling some of the proposed reductions in ICT budget levels. Looking long-term, therefore, we would judge the ICT department to be well positioned to provide very good value for money, for the services it is currently delivering.

This review has considered the many factors that contribute towards LCC's ability to maximise the value it gains from using ICT (see Appendix I: Strategic IT Effectiveness Review). The results are expressed in the form of a balanced "SITE Scorecard", where Red indicates that issues exist which are having a significant impact upon the value gained, and Amber indicates that issues exist that are likely to be impacting upon value gained.

The first scorecard below considers these factors in relation to just ICT Infrastructure services, ignoring whether LCC gains good value from its business application systems. By focusing only upon the services which the ICT department currently has full control and accountability over, it helps us to see whether the ICT department is providing a value for money ICT service. These results support the view that the ICT department is providing value for money and provide pointers to where best practice processes are in place. It also points out some of the areas where improvements could be made in the value provided.

The second diagram provides the full SITE scorecard for LCC. This indicates the overall value for money that the Council achieves from ICT, including all application systems (both Line of Business and Corporate Shared Applications). This picture reflects many of the concerns discussed in this report, in the areas of Business ICT Strategy, Business Change Management and ICT Exploitation. See Appendix I for further explanation of these scores.

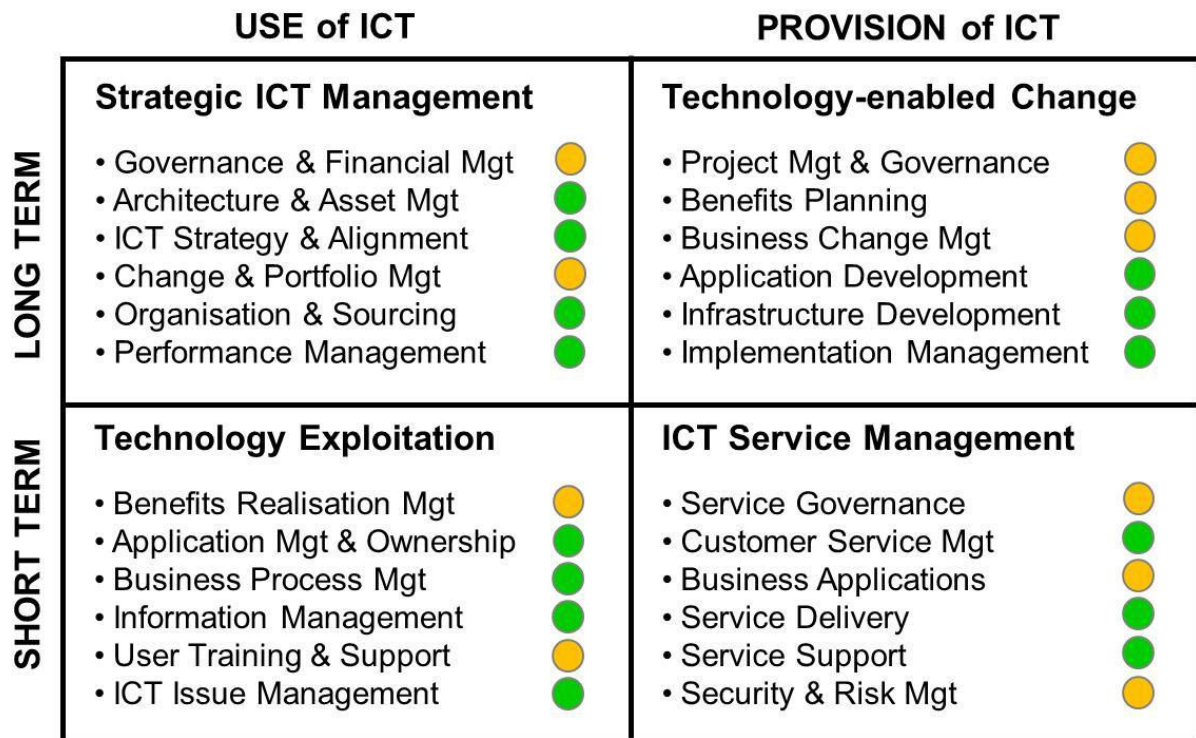


Figure 1: SITE Scorecard, indicating value for money from ICT Infrastructure Services

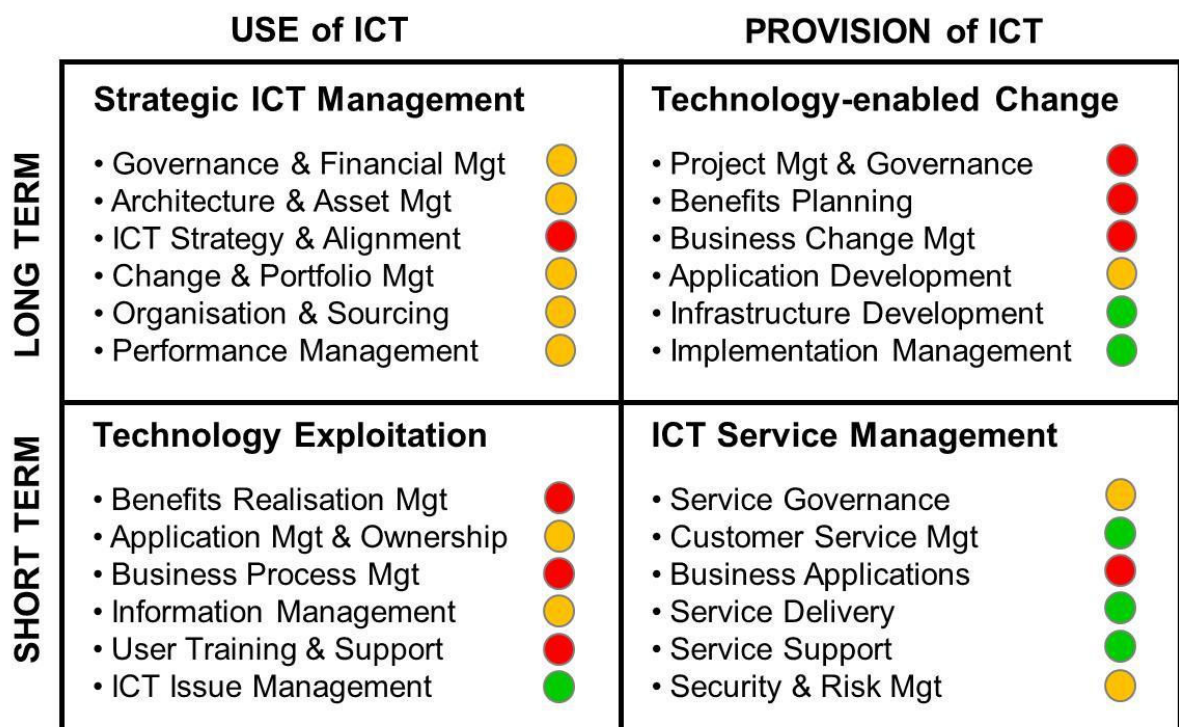


Figure 2: SITE Scorecard, indicating overall value for money achieved by LCC from ICT

## 2.6 Provide an external review of the recently updated ICT Strategy 2011- 2015.

The **ICT department's strategy** for delivering the ICT Service is clear, comprehensive and is appropriate for supporting the ongoing needs of the Council.

- Sections 2.5 and 2.6 of the ICT Strategy 2011 – 2015 document cover the technology and infrastructure services aspects of the ICT strategy, and provide an outline plan for the Essential Service Programme. There are a number of excellent themes within it including increasing flexible working and home working, reducing server numbers through further virtualisation and ultimately reducing service desk calls and visits through the introduction of a modern set of Birthright Workplace Tools (BWT).
- Further planning documents add more detail to the ESP and related programmes. These are supported by detailed technology strategies and plans, which are managed by Solution Architects as part of the ongoing work to develop the solutions. The strategy documents are of a high quality and are easy to follow. This gives an overall assurance of the quality and completeness of the definition of technology direction and a confidence in what will be delivered.

**LCC's strategy for using ICT** to support its business vision and priorities is not as comprehensive or well defined:

- Sections 1.2 (Priorities and Values) and 3 (Business Aspects) describes how the current ICT delivery plans of each Directorate support the Council's business priorities and outcomes over the next 3 to 5 years. These priorities have recently changed, however, suggesting that this section will need to be rewritten (already underway)
- The level of detail provided by Sections 1.2 and 3 varies considerably. This suggests that while some areas are fairly advanced in their strategic planning, there are others where the thinking is very high level, with little clarity around the ICT solutions that will be required.
- It is reported by ICT managers that the majority of developments on a Directorate's pipeline do not become projects as planned. The validity of using "Current Development Plans" as formal statements of the Council's ICT strategy is therefore questionable.
- There is no explicit link between Council priorities and ICT Infrastructure plans or technical strategies. This raises the possibility that the planned ICT infrastructure investments are not clearly driven by current business priorities and strategies.

Taken as a whole, the ICT Strategy 2011 - 2015 document does not provide a comprehensive Business ICT Strategy which includes:

- a clear future ICT vision across all application systems / services, aligned with the future corporate strategy
- a realistic strategic plan for achieving the ICT vision, including the business ICT projects and overall level of investment that will be required / provided.

Despite the many references to development plans in the ICT Strategy document, these have not been combined into a single, comprehensive, costed, prioritised and scheduled plan, which has gained commitment and funding from Directors.

The lack of a strategic plan of Business ICT developments means that the ICT department is reactive to business requests, rather than pursuing a coherent strategy and plan.

See also Appendix I, Section 2.3 ICT Strategy and Alignment.



## 3 Recommendations

### 3.1 Provide a recommendation to the Corporate Leadership Team on the top 3 activities the Council needs to undertake in order to implement the optimal ICT service to meet the transformational ambitions of the Council.

We recommend that Leeds City Council takes steps to address the issues highlighted in this report and described in more detail in the Appendices I and II. In particular, it should undertake the following three activities:

#### 3.1.1 *Develop and agree a comprehensive ICT Strategic Plan*

To ensure best use is made of the funds available for ICT investment, LCC should develop an ICT Strategic Plan, covering the next 3 – 5 years. The plan should define the major ICT-enabled business change projects / programmes to be delivered, and should be:

- **comprehensive**, covering all categories of ICT applications and infrastructure;
- **clearly-defined**, including a high-level understanding of the solution to be delivered;
- **realistic**, avoiding solutions which may be impossible to deliver;
- **owned**, with clear business accountability for each investment identified;
- **aligned** to the Council's stated plans, priorities and business strategies;
- **coherent**, with each solution consistent with a clear long-term strategy and vision for ICT application systems and service provision
- **costed**, with high-level estimates agreed for each identified investment;
- **prioritised**, according to return on investment and/or support for Council priorities;
- **filtered**, to exclude lowest priority investments (assuming funds are limited)
- **scheduled**, according to urgency/priority or to align with other business plans;
- **agreed**, by key governing and other stakeholder bodies; and
- **funded**, to ensure it has gained the commitment of the Council, rather than being merely the aspiration of Chief Officers.

Each investment project should be governed by existing approval processes, and therefore should still be subject to a compelling business case and credible plan for delivery. However, having a strategic plan in place will enable the Council to ensure that limited funds are targeted in the right areas and will enable the ICT department to better plan its resources and enable value for money to be obtained.

The ICT Strategic Plan (or ICT Strategy and Plan) should be developed in partnership between the ICT department and the rest of the Council:

- Overall **responsibility** for the process should lie with the ICT department, as should the format and consistency of the final deliverables. Responsibility for Line of Business application strategies and plans should lie with the CORS (or equivalent) of the Directorates concerned, with the CORSs collectively owning the strategies and plans for Corporate Shared applications. Responsibility for developing ICT Infrastructure and BWT strategies and plans should lie with ICT department;
- Overall ownership and hence **approval** to the completed ICT Strategy and Plan resides with the Council Leadership Team, with approval for funding provided through existing mechanisms;
- Chief Officers, managers and staff representatives from each Directorate, as well as other key groups of users such as Council Members, should be **consulted** as part of the process, to understand their current issues and future requirements; and
- Managers from across the Council should be **informed** of the completed ICT strategy, as should all staff within the ICT department.

### 3.1.2 ***Establish effective ICT Project Governance, including independent assurance.***

To ensure all ICT investment funds are spent wisely, LCC should strengthen its existing arrangements for governing ICT projects and for managing the overall value gained from ICT investments. Without this, there remains a high risk that future investments in ICT systems will fail to deliver the benefits on which the investments were justified.

Key elements of a strengthened governance regime include:

- Accountability for the delivery of the overall ICT investment programme by a **single governing body**, with senior representation from across the Council;
- Clear **responsibility for delivering the benefits** described in the approved business case delegated to an appointed Project Board;
- A **requirement on the Project Board to maintain the business case** throughout the project (as estimates of costs, benefits and risk change), to ensure that business justification remains in place and that promised benefits will be achieved;
- A **gateway assurance process, to ensure that best practice is followed** at each stage of a project, including matters of business change and benefits realisation planning, and with explicit Project Board approval to proceed at key milestones;
- Independent project assurance, providing **expert advice and counselling** to project managers, as well as **independent assurance** to the Project Board that best practice is being followed to and that the business case remains achievable;
- The openness and honesty to recognise when a project runs into difficulties, along with the **willingness to stop any project** that may fail to achieve the benefits promised;
- The **monitoring of benefits achieved** following the completion of each change project or programme, to provide feedback on the success of the ICT investment programme, and enable lessons to be quickly learned.

Responsibility for managing the governance regime normally lies with the ICT department, supported by the relevant governing bodies.

### 3.1.3 **Address the factors preventing exploitation of existing ICT applications.**

To ensure that the value of previous ICT investments are maximised, LCC should more actively manage the usage of existing ICT applications and address the factors which are preventing benefits being achieved. As well as delivering benefits in the short to medium term, this should enable LCC to extend the life of some of its systems and so alleviate or delay the need for investment.

The factors preventing successful exploitation of systems will vary from department to department and from one system to another. Likely remedies will also vary, but are likely to include elements of the following:

- Creation of post-implementation **benefit realisation plans**, identifying the conditions that must be in place to enable benefits to be realised, along with the activities required to put these conditions in place
- **Standardisation of business processes** which involve the use of an application system, providing written guidance for users on both the use of the system as well as the process to be followed
- Roles embedded within business operations with **clear responsibilities for ensuring the correct operation** of an application system, including the monitoring of system usage and data quality and the encouragement of users to follow agreed processes
- Effective **user training and support**, combining formal and informal methods, cascade training and active monitoring of user competence, addressing training needs as they are identified
- Enhancement of **system functionality and performance**, to address the key problems experienced by users, take away the need for duplicate data entry and make systems more useful to staff in carrying out their jobs
- Active **management of data quality**, including matters of accuracy, consistency and timeliness, addressing the factors preventing data being up to date;
- Appropriate **user involvement and representation** in discussions surrounding ICT exploitation, recognising that application systems must serve users first and managers second;
- Ongoing **management of user issues**, ensuring problems are identified quickly and plans put in place to address them.

The exploitation of application systems is normally the responsibility of the business department / directorate that 'owns' the application concerned. Overall coordination of ICT exploitation activities across LCC would be best managed through the CORs or equivalent forum.

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**Report of Head of Scrutiny and Member Development**

**Report to Scrutiny Board (Resources and Council Services)**

**Date: 5<sup>th</sup> September 2011**

**Subject: Officer Registration of Interests 2011/12**

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

**Summary of main issues**

1. Scrutiny Board (City Development) on 17<sup>th</sup> May 2011 considered a report on Officer Registration of Interests and referred the matter to this Scrutiny Board.
  
2. The minute arising from the discussion at Scrutiny Board (City Development) reads;

*In summary, a number of issues and comments were made including:-*

- *The fact that the Employee Code of Conduct had recently replaced the former Officer Code of Conduct.*
- *That the administrative procedures in place as a consequence of the Employee Code of Conduct require all employees with relevant interests to declare them at least once a year*
- *That staff are reminded annually of this duty to declare their interests. It was reported that this had last been undertaken on 11<sup>th</sup> April 2011*
- *That staff identified by Directors as “high risk” posts are specifically targeted particularly if they are politically restricted posts, or graded JNC Chief Officers (or above). Members asked what salary level this related to and officers advised that it was £45,000pa and above.*

- *That the average return rate from all Directorates in respect of the most recent reminder was 90% following one request to complete a return and a reminder. One Directorate's return was only 62% whilst City Development Directorate's return was 93%. Directors will now be pursuing those non returns in respect to "high risk" posts with a view to achieving a 100% return rate*
- *The fact that unlike Members declarations of interest employee declarations of interests are exempt from disclosure under the Freedom of Information legislation as it is personal information within the meaning of the Data Protection Act.*
- *The fact that the current Government has confirmed that it does not intend to proceed with the introduction of a national officer code of conduct*
- *That ALMOs are not covered by these arrangements*
- *The suggestion that some London Boroughs have introduced a voluntary declaration scheme for officers which are published on the internet.*
- *That in accordance with the Council's terms and conditions of service the onus is on individual officers to make any necessary declarations of interest and that appropriate training and guidance is offered and provided by the Business Support Centre and the relevant Directorate's*
- *Concerns as to the process and whether it is fit for purpose.*

**RESOLVED-**

- a) *That the contents of the report and appendices be noted.*
  - b) *That Scrutiny Board (Resources and Council Services) be asked to undertake an inquiry on officers declarations of interest to identify the effectiveness of the current arrangements and whether it is fit for purpose.*
3. Attached as Appendix 1 is a report from the Head of Human Resources on this matter. Officers will be in attendance.
  4. Councillor John Procter (as Chair of the former Scrutiny Board (City Development) has been invited to attend today's meeting to outline the discussion had by Scrutiny Board (City Development) and the reason for the referral to this Scrutiny Board.

**Recommendations**

5. Members are asked to;
  - (i) Receive and discuss the attached report with officers and Councillor John Procter
  - (ii) Consider whether further Scrutiny is required.

**Background documents**

6. Minutes of Scrutiny Board (City Development) 17<sup>th</sup> May 2011



Report author: Dave Almond  
Tel: 247 8181

## Report of Head of HR

### Report to Scrutiny Board (Resources and Council Services)

Date: 5 September 2011

### Subject: Employees' declarations of interest

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. The Scrutiny Board (City Development) have asked this Board to inquire into the system for employees to declare interests, and to form a view as to whether it is fit for purpose.
2. Current levels of returns and targeted work, to make sure that decision making and recommendations are not influenced by outside interests, are adequate.
3. The HR service is consulting on amendments to the process as part of an ongoing review.

### Recommendations

1. The Board notes the content of this report and provides comment for consideration during an ongoing review of the declaration of employee interests.

## **1 Purpose of this report**

1.1 To inform the Board about:

- the current arrangements for employees to declare interests
- the effectiveness of arrangements in 2011
- a scheduled review of the current arrangements

## **2 Background information**

2.1 On 17 May 2011 the Scrutiny Board (City Development) resolved “that Scrutiny Board (Resources and Council Services) be asked to undertake an inquiry on [employee’s] declarations of interest to identify the effectiveness of the current arrangements and whether [they] are fit for purpose.”

2.2 The current arrangement is that employees in ‘high risk’ positions are emailed once a year and instructed to declare their interests. Directors review the list of high risk positions every year and the list was last updated in March 2011.

2.3 Declarations from employees in high risk positions are tracked and reminders are sent to ensure that they all make a declaration. All the declarations, including ‘nil returns’ are sent to the relevant Director for them to check and deal with accordingly.

2.4 It is employees’ responsibility to declare any potential conflicts of interest and it is the responsibility of Directors to review and act upon such declarations. HR are responsible for putting in place the process to enable this to happen. The last time employee declarations of interest were collected was in April 2011 and they will be collected again in early 2012.

2.5 It is important to stress the requirement for all employees to declare any relevant interests, so a general message is sent out annually to remind all employees of this requirement.

## **3 Main issues**

### **3.1 Current situation**

3.1.1 With the assistance of HR, Directors identified 2135 employees in high risk posts in March 2011. These are posts, which due to the nature of their roles, Directors consider to be at a higher risk of having potential conflicts of interests. Criteria for identifying high-risk posts are published on the intranet and are also included as an appendix to this report.

3.1.2 These employees are expected to submit their declarations of interests even if they have nothing to declare.

3.1.3 All employees in high risk posts were emailed in April 2011 and were instructed to complete declaration of interests forms.

3.1.4 In April 2011 all staff were reminded of their duty to declare any interests which could conflict with the council’s interests. This is because all employees have an



obligation to declare, to their Director, any interests which could conflict with the council's interests

- 3.1.5 Furthermore, any officers with pecuniary interests in a delegated decision are not permitted to take that decision; and all Delegated Decision Notification forms require the officer completing the form to declare any interests they may have.

### **3.2 Rate of declarations for high-risk posts**

- 3.2.1 2135 employees were identified in posts deemed by Directors to be high-risk and declarations have been received back from 2094 employees. This equates to a 98% response rate and the remaining 2% are being actively chased.
- 3.2.2 Failure to make a declaration can be considered as misconduct and may, depending upon individual circumstances, be gross misconduct. To date, disciplinary action has not been used to secure returns.
- 3.2.3 Directors were sent details of all declarations and they were asked to intervene to ensure that all employees in high risk posts make a declaration.

### **3.3 Assessment of risk of conflict of interests**

- 3.3.1 Of the 2094 returns, 1571 employees reported that they had no interests. This information was provided to Directors in case they were aware of any matters which they would have expected to be declared. In such cases the Director (or their nominee) discuss the matter with the employee. (Making a fraudulent declaration of interests is misconduct and may, depending upon individual circumstances, be gross misconduct.)
- 3.3.2 Where an employee made a declaration the information was passed to their Director to assess whether that interest represented a current or potential conflict of interest.
- 3.3.3 A degree of service specific knowledge is vital in assessing the risk of conflict from any declared interest, so assessments are not made centrally. Guidance on reviewing declarations is published on the intranet and is attached as an appendix to this report.

### **3.4 Publication of employees' declarations of interest**

- 3.4.1 Legal advice (see 4.5) is that publication of employees' declarations of interest is not permitted within the terms of Data Protection Act 1998.
- 3.4.2 The details of interests provided by employees in their declarations is their "personal" data under the Data Protection Act 1998. In some instances, information declared under "close relationships" and "other interests" may also be classed as their "sensitive personal data". Personal data falls within the protection of the Human Rights Act 1998 and it would be unlawful of the council to act in a way which contravened that legislation, i.e. by publishing employee declarations.

### **3.5 Moving forward**

3.5.1 Arrangements for the declaration of employee interest's are scheduled to be reviewed by the end of March 2012 as part of a wider review of people management policies and procedures.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 The HR service has consulted with internal audit and legal services during the preparation of this paper.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Not applicable.

### **4.3 Council Policies and City Priorities**

4.3.1 The current regime for employee declarations of interests addresses the need to be open, honest and trusted.

### **4.4 Resources and Value for Money**

4.4.1 The current processes are managed using existing resources. We do not have sufficient resources at present to request, process and follow-up on declarations / non-declarations for the entire workforce, without having a substantial negative effect on other areas of priority work.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 Advice from Legal Services was that publishing unedited employee declarations of interests could be considered a breach of data protection. The maximum penalty that could be imposed, by the Information Commissioner, for a serious contravention of data protection principles is £500,000.

### **4.6 Risk Management**

4.6.1 The current scheme already focuses on the areas of highest risk.

## **5 Conclusions**

5.1 The current scheme for declaration of employee interests has led to almost 100% returns from employees in the posts which need to be checked. This process is proportionate to the risk.

5.2 Directors are aware of their duty to ensure that actual / potential conflicts of interests are identified and addressed.

## **6 Recommendations**

6.1 The Board is asked to:

6.1.1 Note the content of this report.

6.1.2 Advise on any improvements which it believes should be considered to employee declarations of interest.

## **7 Background documents**

7.1 Report of Head of Human Resources (HR Governance) to the Scrutiny Board City Development

7.2 Reports to the Standards Committee: "Officer declarations of interest and register of offers of gifts and hospitality", 11 April 2007; "Officer declarations of gifts and hospitality", 10 October 2007;

7.3 Guidance notes: "Reviewing register of interest declaration" and "Identifying High Risk Posts", attached.

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## Introduction

The purpose of this document is to provide guidelines for the identification of posts where there is a “high risk” of a perception of conflict of interests arising. Directors assess posts against three criteria to establish whether the duties of the post are more likely to place the post-holders in a position where conflicts of interest may occur:

1. posts that give significant advice or speaking for the council,
2. posts where there is significant authority to make decisions, and
3. posts with significant discretion over spending.

### 1. Significant advice or speaking for the council

Politically restricted posts by definition involve either giving advice to the Council, committees, or the Executive; or speaking on behalf of the council. All politically restricted posts should therefore be included. Directors may choose to include other posts where they believe that they are giving a similar level of advice, albeit that the posts have not been deemed to be politically restricted, for example because they are advising an outside body.

### 2. Significant authority to make decisions

This includes any post with delegated decision making authority (i.e. where the post is given authority in the council’s constitution), and also those posts which have authority to take decisions under a sub-delegation scheme. (Where the sub-delegation is partial, or has conditions attached, Directors need to consider whether there the post-holder has significant discretion, and the nature of the decisions, in deciding whether the post should be pro-actively checked for interests.) Directors may choose to include other posts where staff are taking decisions with minimal oversight which have a significant impact. Minor decisions, for example, the order in which non-time-critical work is done, would not require pro-active checking.

### 3. Significant discretion over spending

This includes activities such as procurement, purchasing, ordering etc. Small amounts of authority, e.g. ordering relatively small amounts of stationery form a list of approved suppliers would not, in itself, warrant inclusion. Officers exercising significant spending discretion should be included. The exact amount that is “significant” is at the discretion of the Director.

Directors may also choose to identify other posts as “high risk” if there is a risk of perception of conflict of interests arising.

Employees in positions identified as being “high risk” are contacted annually by the BSC to complete register of interest forms. However, all employees who may have a conflicting interest should also complete these forms.

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## Introduction

The purpose of this document is to provide guidance for the Register of Interest process. The Register of Interest process is part of the [Code of Conduct](#) which applies to staff and is an important tool to maintain confidence in the impartiality of public services. The responsibility for reviewing Registers of Interest is with Directors. If a Director wishes to make a delegation, it should be recorded in their sub-delegation scheme.

## Background

Register of Interest forms are sent annually, but only to staff whose posts are deemed to be “high risk”. Posts are classified as “high risk” based upon their duties and responsibilities in terms of advising people, taking decisions, purchasing and grade (all JNC posts). Guidance for identifying “high risk” posts can be found on the intranet under [Register of Interests](#). General reminders are also sent to prompt all employees to register potential conflicts of interest, even if they are not in posts deemed to be “high risk”.

The responsibility for data collection of Register of Interest forms is with the Business Support Centre (BSC) who send out annual declaration forms for staff in “high risk” posts to complete. Shortly after the BSC send these forms they will send each of the Directors and Assistant Chief Executives (ACE):

- Lists of “high risk” post holders who have made a return, made a nil return or not responded at all. Where a post holder has declared interests, details of those interests will be included.
- Lists of any other employees who have made a return, including the details of their returns.

The information will be broken down by service area in case the Director/ACE wishes to delegate the actual checks.

## Checking declarations

When a Director/ACE receives the list of declarations they should:

- Note the non-returns and take appropriate action to ensure that employees in “high risk” post do complete and return a register of interests declaration.
- Ensure that nil-returns are credible. If they are not credible then an appropriate manager could meet the employee, clarify the rules and invite them to make a new declaration.
- Ensure that appropriate line manager
  - is aware of any interests that have been declared
  - assesses whether the declared interest may create a potential perception of a conflict of interests
  - if there is a potential conflict then take steps to address this
  - in all cases maintain an awareness of the interest and address any potential conflict that may arise, for example if the employee’s duties or outside interest change
  - ensure – if the employee’s management changes – that the new manager is aware of the declared interest

Directors/ACE/managers are strongly advised to keep a written note of any action they take in regard to an individual’s declaration of interests. In most cases, where there has been a discussion with the employee, this could be kept with other support/supervision notes.

Any register of interest forms received by the BSC throughout the rest of the year are logged and sent on to Directors/ACE within one working day of receipt. On receipt of any further returns, Directors should review them as above.

**Reminders and non-returns**

When employees in “high risk” posts do not send a form to the BSC they are sent a reminder. Two weeks after reminders are sent out, the BSC send an updated list of declarations to Directors/ACE, including information on all “high risk” posts but with any updates highlighted.

Directors should review new declarations as before. The BSC do not send out further reminders, so Directors may need to use line management channels to pursue non-returns with individual members of staff.

**Delegating the checking of declarations**

If the Director/ACE does delegate the checks, they should take care to ensure that details of individuals’ register returns are not shared more widely than is necessary to respond to those declarations, for example a head of service would only need details of declarations for their own service.

Directors/ACE/managers should not – unless the employee invites them to do so – share information about declared interests any more widely than is required to ensure adequate monitoring of potential conflicts and/or steps taken to address potential conflicts.

**Additional information**

The BSC are not responsible for checking the nature of any declarations that have been made but they are responsible for sending them to the appropriate Director in a timely manner.

The [employee code of conduct](#) contains more information on the Register of Interest. HR Business Partners can assist with any further queries.



## Report of Head of Scrutiny and Member Development

### Report to Scrutiny Board (Resources and Council Services)

**Date: 5<sup>th</sup> September 2011**

**Subject: Work Schedule**

Are specific electoral Wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

### Summary of main issues

1. A draft work schedule is attached as appendix 1. The work programme has been provisionally completed pending on going discussions with the Board. The work schedule will be subject to change throughout the municipal year.
2. Also attached as appendix 2 and 3 respectively are the minutes of Executive Board 27<sup>th</sup> July 2011 and the Council's current Forward Plan relating to this Board's portfolio.

### Recommendations

3. Members are asked to:
  - a) Consider the draft work schedule and make amendments as appropriate.
  - b) Note the Executive Board minutes and Forward Plan

### Background documents

4. None used

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## Scrutiny Board (Resources and Council Services) Work Schedule for 2011/2012 Municipal Year

Area of Review	Schedule of meetings/visits during 2011/12		
	June	July	August
<b>Contact Centre Working Group (missed bins)</b>	Consider potential scope of review		Site visit Knowsthorpe depot 5 <sup>th</sup> August for working group members
<b>Budget Monitoring</b>		Receive Outturn report -SB	
<b>ICT</b>			Site visit – Apex house 2 <sup>nd</sup> August – all members invited
<b>Customer Care</b>	Consider potential scope of review	Receive presentation on customer access strategy -SB	
<b>Officer registration of interests</b>			
<b>Vehicle maintenance</b>			
<b>Cost of Publications</b>			
<b>Discussion with Leader of Council</b>	Leader of Council -SB		
<b>Budget &amp; Policy Framework Plans</b>			
<b>Recommendation Tracking</b>			
<b>Performance Monitoring</b>			

Key: SB – Scrutiny Board (Resources and Council Services) Meeting

WG – Working Group Meeting

## Scrutiny Board (Resources and Council Services) Work Schedule for 2011/2012 Municipal Year

Area of Review	Schedule of meetings/visits during 2011/12		
	September	October	November
Contact Centre Working Group (missed bins)		Working Group to report back to full Board - SB	
Budget Monitoring	Financial report - SB		
ICT	Consider external review of ICT -SB		
Customer Care			
Officer registration of interests	To receive and Consider request from former City Development Scrutiny Board - SB		
Vehicle maintenance		Present initial data/budgetary information	
Cost of publications		Present initial data/findings -SB	
Discussion with Leader of Council			Leader of Council -SB
Budget & Policy Framework Plans			
Recommendation Tracking			
Performance Monitoring			

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## Scrutiny Board (Resources and Council Services) Work Schedule for 2011/2012 Municipal Year

Area of Review	Schedule of meetings/visits during 2011/12		
	December	January	February
Contact Centre Working Group (missed bins)			
Budget Monitoring	Half year finance report - SB		Financial Report-SB
ICT			
Customer Care			
Officer registration of interests			
Vehicle maintenance			
Cost of publications			Leader of Council -SB
Discussion with Leader of Council		Leader of Council -SB	
Budget & Policy Framework Plans		Initial Budget Proposals - SB	
Recommendation Tracking			
Performance Monitoring	Council Business Plan -SB	Council Business Plan	

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## Scrutiny Board (Resources and Council Services) Work Schedule for 2011/2012 Municipal Year

Area of Review	Schedule of meetings/visits during 2011/12		
	March	April	May
Contact Centre Working Group (missed bins)			
Budget Monitoring			
ICT			
Customer Care			
Officer registration of interests			
Vehicle maintenance			
Cost of publications			
Discussion with Leader of Council			
Budget & Policy Framework Plans			
Recommendation Tracking			
Performance Monitoring	Council Budget Plan		

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## EXECUTIVE BOARD

WEDNESDAY, 27TH JULY, 2011

**PRESENT:** Councillor K Wakefield in the Chair

Councillors J Blake, A Carter, M Dobson,  
R Finnigan, S Golton, P Gruen, R Lewis,  
A Ogilvie and L Yeadon

### 30 Exempt Information - Possible Exclusion of the Press and Public

**RESOLVED** – That the public be excluded from the meeting during consideration of the following parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:-

- (a) Appendix 1 to the report referred to in Minute No. 47 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it relates to the financial or business affairs of the Council and it is therefore considered not to be in the public interest to disclose this information, as it would be likely to prejudice the Council's current negotiations.
- (b) Appendix 1 to the report referred to in Minute No. 48, under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that this information relates to the financial or business affairs of a particular person and of the Council. It is therefore considered that since this information was obtained through one to one negotiations for the disposal of the property/land, then it is not in the public interest to disclose this information at this point in time. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time.
- (c) The appendix to the report referred to in Minute No. 53, under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through one to one negotiations for the disposal of the property/land then it is not in the public interest to disclose this information at this point in time. Also it is considered that the release of such information would or would be likely to

Draft minutes to be approved at the meeting  
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prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time.

- (d) Appendix 2 to the report referred to in Minute No. 54, under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that the condition of the exemption is that in all of the circumstances the public interest in exempting should outweigh the public interest in disclosing. In the Council's judgment, the commercial information relating to this proposal should not be disclosed as the interests of potential bidders could be prejudiced if these financial terms became available to them.
- (e) Appendices 1 and 2 to the report referred to in Minute No. 55, under the terms of Access to Information Procedure Rule 10.4(3) and appendix 3 to the report referred to in the same minute, under the terms of Access to Information Procedure Rules 10.4 (3) and (5). This is due to the fact that the appendices contain commercially sensitive information on the City Council's approach to procurement issues, and commercially sensitive pricing and information about the commercial risk position of the City Council's proposed Preferred Bidder, where the benefit of keeping the information confidential is considered greater than that of allowing public access to the information.

### **31 Declaration of Interests**

Councillors Wakefield, Dobson and Ogilvie all declared personal interests in the item entitled, 'Design and Cost Report: Lotherton Estate Improvements', due to being Leeds Card holders (Minute No. 35 refers).

Councillors Finnigan, Blake and R Lewis all declared personal interests in the item entitled, 'Investment Partnership for South Leeds', due to being members of the Investment Partnership for South Leeds. (Minute No. 44 refers).

Councillors Ogilvie and Dobson both declared personal interests in the item entitled, 'Three Year Grant Funding for Culture', due to being members of the Leeds Initiative – Sustainable Economy and Culture Board. (Minute No. 34 refers).

Councillor R Lewis declared a personal interest in the item entitled, 'Arms Length Management Organisations (ALMO) and Tenant Management Organisations Annual Reports for 2010/11', due to being a member of the Outer West ALMO Area Panel. (Minute No. 56 refers).



Councillors Golton and Finnigan both declared personal interests in the items respectively entitled, 'Primary Basic Need 2012 – Outcome of Statutory Notices for the Expansion of Primary Provision in 2012' and 'Primary Basic Need Programme – Permission to Consult on Proposals for Expansion of Primary Provision in 2013 and 2014', due to their respective positions as governors of Primary Schools. (Minute Nos. 58 and 59 refer respectively).

Further declarations of interest were made at a later point in the meeting (Minute Nos. 55 and 56 refer respectively).

### **32 Minutes**

**RESOLVED** – That the minutes of the meeting held on 22<sup>nd</sup> June 2011 be approved as a correct record, subject to the inclusion of the comments made by Councillor A Carter in respect of Minute No. 22 entitled, 'Housing Appeals – Implications of the Secretary of State's Decision relating to Land at Grimes Dyke, East Leeds', in which he emphasised the need to postpone the immediate release of all the Phase 2 and 3 housing allocations within the UDP, as recommended within the report, until after the outcomes from the related Inquiry undertaken by the Scrutiny Board (Regeneration) had been considered.

### **33 Matters Arising from the Minutes**

In respect of Minute No. 22(g), "Housing Appeals – Implications of the Secretary of State's Decision relating to Land at Grimes Dyke, East Leeds", the Chair suggested that a forthcoming visit to be made by Greg Clarke MP, Minister for Cities, would provide an opportunity for an all party lobbying exercise to be undertaken in respect of issues such as the land banking practices of developers.

## **LEISURE**

### **34 3 Year Grant Funding for Culture**

The Chief Libraries, Arts and Heritage Officer submitted a report responding to requests from the large arts organisations to provide longer term funding arrangements. In addition, the report reviewed current approaches and looked to reflect the new strategic priority plan and impact of other agencies' decisions on future funding arrangements, whilst also proposing the introduction of a new, more robust and transparent process.

Members suggested that a report was submitted to a future meeting of the Board outlining the actions being taken to work with young people in order to identify, nurture and retain the sporting and musical talent within the city, in conjunction with the Leeds Arena development.

The report provided details of the equality impact assessment which had been undertaken in respect of the proposals.

**RESOLVED –**

- (a) That the introduction of 3 year grant funding to cultural organisations be approved.
- (b) That the introduction of Culture Leeds grants be approved.

**35 Design and Cost Report: Lotherton Estate Improvements**

The Director of City Development submitted a report seeking an injection into the capital programme for various improvement works at Lotherton Estate, which would be funded by prudential borrowing from additional income raised via changes to the current charging policy.

Members made several comments on the proposals regarding the site improvements and charging policy and suggested that a further report was submitted to the Board, which enabled the outcomes arising from the consultation exercise to be fully considered.

The report provided details of the equality impact assessment which was being undertaken in respect of the proposals.

**RESOLVED –**

- (a) That an injection of £160,000 in to the capital programme for improvements at Lotherton be approved, which will be funded by prudential borrowing from additional income raised from changes to the current charges for Lotherton.
- (b) That the authority to incur expenditure of £160,000 on improvements to Lotherton be approved.
- (c) That the charges for entry to all facilities on the Estate be approved.
- (d) That, following the conclusion of the consultation, any change to the Phase 1 improvements be delegated to the Director of City Development with concurrence of the Executive Board Member (Leisure).
- (e) That a further report be submitted to the Board, which enabled the outcomes arising from the consultation exercise undertaken to be fully considered.

**ADULT HEALTH AND SOCIAL CARE**

**36 Charges for Non-Residential Adult Social Care Services**

Further to Minute No. 141, 15<sup>th</sup> December 2010, the Director of Adult Social Services submitted a report regarding the outcome of the consultation exercise undertaken in respect of charges for non-residential services, whilst making recommendations for changes to such charges.

Members highlighted the need to ensure that consideration was given to the frequency of reviews undertaken on this matter and suggested that details

were provided to Board Members of those Local Authorities which had also altered their charges, in addition to information on the potential impact for Leeds arising from the Dilnot Commission's report.

In noting the cross party support for this matter, the Chair proposed that cross party discussions continued, so that the proposals could be progressed effectively.

The report provided details of the equality impact assessment which had been undertaken in respect of the proposals.

**RESOLVED –**

- a) That the outcomes of the consultation and the way in which they have been addressed, as set out within sections 4.6 to 5.7 of the submitted report, be noted.
- b) That the outcomes of the equality impact assessment and the way in which they have been addressed, as set out within sections 7.1 to 7.4 of the submitted report, be noted.
- c) That the changes to charges for non-residential services, as set out in sections 5.4 to 5.7 of the submitted report, effective from 1<sup>st</sup> October 2011, be approved.
- d) That the revised Adult Social Care Charging and Contributions Policy Framework, as set out within Appendix 6 of the submitted report be approved.
- e) That the further review of charges and the financial assessment methodology, together with the associated consultation process, as set out within sections 5.15 and 5.16 of the submitted report, be approved.
- f) That a further report on the outcomes of the further consultation process and proposals regarding charges and the financial assessment methodology be submitted to a future meeting of the Board.

**37 Leeds Safeguarding Adults Partnership Annual Report 2010/2011**

The Director of Adult Social Services submitted a report introducing the fourth annual report of the Leeds Safeguarding Adults Partnership Board and providing an update on the work of the Leeds Safeguarding Adults Partnership.

Copies of the Leeds Safeguarding Adults Partnership Board Annual Report for 2010/2011 had been circulated to Board Members for their consideration.

Professor Paul Kingston, Independent Chair of the Safeguarding Adults Partnership Board, was in attendance at the meeting and provided an introduction to the report.

In responding to enquiries, officers undertook to provide Board Members with a breakdown of the statistics regarding the locations of alleged abuse in respect of private and public service providers.

**RESOLVED** – That the content of the attached 2010/11 annual report be noted and that the work programme of the Adult Safeguarding Partnership Board for 2011/12 be endorsed.

## **RESOURCES AND CORPORATE FUNCTIONS**

### **38 Financial Health Monitoring 2011/12 - First Quarter Report**

The Director of Resources submitted a report presenting the Council's financial health position after three months of the 2011/12 financial year.

Enquiries were made into the current position of the Children's Services and Adult Social Care budgets. In response, Members were provided with information where available, with the undertaking that further detail regarding Children's Services would be provided in due course. In general, it was noted that more detailed information relating to those areas facing particular budgetary pressures would be made available at future meetings. Emphasis was then placed upon the Council's current financial pressures and assurances were given that the management of such budgetary pressures remained a priority.

**RESOLVED** –

- (a) That the projected financial position of the authority after three months of the financial year be noted.
- (b) That directorates continue to develop and implement action plans which are robust and which will deliver a balanced budget by the year end.

### **39 Treasury Management Annual Report 2010/11**

The Director of Resources submitted a report providing a final update on Treasury Management Strategy and operations in 2010/11.

On behalf of the Board, the Chair thanked all of those officers who had been involved in the work of the Treasury Management Strategy and operations over the past year.

**RESOLVED** – That the treasury management outturn position for 2010/11 be noted.

### **40 Capital Programme Update 2011 - 2014**

The Director of Resources submitted a report providing an update on the financial position for 2011/12 as at June 2011, which included details of capital resources, a summary of schemes which had been upgraded from 'Amber' status to 'Green' since February and which provided a summary of progress made on some major schemes. In addition, the report sought specific approvals to enable some schemes to progress.

Responses were received to Members' enquiries regarding the ICT related projects which were detailed within the submitted report.

**RESOLVED –**

- a) That the latest position on the general fund and HRA capital programmes be noted.
- b) That the transfer of schemes from the Amber to the Green programmes as set out in section 3.3 of the submitted report be noted.
- c) That the bringing together of a number of ICT schemes within the approved capital programme to form the ICT Essential Services Programme(ESP), with a total value of £5,800,000, as set out in Appendix C of the submitted report, be noted.
- d) That authority be given to incur expenditure of £2,130,000 on the migration to Microsoft technologies from Novell, as included in Appendix C to the submitted report.
- e) That authority be given to incur expenditure of £950,000 on the Storage Consolidation element of the ESP as included in Appendix C to the submitted report.
- f) That an injection into the capital programme of £4,389,500 to progress phase 1 of the Changing the Workplace programme be approved.
- g) That approval be given to the promotion of £168,900 from the reserved to the funded capital programme, in order to allow the demolition of the former Parklees (ASC) building to proceed.
- h) That an injection into the capital programme of £50,000 be approved in order to provide a grant to Clifford Parish Council.

**41 Annual Risk Management Report**

The Director of Resources submitted a report which providing an overview of the Council's corporate risks and the risk management work which had been undertaken by the Risk Management Unit (RMU) in the last year in support of the Council's Risk Management Framework. In addition, the report highlighted future areas of work to improve the management of risk and provided assurances on the strength of the risk management arrangements currently in place.

**RESOLVED –**

- (a) That the contents of the report, the risks on the corporate risk register and the progress made on enhancing the Council's risk management arrangements be noted.
- (b) That Executive Board Members continue to review and challenge the arrangements, particularly in relation to strategic decision-making and the delivery of the authority's new City and Council strategic priorities.

Draft minutes to be approved at the meeting  
to be held on Wednesday, 7th September, 2011

## **DEVELOPMENT AND THE ECONOMY**

### **42 The Strategy for Kirkgate Markets**

Further to Minute No. 123, 15<sup>th</sup> December 2010, the Director of City Development submitted a report providing an update on the findings from a public consultation exercise undertaken earlier in the year, on the petition organised by the Friends of Kirkgate Market Group and outlining the measures taken by the Council to address the issues raised. In addition, the report set out the strategy for Kirkgate Market in order to ensure the market was sustainable.

Having received responses to Members' enquiries regarding rental levels and the potential input of independent retailers into the running of the market, the Chair highlighted the levels of support for the long term future of the market which had been received.

The report noted that full equality impact assessments would be carried out on the different forms of arms-length companies and in determining the optimum size of the market.

#### **RESOLVED –**

- (a) That the Board restates its commitment to the long term future and success of Kirkgate Market.
- (b) That the vision and objectives for Kirkgate Market, as set out within Section 4 of the submitted report, be endorsed.
- (c) That the strategy for Kirkgate Market, as set out within Appendix II of the submitted report be endorsed, specifically in respect of the proposals to:-
  - i) move the management and ownership of Kirkgate Market to an arms length company and establish a Project Board and engage expert opinion to consider and recommend the form this should take;
  - ii) start consultation with staff and the Trades Unions to inform the recommendations to Executive Board;
  - iii) determine the optimum size for the indoor and open markets, after taking expert advice, and determine the necessary steps to reach that size.

### **43 Response to the Scrutiny Inquiry Report on the Future of Kirkgate Market**

The Head of Scrutiny and Member Development submitted a report summarising the responses to the recommendations of the former Scrutiny Board (City Development) arising from its inquiry entitled 'Review of the Future of Kirkgate Market'.

**RESOLVED** – That the directorate responses to the recommendations of the former Scrutiny Board (City Development) arising from its inquiry into the future of Kirkgate Market be noted.

**44 Investment Partnership for South Leeds**

Further to Minute No. 9, 17th June 2009, the Director of City Development submitted a report presenting an update on the work undertaken to date, providing an overview of the Investment Strategy, whilst providing details of the consultation which had been undertaken and the forthcoming launch event for the strategy.

**RESOLVED** –

- (a) That the contents of the submitted report, together with the production of the Investment Strategy for South Leeds be welcomed, subject to the issues raised in paragraph 3.6 of the submitted report.
- (b) That the continuation of more detailed work to support the preparation of the Core Strategy and subsequent Site Allocations Development Plan Document be agreed.
- (c) That a review of the governance arrangements, as the work referred to in paragraph 7.2 of the submitted report progresses, be agreed.

**45 Consolidation of Enterprise Assets in Chapeltown**

The Director of City Development submitted a report on the proposed transfer of the Chapeltown Enterprise Centre, on a 99 year peppercorn lease basis to Unity Enterprise, and the extension of the management agreement for Leeds Media Centre to Unity Enterprise, as part of the Chapeltown Enterprise Network project.

The report provided details of the equality impact assessment which had been undertaken in respect of the proposals.

**RESOLVED** –

- (a) That the proposal from Unity Enterprise be noted.
- (b) That a 99 year full repairing and insuring lease be provided for the Chapeltown Enterprise Centre to Unity Enterprise on a peppercorn basis, subject to:-
  - i) no revenue grant support being payable;
  - ii) that the agreed refurbishment works are successfully completed.
- (c) That a 10 year service level agreement be provided to Unity Enterprise to manage Leeds Media Centre, subject to:-
  - i) no revenue grant support being payable;
  - ii) that the rent payable by Unity Enterprise is nil;

- iii) that the targets and outputs as part of the service level agreement are in line with those contained within the existing service level agreement for 2011/12.

**46 Permit Scheme for Road and Street Works**

The Director of City Development submitted a report on the proposed permit scheme and detailing the expected benefits of the initiative. In addition, the report also sought approval for the submission of an application to the Secretary of State regarding the operation of the permit scheme.

In response to Members' enquiries regarding the remit of the scheme, it was stated that such matters would be kept under review.

The report provided details of the equality impact assessment which had been undertaken in respect of the proposals.

**RESOLVED** – That officers be authorised to make an application to the Secretary of State to implement the permit scheme, as outlined within the submitted report.

**47 Future Options for Design Services**

Further to Minute No. 182, 9th March 2011, the Director of City Development submitted a report presenting a recommendation about the future provision of Architectural Design Services (ADS) following the extensive investigation of two options previously identified by the Board.

The report presented the following two options, which Executive Board had previously instructed officers to explore further:-

Option 1 - to explore to the establishment of a joint venture arrangement with Norfolk Property Services (NPS) as the preferred route.

Option 2 - to explore alongside this in more detail, the option to separately procure design services using existing frameworks where appropriate e.g. Office of Government Commerce (OGC).

Members highlighted the need for this matter to be progressed without delay.

The report provided details of the equality impact assessment which had been undertaken in respect of the proposals.

Following consideration of Appendix 1 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3) which was considered in private at the conclusion of the meeting, it was

**RESOLVED** –

- (a) That Option 1 be pursued and that the establishment of a Joint Venture Company with Norfolk Property Services (NPS) be supported in principle.



- (b) That, subject to the agreement of detailed terms, the Director of City Development be given delegated authority to finalise contractual terms with NPS and to establish appropriate interim arrangements.
- (c) That, should negotiations with NPS not be satisfactorily concluded, Option 2 be pursued, with a further report being brought back to Executive Board should this situation arise.

**48 Development Proposals for the Sovereign Street Site**

The Director of City Development submitted a report informing of the outcomes from the consultation on the Draft Planning Statement for the Sovereign Street site and providing an update on the progress made to date on the potential to create a new city centre greenspace, in conjunction with a mixed use development on the site.

Following consideration of Appendix 1 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3) which was considered in private at the conclusion of the meeting, it was

**RESOLVED –**

- (a) That the progress made in relation to the development proposals for the Sovereign Street site be noted.
- (b) That the revised Sovereign Street Planning Statement be approved as a guide to future development proposals for the Sovereign Street site.
- (c) That the draft Heads of Terms agreed with KPMG and Sovereign Leeds Ltd, as detailed within exempt appendix 1 for site A be approved, and that authority be delegated to the Director of City Development in order to negotiate the detailed terms.
- (d) That a further six month exclusivity period be granted, for KPMG to complete their due diligence on the site and to complete the Agreement for lease.
- (e) That the marketing of the two remaining development sites be commenced upon completion of the Development Agreement with KPMG, expected in September 2011.
- (f) That the principle of using part of the KPMG receipt to deliver the proposed greenspace be approved.
- (g) That approval is given to appropriate land from highways to planning purposes to allow easements and other rights be overridden pursuant to S237 of the Town and Country Planning Act 1990 on the proposed KPMG (Site A).
- (h) That an injection into the Capital Programme and the authority to spend up to £100,000 of feasibility funding be approved, for the design

brief and scheme development which will enable the procurement of the new greenspace.

**49 Low Emission Zones - Council Resolution 6 April 2011**

The Director of City Development submitted a report addressing the request of Full Council for a feasibility study to be undertaken into the establishment of a Low Emission Zone in Leeds.

**RESOLVED –**

- (a) That the content of this response to Full Council's resolution requesting a study into the feasibility of establishing a Low Emission Zone in Leeds be noted.
- (b) That the bid which has been made to DEFRA in respect of funding be noted and endorsed.
- (c) That, subject to the DEFRA funding bid being successful, the further development of proposals for an initial feasibility study be approved, with a further progress report being received in due course.

**50 National High Speed Rail Strategy Consultation**

The Director of City Development submitted a report detailing the proposed response to the Government's consultation on a National High Speed Rail Strategy.

Members emphasised the need for the lobbying process in respect of this matter to continue.

**RESOLVED –**

- (a) That the contents of the submitted report be noted.
- (b) That support for the Government's high speed rail strategy and network proposals be confirmed.
- (c) That the proposed response to the national high speed rail consultation, as appended to the submitted report, be approved.

**51 Proposal to confirm an Article 4 Direction to require planning permission for a change of use from Use Class C3 to C4 in selected areas of Leeds**

The Director of City Development submitted a report summarising the responses from the recent public consultation exercise in relation to the proposed Article 4 Direction in Leeds, and sought approval to confirm the Article 4 Direction.

In response to Members' enquiries, officers undertook to look into those geographical areas highlighted which were not referenced within the report.

**RESOLVED –**

- (a) That the contents of the submitted report and the responses received in relation to the Article 4 Direction public consultation exercise be noted.
- (b) That the principle of confirming the Article 4 Direction to cover the area proposed be approved and that the Chief Planning Officer be delegated the necessary authority to confirm the Direction.

**52 Planning Applications Highways Issues (White Paper 16)**

The Director of City Development submitted a report responding to full Council's resolution of 6<sup>th</sup> April 2011 requesting that Executive Board instructed the Council's Highways Department to ensure that consultation with Ward Members took place with regard to planning applications' highways matters prior to the Highways Department passing formal comment to planning officers.

The Chief Executive stated that correspondence had been received from Councillor Cleasby in respect of this matter, who had requested that the recommendations detailed within the submitted report be replaced by the resolution which had been formally agreed by Council on the 6<sup>th</sup> April 2011.

**RESOLVED –** That in light of the representations received in respect of this matter, the report be withdrawn from the agenda, with a further report being submitted for consideration in due course.

**53 Site of the Former Wyther Park Primary School Victoria Park Avenue Armley Leeds LS5**

The Director of City Development and the Director of Environments and Neighbourhoods submitted a joint report which sought approval to sell the subject site on the provisionally agreed terms, contained within the exempt appendix to the submitted report, which included deferring payment of part of the receipt until completion of the development.

Following consideration of the Appendix to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3) which was considered in private at the conclusion of the meeting, it was

**RESOLVED –**

- (a) That the site of the former Wyther Park Primary School be sold on a deferred payment basis, on the terms outlined within the submitted report.
- (b) That approval be given to the use of the deferred payment received in a Local Investment Plan priority scheme.

## **ENVIRONMENTAL SERVICES**

### **54 Solar Photovoltaic Panels Initiative - Corporate Buildings**

The Director of City Development submitted a report regarding proposals to develop a scheme to install a maximum of £3,010,000 of investment in solar photovoltaic systems on Council buildings, including schools, which would generate an income over 25 years.

Following consideration of Appendix 2 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3) which was considered in private at the conclusion of the meeting, it was

#### **RESOLVED –**

- (a) That the project proposal for installing photovoltaic in corporate buildings, including schools, be approved.
- (b) That the injection of £3,010,000 into the Capital Programme to be fully funded by Unsupported Borrowing be approved.
- (c) That delegated authority be given to the Director of Resources to authorise expenditure of up to any value on a scheme by scheme basis, up to a total of £3,010,000, which will be subject to a prior approval of a Business Case for each site by the Director of Resources.
- (d) That the Director of City Development be given delegated authority to approve the award of the contract and building selection.

## **NEIGHBOURHOODS, HOUSING AND REGENERATION**

### **55 Little London, Beeston Hill and Holbeck PFI Housing Project: Confirmation of Amended Project Scope and Affordability**

The Director of Environment and Neighbourhoods submitted a report providing an update on the outcome of the Government Value for Money Review of the national housing PFI programme and its impact upon the Little London, Beeston Hill and Holbeck PFI project, the resultant changes required to the project scope, the affordability of the project following such changes and on the recent Key Decision taken by the Director of Environment & Neighbourhoods.

Members received an update on the current position of the project.

The report provided details of the equality impact assessment which had been undertaken in respect of this matter.

Following consideration of the appendices 1 and 2 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3), and appendix 3 to the same report, designated as exempt under Access to Information Procedure Rules 10.4 (3) and (5), which were considered in private at the conclusion of the meeting, it was

**RESOLVED –**

- (a) That the outcome of the government value for money review be noted.
- (b) That the overall changes and cost variations to the project be noted.
- (c) That the re-submission of an amended Pre-Preferred Bidder Final Business Case under the Director Delegation Scheme as detailed in paragraph 7.1 of the submitted report, be noted.
- (d) That the revised overall affordability position, as detailed in exempt appendix 2 of the submitted report, be noted.
- (e) That it be noted (without affecting the resolutions of the meeting of this Board on 9th March 2011 including those granting authority to enable the Project to reach financial close) that it is anticipated that a further report be brought to a future Board meeting in due course with details of the Pre-Financial Close affordability.

(Councillors Finnigan and Dobson both declared personal interests in relation to this matter, due to their respective positions as Aire Valley Homes ALMO Board Members).

**56 Arms Length Management Organisations and Tenant Management Organisations Annual Reports for 2010/2011**

The Director of Environment and Neighbourhoods submitted a report presenting the in 2010/11 Annual Reports for the Arms Length Management Organisations (ALMOs) and Belle Isle Tenant Management Organisation (BITMO) which highlighted the achievements and performance results for the previous year.

The Board welcomed the four Chief Executives of the ALMOs and BITMO, who were in attendance to provide additional detail and answer any questions.

Following Members' enquiries regarding tenants' perception of the ALMOs and BITMO, it was proposed that a report was submitted to a future meeting of the Board in respect of such matters and the work being undertaken to improve tenants' satisfaction levels.

**RESOLVED –**

- (a) That the contents of the 2010/11 ALMO and BITMO annual reports and supporting papers be noted.
- (b) That a report be submitted to a future meeting of the Board regarding tenants' satisfaction levels, and the work being undertaken to improve such levels.

(Councillors Finnigan, Dobson and Blake all declared personal interests in relation to this matter, due to their respective positions as either Aire Valley

Homes ALMO Board Members or Belle Isle Tenant Management Organisation Board Members).

**57 Gypsies and Travellers - Progress on Scrutiny Board Inquiry Recommendations**

Further to Minute No. 168, 11<sup>th</sup> February 2011, the Director of Environment and Neighbourhoods submitted a report providing an update on the work undertaken following the Board's consideration of the response to the inquiry undertaken by the former Scrutiny Board (Environment and Neighbourhoods) Inquiry into site provision for Gypsies and Travellers in Leeds.

Members made enquiries into the content of the report, when compared to the current governmental guidance relating to site development for Gypsies and Travellers and due to the fact that the government was currently consulting on new planning policy for such sites. In response, Members received assurances in respect of their enquiries, including those in respect of external funding proposals, whilst officers undertook to circulate the relevant governmental guidance on this matter as appropriate. In addition, it was proposed that a further report was submitted to the Board in due course when the new governmental planning policy for Gypsy and Traveller sites had been released.

**RESOLVED –**

- (a) That the contents of the submitted report be noted.
- (b) That the instigation of a search for a new site or sites, in accordance with the principles set out at paragraph 3.9 and 3.10 of the submitted report, be approved.
- (c) That a further report be submitted to the Board in due course when the new governmental planning policy for Gypsy and Traveller sites had been released.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Carter required it to be recorded that he voted against the decisions taken above, whilst Councillor Golton required it to be recorded that he abstained from voting on these matters).

**CHILDREN'S SERVICES**

**58 Primary Basic Need 2012 - Outcome of statutory notices for the expansion of primary provision in 2012**

Further to Minute No. 203, 30<sup>th</sup> March 2011, the Director of Children's Services submitted a report outlining the representations received as part of the consultation exercise on the proposals for expansion of primary provision from September 2012 and seeking a final decision on the proposals.

**RESOLVED –**

- (a) That the capacity of Wykebeck Primary School be expanded from 315 places to 420 places on its existing site.

Draft minutes to be approved at the meeting to be held on Wednesday, 7th September, 2011

- (b) That the former South Gipton Community centre site be earmarked for the expansion of Wykebeck Primary School.
- (c) That the capacity of Bracken Edge Primary School be expanded from 315 places to 420 places on its existing site.
- (d) That the age range of Carr Manor High School be changed from 11-18 to 4-18 years, with a reception admission limit of 30, with land next to the school being used for the primary provision.

**59 Primary Basic Need Programme - Permission to consult on proposals for expansion of primary provision in 2013 and 2014**

The Director of Children's Services submitted a report detailing the requirement for primary school places in the academic year 2013/14 and beyond, presenting a range of proposals to address the identified need and seeking permission to consult on some specific options and identifying further work required on others, prior to any statutory consultation.

Members received responses to their specific enquiries regarding particular school sites or geographical areas of Leeds.

**RESOLVED –**

- (a) That it be noted that Bramley St Peter's will be expanded from 315 to 420 places, with no requirement for a statutory process.
- (b) That formal consultation to expand existing schools be approved, as follows:-
  - i) Rawdon St Peter's Primary School from 315 to 420 places,
  - ii) Morley Newlands Primary School from 420 to 630 places;
- (c) That approval be given to the undertaking of formal consultation on two new 420 place primary schools, to be established on the site of the former South Leeds Sports Centre and on land at Florence Street, with the sites being earmarked for this purpose.
- (d) That further reports detailing the outcomes of these consultation exercises, and any further proposals to cover any remaining shortfall, be submitted to the Board at a later date.

**DATE OF PUBLICATION:** 29<sup>TH</sup> JULY 2011

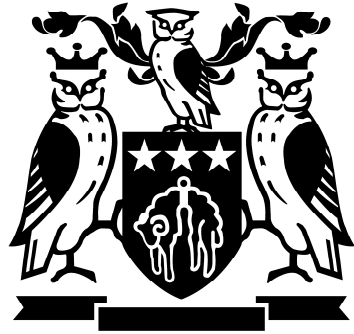
**LAST DATE FOR CALL IN OF ELIGIBLE DECISIONS:** 5<sup>TH</sup> AUGUST 2011 (5.00 P.M.)

(Scrutiny Support will notify Directors of any items called in by 12.00 p.m. on 8<sup>th</sup> August 2011)

Draft minutes to be approved at the meeting to be held on Wednesday, 7th September, 2011

Draft minutes to be approved at the meeting  
to be held on Wednesday, 7th September, 2011





**Leeds**  
CITY COUNCIL

**FORWARD PLAN OF KEY DECISIONS**  
relating to Resources and Council Services Scrutiny Board

1 August 2011 – 30 November 2011

**LEEDS CITY COUNCIL**

**FORWARD PLAN OF KEY DECISIONS**

For the period 1 August 2011 to 30 November 2011

<b>Key Decisions</b>	<b>Decision Maker</b>	<b>Expected Date of Decision</b>	<b>Proposed Consultation</b>	<b>Documents to be Considered by Decision Maker</b>	<b>Lead Officer</b> (To whom representations should be made and email address to send representations to)
Supply and Maintenance of Vehicle Tyres To agree the award of Tender for the Supply and Maintenance of Vehicle Tyres	Chief Commercial Services Officer ( )	1/8/11	Fleet Services, Procurement Unit, Chief Officer concerned	Tender Submissions	Carl Snowden carl.snowden@leeds.gov.uk

<p>ICT Services Novell Infrastructure migration to Microsoft Infrastructure          Replace the council's end of life core Novell ICT technology with the equivalent Microsoft technology as outlined in the council's ICT strategy and delivered under the ICT Services Essential Services Programme (ESP). This will be undertaken through existing contract arrangements.</p>	<p>Chief ICT Officer          ()</p>	<p>1/8/11</p>	<p>ESP Programme Board, ICT Monthly Commissioning Board, departmental communication ongoing and planned. Microsoft 'Applications Infrastructure' strategy agreed at Exec Board in 2007.</p>	<p>Applications Infrastructure'          Exec Board Report</p>	<p>david.maidment@leeds.gov.uk</p>
<p>ICT Data Storage Consolidation          Replace old and inefficient data storage devices with modern, efficient, consolidated equivalent devices. This is part of the ongoing refresh programme to keep the council's ICT infrastructure up to date and fit for purpose. This will be undertaken through a competition using existing framework contracts.</p>	<p>Chief ICT Officer          ()</p>	<p>1/8/11</p>	<p>ESP Programme Board, ICT Commissioning Board.</p>	<p>Storage Consolidation Business Case, DDN, Chief</p>	<p>david.maidment@leeds.gov.uk</p>

<p>Telephony Modernisation – Phase 1 Phase 1 modernisation of the Council’s existing IPT telephony system to enable remote site savings through the use of Voice Over Internet Protocol (VOIP) technology. This will be undertaken through existing contract arrangements.</p>	<p>Chief ICT Officer ( )</p>	<p>1/8/11</p>	<p>ICT Monthly Commissioning Board. There are a series of discussions with departments ongoing and planned.</p>	<p>IPT Business Case, DDN, Chief Officer Report</p>	<p>david.maidment@leeds.gov.uk</p>
<p>Awarding of the Framework Agreement for vehicle bodywork repair services for a period of 3 years from the 1st April 2011 with the option to extend a further 12 months To award the Framework Agreement for vehicle bodywork services</p>	<p>Chief Commercial Services Officer ( )</p>	<p>1/9/11</p>	<p>Fleet Services, Procurement Unit, Chief Officer affected</p>	<p>Tender Returns</p>	<p>Carl Snowden carl.snowden@leeds.gov.uk</p>

<p>Monthly Financial Health Report 2011/12 In noting the financial position for the month for the Authority a decision will be required as to the treatment of any variation identified</p>	<p>Executive Board (Portfolio: Resources and Corporate Functions)</p>	<p>7/9/11</p>	<p>n/a</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>Doug Meeson, Chief Officer (Financial Management) doug.meeson@leeds.gov.uk</p>
<p>Sex Establishment Statement of Licensing Policy Approval of Sex Establishment Statement of Licensing Policy</p>	<p>Executive Board (Portfolio: Resources and Corporate Functions)</p>	<p>7/9/11</p>	<p>Policy development with Licensing Committee, 12 week public consultation ending 26/06/11 (inc all Ward Members)</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>susan.holden@leeds.gov.uk</p>
<p>Holt Park Well Being Centre - Revised Final Business Case Approval of the revised Business Case including the project scope and the required financial contribution from the City Council over the life of the project</p>	<p>Executive Board (Portfolio: Resources and Corporate Functions)</p>	<p>7/9/11</p>		<p>The report to be issued to the decision make with the agenda for the meeting</p>	<p>David Outram, Leeds Development Agency david.outram@leeds.gov.uk</p>

<p>ICT Services – Changing The Workplace - Application Deployment Infrastructure replacement Replace the council’s end of life ICT ‘Application Delivery’ technology with a modern equivalent that will allow staff to work more flexibly in line with the council’s ‘Changing The Workplace’ (CTW) programme. To be delivered under the ICT Services Essential Services Programme (ESP). This will be undertaken through existing contract arrangements.</p>	<p>Executive Board (Portfolio: Resources and Corporate Functions)</p>	<p>7/9/11</p>	<p>CTW Programme Board, ESP Programme Board, ICT Monthly Commissioning Board, departmental communication ongoing and planned.</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>david.maidment@leeds.gov.uk</p>
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<p>The Manufacture, Supply and Installation of Passenger Lifts, Stair Lifts and through the Floor Lifts to Leeds City Council Buildings</p> <p>Property Maintenance's procurement exercise for the award of a framework contract for the manufacture. Supply and installation of passenger lifts, stair lifts and through the floor lifts to Leeds Council Buildings</p>	<p>Chief Commercial Services Officer ( )</p>	<p>1/10/11</p>	<p>None</p>	<p>The award report from the tender process</p>	<p>sarah.martin@leeds.gov.uk</p>
<p>The design and build of a new electrical infrastructure for the Apex Data Centre</p> <p>To award a contract to an appropriate contractor following a regulated tender process</p>	<p>Chief ICT Officer ( )</p>	<p>30/10/11</p>	<p>N/A</p>	<p>Delegated Decision Report</p>	<p>andrew.byrom@leeds.gov.uk</p>

r the adoption of the Budget and Policy Framework

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